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As filed with the Securities and Exchange Commission on December 23, 2010

Registration No. 333-169785

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Amendment No. 2 to

FORM S-4

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

LANTHEUS MEDICAL IMAGING, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**2834**	**51-0396366**
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

331 Treble Cove Road
North Billerica, MA 01862
(978) 671-8001
(Name, address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Michael P. Duffy
Vice President, General Counsel and Secretary
331 Treble Cove Road, Building 600-2
North Billerica, MA 01862
(978) 671-8408
(Name, address, including zip code, and telephone number, including area code, of agent for service)

See Table of Additional Registrants Below

Copies to:

Todd R. Chandler, Esq.
Heather L. Emmel, Esq.
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
(212) 310-8000

Approximate date of commencement of proposed sale of the securities to the public:
As soon as practicable after the effective date of this Registration Statement.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☒ (Do not check if a smaller reporting company)	Smaller reporting company ☐

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ☐

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ☐

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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Table of Additional Registrants

Exact Name of Registrant as Specified in its Charter (Or Other Organizational Document)	State or Other Jurisdiction of Incorporation or Organization	I.R.S Employer Identification Number (If None, Write N/A)	Primary Standard Industrial Classification Code Number	Address, Including Zip Code, of Registrant's Principal Executive Offices	Telephone Number, Including Area Code, of Registrant's Principal Executive Offices
Lantheus MI Intermediate, Inc.	Delaware	32-0225450	2834	331 Treble Cove Road, North Billerica, MA 01862	(978) 671-8001
Lantheus MI Real Estate, LLC	Delaware	61-1549164	2834	331 Treble Cove Road, North Billerica, MA 01862	(978) 671-8001

The name, address, including zip code, and telephone number, including area code, of the agent for service for each of the Additional Registrants is:

Michael P. Duffy
Vice President, General Counsel and Secretary
Lantheus Medical Imaging, Inc.
331 Treble Cove Road, Building 600-2
North Billerica, MA 01862
(978) 671-8408

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED DECEMBER 23, 2010

PRELIMINARY PROSPECTUS

LANTHEUS MEDICAL IMAGING, INC.

OFFER TO EXCHANGE
All Outstanding
9.750% Senior Notes due 2017 (the "Restricted Notes")
for
9.750% Senior Notes due 2017

the issuance of each of which has been registered under the Securities Act of 1933 (the "Exchange Notes" and, collectively with the Restricted Notes, the "notes"). We refer herein to the foregoing offer to exchange as the "exchange offer."

The exchange offer will expire at 5:00 p.m., New York City time, on , 2011, unless we extend the exchange offer in our sole and absolute discretion.

Material Terms of the Exchange Offer

- The only conditions to completing the exchange offer are that the exchange offer not violate applicable law or any applicable interpretation of the staff of the Securities and Exchange Commission, which we refer to as the SEC or the Commission; no action or proceeding shall have been instituted or threatened in any court or by any governmental agency which might materially impair our ability to proceed with the exchange offer and no material adverse development shall have occurred in any existing action or proceeding with respect to us; and all governmental approvals shall have been obtained, which approvals we deem necessary for the consummation of the exchange offer.

- We will exchange all outstanding Restricted Notes that are validly tendered and not withdrawn prior to the expiration or termination of the exchange offer for an equal principal amount of Exchange Notes.

- You may withdraw tenders of Restricted Notes at any time prior to the expiration or termination of the exchange offer.

- Restricted Notes may be tendered only in minimum denominations of $2,000 and any integral multiple of $1,000 in excess thereof.

- The terms of the Exchange Notes are substantially identical in all material respects to those of the Restricted Notes, except that transfer restrictions, registration rights and additional interest provisions relating to the Restricted Notes do not apply to the Exchange Notes. The Exchange Notes will be issued under the same indenture as the Restricted Notes.

- We will not receive any proceeds from the exchange offer.

Results of the Exchange Offer

- The Exchange Notes may be sold in the over-the-counter market, in negotiated transactions or through a combination of such methods. We do not plan to list the Exchange Notes or Restricted Notes on a national market.

- All outstanding Restricted Notes not tendered will continue to be subject to the restrictions on transfer set forth in the outstanding Restricted Notes and the related indenture. In general, outstanding Restricted Notes may not be offered or sold, unless registered under the Securities Act of 1933, as amended (the "Securities Act"), except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws.

- Other than in connection with the exchange offer, we do not plan to register the outstanding Restricted Notes under the Securities Act.

Each broker-dealer that receives Exchange Notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of the Exchange Notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of Exchange Notes received in exchange for Restricted Notes where such Restricted Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of up to 180 days after the expiration date of the exchange offer, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See "Plan of Distribution" on page 199.

Consider carefully the "Risk Factors" beginning on page 16 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2010

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This prospectus incorporates by reference important business and financial information about us that is not included in or delivered with this prospectus. This information is available without charge to you upon written or oral request. If you would like a copy of any of this information, please submit your request to Lantheus Medical Imaging, Inc., 331 Treble Cove Rd., Building 600-2, N. Billerica, Massachusetts 01862, Attention: General Counsel, (978) 671-8408. In order to ensure timely delivery of such documents, you must request this information no later than five business days before the date you must make your investment decision. Accordingly, you should make any request for documents by , 2011 to ensure timely delivery of documents prior to the expiration date.

No person has been authorized to give any information or to make any representations other than those contained in this prospectus and, if given or made, such information and representations must not be relied upon as having been authorized. This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities to which it relates or any offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in our affairs since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

TRADEMARKS

We own or have the rights to various trademarks, service marks and trade names, including, among others, the following: DEFINITY®, Ablavar®, TechneLite®, Cardiolite®, Neurolite®, Vialmix® and Lantheus Medical Imaging® referred to in this prospectus. Solely for convenience, we refer to trademarks, service marks and trade names in this prospectus without the ™, SM and ® symbols. Such references are not intended to indicate, in any way, that we will not assert, to the fullest extent permitted under applicable law, our rights to our trademarks, service marks and trade names. Each trademark, trade name or service mark of any other company appearing in this prospectus, such as Myoview®, Vasovist® and Optison® are, to our knowledge, owned by such other company.

SUMMARY

This summary highlights information appearing elsewhere in this prospectus. You should carefully read the entire prospectus, including the section entitled "Risk Factors," and the financial statements and related notes before deciding to participate in the exchange offer. Unless the context requires otherwise, references to "Lantheus," "our company," "we," "us" and "our" refer to Lantheus Medical Imaging, Inc. and its direct and indirect subsidiaries, references to "Lantheus Intermediate" refer to Lantheus MI Intermediate, Inc., and references to "Holdings" refer to Lantheus MI Holdings, Inc.

Overview

We are a leading specialty pharmaceutical company that develops, manufactures and distributes innovative diagnostic medical imaging products on a global basis. Our current imaging agents primarily assist in the diagnosis of heart, vascular and other diseases using nuclear imaging, echocardiography and magnetic resonance imaging ("MRI") technologies. We also have a full clinical and preclinical development pipeline of next-generation and first-in-class products that use Positron Emission Tomography ("PET") and MRI technologies. We believe that our products offer significant benefits to patients, healthcare providers and the overall healthcare system. As a result of more accurate diagnosis of disease, we believe our products allow healthcare providers to make more informed patient care decisions, potentially improving outcomes, reducing patient risk and decreasing costs for payors and the entire healthcare system.

With direct operations in the United States, Puerto Rico, Canada and Australia, we have a long and distinguished history of developing and commercializing innovative market-changing products. Our principal branded products include DEFINITY, Cardiolite and TechneLite, which, in the aggregate, accounted for approximately 76% of our total revenues in 2009.

- ***DEFINITY.*** DEFINITY Vial for (Perflutren Lipid Microsphere) Injectable Suspension is the leading ultrasound contrast agent used in ultrasound exams of the heart, also known as echocardiographic exams.

- ***Cardiolite.*** Cardiolite (Kit for Preparation of Technetium Tc99m Sestamibi for Injection) is the leading technetium-based radiopharmaceutical used in Single Photon Emission Computed Tomography ("SPECT") myocardial perfusion imaging ("MPI") procedures. Cardiolite is primarily used for detecting coronary artery disease.

- ***TechneLite.*** TechneLite is a technetium-based generator which provides the essential medical isotope used by radiopharmacies to radiolabel Cardiolite and other Tc-99m-based radiopharmaceuticals used in nuclear medicine procedures.

In addition to our broad portfolio of products developed internally, which are protected by patents we own in the United States and numerous foreign jurisdictions, we actively seek acquisition, in-licensing and co-promotion opportunities to further expand our portfolio and leverage our core capabilities in the diagnostic medical imaging space. We purchased from EPIX Pharmaceuticals, Inc. ("EPIX") its U.S., Canadian and Australian rights to Ablavar, a magnetic resonance angiography ("MRA") imaging agent recently approved by the U.S. Food and Drug Administration ("FDA"), in April 2009 and the balance of the worldwide rights in June 2010. Ablavar is a gadolinium-based contrast agent indicated to evaluate aortoiliac occlusive disease in adults with known or suspected peripheral vascular disease and is the first contrast agent approved for an MRA indication in the United States.

We distribute our products in the United States and internationally through radiopharmacies, distributor relationships and our direct sales force. In addition, we both own radiopharmacies and sell directly to end-users in Australia, Canada and Puerto Rico. In the rest of the world, including Europe, Asia and Latin America, we utilize distributor relationships to distribute our products.

To supplement our portfolio of marketed products, we have an experienced research and development ("R&D") team with expertise across the discovery, preclinical and clinical development continuum, including Phase IV post-marketing studies.

Risks Associated with Our Business

You should carefully consider the risks discussed in the "Risk Factors" section beginning on page 16 of this prospectus, together with the other information contained in this prospectus, prior to deciding whether to participate in the exchange offer or invest in the notes. Some of these risks include:

- The global supply of Molybdenum-99 ("Moly") is fragile and not stable, and we depend on a limited number of third party suppliers, which could prevent us from delivering our products to our customers in the required quantities, within the required timeframes, or at all, resulting in order cancellations and decreased revenues;
- a significant portion of our patient volume is derived from U.S. government healthcare programs, principally Medicare, which are highly regulated and subject to frequent and substantial changes, including increasing cost containment pressures;
- the process of developing new drugs and obtaining regulatory approval for our product candidates is complex, time-consuming and costly, and the outcome is not certain; and
- the market for diagnostic medical imaging agents is highly competitive and continually evolving, with our principal competitors being large, global companies and certain of our products subject to generic competition.

Corporate History

Founded in 1956 as New England Nuclear Corporation, we were purchased by E. I. du Pont de Nemours and Company in 1981. Bristol-Myers Squibb Company ("BMS") subsequently acquired the diagnostic medical imaging business as part of its acquisition of DuPont Pharmaceuticals in 2001. Avista Capital Partners, L.P. and affiliates (collectively, "Avista") acquired the medical imaging business from BMS in January 2008 (the "Acquisition").

Our Sponsor

Avista is a leading private equity firm with offices in New York, NY, Houston, TX and London, UK. Founded in 2005 as a spin-out from the former DLJ Merchant Banking Partners ("DLJMB") franchise, Avista's strategy is to make controlling or influential minority investments primarily in growth-oriented energy, healthcare, media, consumer and industrial companies. Through its team of seasoned investment professionals and industry experts, Avista seeks to partner with exceptional management teams to invest in and add value to well-positioned businesses.

Our Executive Offices

Our principal executive offices are located at 331 Treble Cove Road, North Billerica, Massachusetts 01862, and our telephone number at that address is (978) 671-8001. Our web site is located at www.lantheus.com. The information on our web site is not part of, and is not incorporated into, this prospectus.

Summary of the Terms of the Exchange Offer

On May 10, 2010, we completed the private offering of $250,000,000 aggregate principal amount of our Restricted Notes. We refer to the issuance of the Restricted Notes in this prospectus as the "original issuance."

At the time of the original issuance, we entered into a registration rights agreement with the initial purchasers of the Restricted Notes in which we agreed to, among other things, complete an exchange offer for the Restricted Notes. You are entitled to exchange your Restricted Notes in the exchange offer for Exchange Notes (as defined below) with identical terms, except that the Exchange Notes will have been registered under the Securities Act, will not bear legends restricting their transfer or contain additional interest provisions. The Exchange Notes will be issued under the same indenture as the Restricted Notes. Unless you are a broker-dealer or unable to participate in the exchange offer, we believe that the Exchange Notes to be issued in the exchange offer may be resold by you without compliance with the registration and prospectus delivery requirements of the Securities Act. You should read the discussions under the headings "The Exchange Offer" and "Description of the Exchange Notes" for further information regarding the Exchange Notes.

Registration Rights Agreement	Under the registration rights agreement, we are obligated to offer to exchange the Restricted Notes for Exchange Notes with substantially identical terms. The exchange offer is intended to satisfy that obligation. After the exchange offer is complete, you will no longer be entitled to any exchange or registration rights with respect to your Restricted Notes.
The Exchange Offer	We are offering to exchange up to $250,000,000 aggregate principal amount of 9.750% Senior Exchange Notes due 2017 (the "Exchange Notes") for a like principal amount of the Restricted Notes to satisfy our obligations under the registration rights agreement. If we fail to satisfy our registration obligations under the registration rights agreement, including, if required, our obligation to have an effective shelf registration statement for the Restricted Notes, we may be required to pay additional interest to the holders of the Restricted Notes, up to a maximum of 1.00% per year. See "The Exchange Offer —Purpose and Effect." In order to be exchanged, Restricted Notes must be properly tendered and accepted. All Restricted Notes that are validly tendered and not validly withdrawn will be accepted and exchanged. We will issue the Exchange Notes promptly after the expiration of the exchange offer.
Resales of the Exchange Notes	We believe that the Exchange Notes to be issued in the exchange offer may be offered for resale, resold and otherwise transferred by you without compliance with the registration and prospectus delivery provisions of the Securities Act if, but only if, you meet the following conditions: • the Exchange Notes to be issued to you in the exchange offer are acquired in the ordinary course of your business;

- at the time of the commencement of the exchange offer, you have no arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the Exchange Notes to be issued to you in the exchange offer in violation of the Securities Act;
- you are not our affiliate, as that term is defined in Rule 405 of the Securities Act;
- you are not engaging in, and do not intend to engage in, a distribution of the Exchange Notes to be issued to you in the exchange offer;
- if you are a participating broker-dealer that will receive Exchange Notes for your own account in exchange for the Restricted Notes that were acquired as a result of market-making or other trading activities, that you will deliver a prospectus in connection with any resale of the Exchange Notes; and
- you are not acting on behalf of any persons or entities who could not truthfully make the foregoing representations.

Our belief is based on interpretations by the staff of the Commission, as set forth in no-action letters issued to third parties unrelated to us. The staff has not considered the exchange offer in the context of a no-action letter, and we cannot assure you that the staff would make a similar determination with respect to the exchange offer.

If you do not meet the above conditions, you may not participate in the exchange offer or sell, transfer or otherwise dispose of any Restricted Notes unless (i) they have been registered for resale by you under the Securities Act and you deliver a "resale" prospectus meeting the requirements of the Securities Act or (ii) you sell, transfer or otherwise dispose of the Exchange Notes in accordance with an applicable exemption from the registration requirements of the Securities Act.

Each broker-dealer that received Exchange Notes in the exchange offer for its own account in exchange for Restricted Notes that were acquired by that broker-dealer as a result of market-making activities or other trading activities must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any of its resales of those Exchange Notes. A broker-dealer may use this prospectus to offer to resell, resell or otherwise transfer those Exchange Notes. See "Plan of Distribution." A broker-dealer may use this prospectus for an offer to resell or to otherwise transfer those Exchange Notes for a period of 180 days after the expiration of the exchange offer.

Expiration Date

The exchange offer will expire at 5:00 p.m., New York City time, on , 2011, unless we decide to extend the exchange offer. We do not intend to extend the exchange offer, although we reserve the right to do so. If we determine to extend the exchange offer, we do not intend to extend it beyond , 2011.

Conditions to the Exchange Offer

The only conditions to completing the exchange offer are that:

- the exchange offer does not violate applicable law or any applicable interpretation of the staff of the Commission;
- no action or proceeding shall have been instituted or threatened in any court or by any governmental agency which might materially impair our ability to proceed with the exchange offer, and no material adverse development shall have occurred in any existing action or proceeding with respect to us; and
- all governmental approvals shall have been obtained, which approvals we deem necessary for the consummation of the exchange offer.

See "The Exchange Offer—Conditions to the Exchange Offer."

Procedure for Tendering Restricted Notes

The Restricted Notes were issued as global securities in fully registered form without interest coupons. Beneficial interests in the Restricted Notes which are held by direct or indirect participants in The Depository Trust Company ("DTC") through certificateless depositary interests are shown on, and transfers of the Restricted Notes can be made only through, records maintained in book-entry form by DTC with respect to its participants.

If you are a holder of a Restricted Note held in the form of a book-entry interest and you wish to tender your Restricted Note for exchange pursuant to the exchange offer, you must transmit to Wilmington Trust FSB, as exchange agent, on or prior to the expiration of the exchange offer either:

- a written or facsimile copy of a properly completed and executed letter of transmittal and all other required documents to the address set forth on the cover page of the letter of transmittal; or
- a computer-generated message transmitted by means of DTC's Automated Tender Offer Program (ATOP) system and forming a part of a confirmation of book-entry transfer in which you acknowledge and agree to be bound by the terms of the letter of transmittal.

The exchange agent must also receive on or prior to the expiration of the exchange offer either:

- a timely confirmation of book-entry transfer of your original notes into the exchange agent's account at DTC, in accordance with the procedure for book-entry transfers described in this prospectus under the heading "The Exchange Offer—Book-Entry Transfer;" or
- the documents necessary for compliance with the guaranteed delivery procedures described below.

A form of letter of transmittal accompanies this prospectus. By examining the letter of transmittal or delivering a computer-generated message through DTC's Automated Tender Offer Program (ATOP) system, you will represent to us that, among other things:

- the Exchange Notes to be issued to you in the exchange offer are acquired in the ordinary course of your business;
- at the time of the commencement of the exchange offer, you have no arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the Exchange Notes to be issued to you in the exchange offer in violation of the Securities Act;
- you are not our affiliate, as that term is defined in Rule 405 of the Securities Act;
- you are not engaging in, and do not intend to engage in, a distribution of the Exchange Notes to be issued to you in the exchange offer;
- if you are a participating broker-dealer that will receive Exchange Notes for your own account in exchange for the Restricted Notes that were acquired as a result of market-making or other trading activities, that you will deliver a prospectus in connection with any resale of the Exchange Notes; and
- you are not acting on behalf of any persons or entities who could not truthfully make the foregoing representations.

Special Procedure for Beneficial Owners	If you are the beneficial owner of Restricted Notes and they are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, and you wish to tender your Restricted Notes, you should promptly contact the person in whose name your Restricted Notes are registered and instruct that person to tender on your behalf. Any registered holder that is a participant in DTC's book-entry transfer facility system may make book-entry delivery of the Restricted Notes by causing DTC to transfer the Restricted Notes into the exchange agent's account. If you wish to tender on your own behalf, you must, prior to completing and executing the letter of transmittal for your Restricted Notes and delivering your Restricted Notes, either make appropriate arrangements to register ownership of the Restricted Notes in your name or obtain a properly completed bond power from the person in whose name your Restricted Notes are registered. The transfer of registered ownership may take considerable time.
Guaranteed Delivery Procedures	If you wish to tender your Restricted Notes and: • they are not immediately available; • time will not permit your Restricted Notes or other required documents to reach the exchange agent before the expiration of the exchange offer; or • you cannot complete the procedure for book-entry transfer on a timely basis, you may tender your Restricted Notes in accordance with the guaranteed delivery procedures set forth in "The Exchange Offer—Procedures for Tendering Restricted Notes."
Acceptance of Restricted Notes and Delivery of Exchange Notes	Except under the circumstances described above under "Conditions to the Exchange Offer," we will accept for exchange any and all Restricted Notes which are properly tendered in the exchange offer prior to 5:00 p.m., New York City time, on the expiration date. The Exchange Notes to be issued to you in the exchange offer will be delivered promptly following the expiration date. See "The Exchange Offer—Terms of the Exchang Offer."
Withdrawal	You may withdraw the tender of your Restricted Notes at any time prior to 5:00 p.m., New York City time, on the expiration date. We will return to you any Restricted Notes not accepted for exchange for any reason without expense to you promptly after the expiration or termination of the exchange offer.

Use of Proceeds	The exchange offer is intended to satisfy our obligations under the registration rights agreement. We will not receive any cash proceeds from the issuance of the Exchange Notes or the exchange offer. Accordingly, the issuance of the Exchange Notes will not result in any increase in our outstanding indebtedness or change in our capitalization. We will bear the expenses of the Exchange Offer. See "Use of Proceeds."
Exchange Agent	Wilmington Trust FSB is serving as the exchange agent in connection with the exchange offer.
Consequences of Failure to Exchange	If you do not participate in the exchange offer, upon completion of the exchange offer, the liquidity of the market for your Restricted Notes could be adversely affected. See "The Exchange Offer—Consequences of Failing to Exchange Restricted Notes."
Federal Income Tax Consequences	The exchange of Restricted Notes for Exchange Notes will not be a taxable event for federal income tax purposes. See "Certain U.S. Federal Income Tax Considerations of the Exchange Offer."

Summary of the Terms of the Exchange Notes

The summary below describes the principal terms of the Exchange Notes. Some of the terms and conditions described below are subject to important limitations and exceptions. The "Description of the Exchange Notes" section of this prospectus contains a more detailed description of the terms and conditions of the Exchange Notes.

Issuer	Lantheus Medical Imaging, Inc.
Exchange Notes Offered	$250,000,000 aggregate principal amount of our 9.750% Senior Notes due 2017.
Maturity Date	May 15, 2017.
Interest	The Exchange Notes will bear interest at a rate of 9.750% per year. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.
Interest Payment Dates	We will pay interest on the Exchange Notes semi-annually, in arrears, on May 15 and November 15, commencing November 15, 2010.
Ranking	The Exchange Notes will be our senior unsecured obligations. Accordingly, they will rank: • effectively subordinate to all of our existing and future secured indebtedness, including indebtedness under our revolving credit facility, to the extent of the value of the collateral securing such indebtedness; • effectively subordinate to all existing and future indebtedness and other liabilities of any non-guarantor subsidiaries (other than indebtedness and other liabilities owed to us); • equal in right of payment to all of our existing and future senior unsecured indebtedness; and • senior in right of payment to all of our future senior subordinated indebtedness. As of September 30, 2010, we had total indebtedness in an aggregate principal amount of $250.0 million consisting entirely of the Restricted Notes subject to the Exchange Offer, none of which was secured indebtedness and none of which was junior in right of payment to the notes.
Guarantees	The Exchange Notes will be fully and unconditionally guaranteed on a senior unsecured basis by our parent, Lantheus Intermediate, and by each of our existing and future wholly-owned domestic subsidiaries. In the future, the guarantees may be released or terminated under certain circumstances. See "Description of the Exchange Notes—Guarantees."

Each guarantee will rank:

- effectively subordinate to all existing and future secured indebtedness of the guarantor, including its guarantee of indebtedness under our revolving credit facility, to the extent of the value of the collateral securing such indebtedness;
- equal in right of payment to all existing and future senior indebtedness of the guarantor; and
- senior in right of payment to all existing and future senior subordinated indebtedness of the guarantor.

Our foreign subsidiaries and any future unrestricted subsidiaries will not guarantee our obligations under the Exchange Notes. In the event of a bankruptcy, liquidation or reorganization of any of these non-guarantor subsidiaries, these non-guarantor subsidiaries will pay the holders of their debts and their trade creditors before they will be able to distribute any of their assets to us. For the nine months ended September 30, 2010, our non-guarantor subsidiaries accounted for approximately 22.0% of our total revenues. In addition, as of September 30, 2010, our non-guarantor subsidiaries held approximately 11.1% of our consolidated assets and had approximately 5.1% of liabilities (including trade payables), to which the notes and guarantees would have been structurally subordinated.

Optional Redemption

At any time prior to May 15, 2013, we may redeem up to 35% of the aggregate principal amount of the Exchange Notes with the net cash proceeds of certain equity offerings at the redemption price set forth under "Description of the Exchange Notes—Optional Redemption."

At any time prior to May 15, 2014, we may redeem the Exchange Notes, in whole or in part, at a "make-whole" redemption price set forth under "Description of the Exchange Notes—Optional Redemption."

On and after May 15, 2014, we may redeem the Exchange Notes, in whole or in part, at the redemption prices set forth under "Description of the Exchange Notes—Optional Redemption."

Certain Covenants

The indenture governing the Exchange Notes will contain covenants that, among other things, limit our ability and the ability of our restricted subsidiaries to:

- incur additional debt;
- pay dividends or make other distributions;
- redeem stock;
- issue stock of subsidiaries;

- make certain investments;
- create liens;
- enter into transactions with affiliates; and
- merge, consolidate or transfer all or substantially all of our assets.

These covenants are subject to important exceptions and qualifications. See "Description of the Exchange Notes—Certain Covenants."

Change of Control

If a change of control occurs, we must offer to repurchase the Exchange Notes at the price set forth under "Description of the Exchange Notes—Repurchase at the Option of Holders—Change of Control."

Form and Denomination

The Exchange Notes will be book-entry only and registered in the name of DTC or its nominee. The Exchange Notes will be issuable in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.

Risk Factors

Investing in the Exchange Notes involves substantial risks. You should consider carefully the information set forth in the section entitled "Risk Factors" beginning on page 16 and all other information contained in this prospectus before deciding to invest in the Exchange Notes.

Summary Consolidated Financial Data

The following table sets forth (i) summary consolidated financial data for Lantheus Intermediate, our parent company and a guarantor of the notes (the "Successor"), as of and for the nine months ended September 30, 2009 and 2010, which have been derived from the unaudited consolidated financial statements of Lantheus Intermediate included elsewhere in this prospectus, (ii) summary consolidated financial data for Lantheus Intermediate, our parent company and a guarantor of the notes (the Successor), for the fiscal years ended December 31, 2008 and 2009, which have been derived from the audited consolidated financial statements of Lantheus Intermediate included elsewhere in this prospectus and (iii) summary consolidated financial data for Bristol-Myers Squibb Medical Imaging, Inc. ("BMSMI") (the "Predecessor," formerly a division of BMS and now known as Lantheus Medical Imaging, Inc.) for the year ended December 31, 2007, which have been derived from the audited financial statements of BMSMI included elsewhere in this prospectus.

The financial statements of BMSMI for the year ended December 31, 2007 were prepared in connection with Avista's acquisition of Lantheus on January 8, 2008 and contain expense allocations for corporate functions historically provided to BMSMI by BMS and not costs that we would have incurred as a stand-alone entity. These statements have been prepared using the Predecessor's bases in the assets and liabilities and the historical results of operations. As a result, the financial statements of BMSMI for the year ended December 31, 2007 are not comparable to our financial statements for subsequent periods. See "Basis of Financial Information."

The summary consolidated financial data set forth below and elsewhere in this prospectus are not necessarily indicative of our future performance. You should read this information together with "Capitalization," "Selected Consolidated Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the audited and unaudited consolidated financial statements and related notes included elsewhere in this prospectus.

	Predecessor	Successor			
	Year Ended December 31,			Nine Months Ended September 30,	
	2007	2008	2009	2009	2010
	(dollars in thousands)				
Statement of Operations:					
Total revenues	$ 629,177	$ 536,844	$ 360,211	$ 277,675	$ 259,157
Cost of goods sold(1)	223,674	244,496	184,844	139,988	139,591
General and administrative expenses(1)	28,331	64,909	35,430	27,056	22,573
Sales and marketing expenses(1)	64,724	45,730	42,337	30,904	33,838
Research and development expense	50,005	34,682	44,631	32,117	34,957
In-process research and development	—	28,240	—	—	—
Restructuring and other charges, net	9,841	—	—	—	—
Operating income	252,602	118,787	52,969	47,610	28,198
Interest expense	—	31,038	13,458	11,214	13,937
Interest income	—	693	73	49	123
Loss on early extinguishment of debt	—	—	—	—	3,057
Other (expense) income, net	(4,224)	2,950	2,720	3,109	532
Income before income taxes	248,378	91,392	42,304	39,554	11,859
Income tax provision	97,073	48,606	21,952	21,527	4,265
Net income	$ 151,305	$ 42,786	$ 20,352	$ 18,027	$ 7,594
Statement of Cash Flows Data:					
Net cash flows provided by (used in):					
Operating activities	$ 243,218	$ 178,445	$ 95,783	$ 76,728	$ 26,893
Investing activities	(4,808)	(530,832)	(38,351)	(35,596)	(5,384)
Financing activities	(235,880)	376,466	(49,102)	(41,802)	(17,045)
Other Financial Data:					
EBITDA(2)	$ 320,366	$ 192,797	$ 96,214	$ 79,807	$ 51,458
Adjusted EBITDA(2)	332,592	248,091	99,935	81,827	57,794
Capital expenditures	4,808	12,175	8,856	6,101	5,169

	Successor
	As of September 30, 2010
Balance Sheet and Other Data:	
Cash and cash equivalents	$ 36,447
Total assets	519,539
Total long-term debt	250,000
Total stockholder's equity	155,361
Net debt(3) to Adjusted EBITDA(2)	2.8x(4)

(1) For comparability purposes, a reclassification totaling $15,788 has been made from general and administrative and sales and marketing expenses to cost of goods sold in the Predecessor period to be consistent with the Successor period presentation. Accordingly, these amounts do not agree to the corresponding amounts in the audited financial statements of the Predecessor included elsewhere in this prospectus.

(2) EBITDA is defined as net income plus interest, income taxes, depreciation and amortization. EBITDA is a measure used by management to measure operating performance. Adjusted EBITDA is defined as EBITDA further adjusted to exclude unusual items and other adjustments. Adjusted EBITDA is used by management to measure operating performance and by investors to measure a company's ability to service its debt and meet its other cash needs. Management believes that the inclusion of the adjustments to EBITDA applied in presenting Adjusted EBITDA are appropriate to provide additional information to investors about our performance across reporting periods on a

consistent basis by excluding items that we do not believe are indicative of our core operating performance. See "Non-GAAP Financial Measures."

The following table provides a reconciliation of our net income to EBITDA and Adjusted EBITDA for the periods presented:

	Predecessor	Successor			
	Year Ended December 31,			Nine Months Ended September 30,	
	2007	2008	2009	2009	2010
	(dollars in thousands)				
Net income	$ 151,305	$ 42,786	$ 20,352	$ 18,027	$ 7,594
Interest expense, net	—	30,345	13,385	11,165	13,814
Provision for income taxes(a)	97,073	46,131	20,392	19,278	3,446
Depreciation and amortization	71,988	73,535	42,085	31,337	26,604
EBITDA	320,366	192,797	96,214	79,807	51,458
Non-cash stock-based compensation	2,385	1,368	1,209	706	397
Loss on early extinguishment of debt	—	—	—	—	3,057
Inventory step-up expense(b)	—	8,189	—	—	—
Acquired in-process R&D(c)	—	28,240	—	—	—
Severance costs(d)	9,841	13,775	—	—	130
Transaction expenses(e)	—	2,742	—	—	—
Sponsor fee(f)	—	980	1,060	750	750
Ablavar technology transfer costs(g)	—	—	910	564	1,493
Ablavar launch costs(h)	—	—	542	—	509
Adjusted EBITDA	$ 332,592	$ 248,091	$ 99,935	$ 81,827	$ 57,794

(a) Represents provision for income taxes less tax indemnification associated with an agreement with BMS.

(b) Represents the revaluation of inventory as a result of the impact of purchase accounting in connection with our acquisition.

(c) Represents in-process R&D relating to our acquisition. Immediately following the closing of the acquisition, the in-process R&D was expensed.

(d) In 2007, consists of severance costs relating to a work force reduction of approximately 150 employees of BMS prior to our acquisition. In 2008, consists of severance costs relating to the closure of our European operations following our acquisition. In 2010, consists of severance costs relating to one of our executive officers.

(e) Represents legal, information technology and human resource advisory services and other advisory fees incurred in connection with our acquisition.

(f) Represents annual sponsor monitoring fee and related expenses.

(g) Represents sales and marketing costs associated with technology transfers to establish a second manufacturing source for Ablavar.

(h) Represents costs associated with the launch of Ablavar.

(3) Net debt is a non-GAAP financial measure and is defined as total debt minus cash and cash equivalents (other than any restricted cash).

(4) Net debt to Adjusted EBITDA is defined as net debt divided by Adjusted EBITDA for the most recent twelve months.

The following table provides a reconciliation of our total long-term debt to net debt and the net debt to Adjusted EBITDA calculation:

Total long-term debt	$ 250,000
Less: Cash	(36,447)
Net debt	213,553
Last three months 2009 Adjusted EBITDA	18,108
First nine months 2010 Adjusted EBITDA	57,794
Most recent twelve months Adjusted EBITDA	75,902
Net debt to Adjusted EBITDA	2.8x

We have included information concerning our net debt to Adjusted EBITDA in this prospectus because we believe that such information is used by certain investors as one measure of a company's historical performance.

RISK FACTORS

Participation in the exchange offer and an investment in the notes involves a high degree of risk. You should carefully consider the risks described below, together with the other information contained in this prospectus, before making your decision to participate in the exchange offer or invest in the notes. Any of the following risks, as well as other risks and uncertainties that are not currently known to us or that we currently deem to be immaterial, could harm the value of the notes directly, or our business and financial results and thus indirectly cause the value of the notes to decline. As a result of any of these risks, known or unknown, you may lose all or part of your investment in the notes.

Risks Relating to our Business and Industry

The global supply of Moly is fragile and not stable. Our dependence on a limited number of third party suppliers for Moly could prevent us from delivering our products to our customers in the required quantities, within the required timeframe, or at all, which could result in order cancellations and decreased revenues.

A critical ingredient of TechneLite, currently our largest product by annual revenues, is Moly. There are six major reactors located around the world which produce large scale amounts of Moly: NRU located in Canada; HFR located in The Netherlands; BR2 located in Belgium; OSIRIS located in France; SAFARI located in South Africa; and OPAL located in Australia. Moly produced at these reactors is then finished at one of five processing sites: Nordion (formerly known as MDS Nordion) in Canada; Covidien in The Netherlands; Institute for Radioelements ("IRE") in Belgium, which also processes raw Moly from several other smaller European reactors; NTP Radioisotopes (Pty) Ltd. ("NTP") in South Africa; and the Australian Nuclear Science and Technology Organisation ("ANSTO") in Australia. Finished Moly is then sold to technetium generator manufacturers, including us. Historically, our largest supplier of Moly has been Nordion which has relied on the NRU reactor owned and operated by AECL, a Crown corporation of the Government of Canada, located in Chalk River, Ontario. This reactor was off-line from May 2009 until August 2010 due to a "heavy water" leak in the reactor vessel. Historically, our largest supplier of Moly has been Nordion which has relied on the NRU reactor owned and operated by AECL, a Crown corporation of the Government of Canada, located in Chalk River, Ontario. The reactor was off-line from May 2009 until August 2010 due to a "heavy water" leak in the reactor vessel. The inability of the NRU reactor to produce Moly and Nordion to finish Moly during the shutdown period had a detrimental effect on our business, results of operations and cash flows. As a result of the NRU reactor shutdown, we experienced business interruption losses. The quantity of such losses we estimate to be, in the aggregate, up to $70 million, including increases in the cost of obtaining limited amounts of Moly from alternate, more distant, suppliers, and substantial decreases in sales revenue as a result of significantly curtailed manufacturing of Technelite generators and our decreased ability to sell other Moly-based medical imaging products, including Cardiolite, in comparison to our forecasted results. Although the NRU reactor returned to service and we are receiving substantial amounts of Moly from Nordion to serve our customers' needs, the NRU reactor's current license expires in 2011. Although the Government of Canada previously publicly stated its intent to exit the isotope business in the longer term, AECL and the Government of Canada recently stated that they intend to apply to extend the license for the NRU reactor for an additional five years to 2016. However, we cannot assure you that the license will be extended beyond 2011. There can also be no assurance that the NRU reactor will not experience other planned or unplanned shutdowns in the future. Further prolonged planned or unplanned shutdowns would limit the amount of Moly available to us and limit the quantity of TechneLite that we could manufacture, distribute and sell, resulting in a further substantial negative effect on our business, results of operations, financial condition and cash flows.

In the face of the NRU reactor operating challenges, the lack of a long-term commitment by the Government of Canada to the medical isotope industry and the NRU reactor re-licensure risks in 2011, we entered into Moly supply agreements with NTP and IRE to augment our supply of Moly. While this additional Moly supply allowed us to continue to manufacture and sell technetium generators during

the NRU reactor shutdown, this replacement Moly production capacity was not, and for the immediate future will not be, able to replace the quantity of supply we otherwise receive from Nordion. Moreover, any further disruption of service from any of our Moly suppliers could have a material adverse effect on our business, results of operations, financial condition and cash flows. We are also pursuing additional sources of Moly from potential new producers around the world to further augment our current supply, but we cannot assure you that these possible additional sources of Moly will result in commercial quantities of Moly for our business, or that these new suppliers together with our current suppliers will be able to deliver a sufficient quantity of Moly to meet our needs.

U.S., Canadian and international governments have encouraged the development of a number of alternative Moly production projects with existing reactors and technologies as well as new technologies. However, the Moly produced from these projects will likely not become available until 2013, if ever.

With the general instability in the global supply of Moly and recent supply shortages, we have faced substantial increases in the cost of Moly in comparison to historical costs. We attempt to pass these Moly cost increases on to our customers in our customer contracts. If we are not able to do so in the future, our margins may decline further with respect to our TechneLite generators, which could have a material adverse effect on our business, results of operations, financial condition and cash flows. In addition, the instability in the global supply of Moly resulted in Moly producers requiring, in exchange for fixed Moly prices, supply minimums in the form of take-or-pay obligations. If we are contractually obligated to purchase greater volumes of Moly than we can sell, these supply minimums could have a material adverse effect on our business, results of operations, financial condition and cash flows.

The Moly supply shortage also had an incremental negative effect on the use of other technetium generator-based diagnostic medical imaging agents, including Cardiolite. With less Moly, we manufactured fewer generators for radiopharmacies and hospitals to make up unit doses of Cardiolite, resulting in decreased share of Cardiolite in favor of Thallium, an older medical isotope that does not require Moly, and other diagnostic modalities. However, we believe that with the return to service of the NRU reactor, Cardiolite sales will benefit. In addition, since the NRU reactor restart, Thallium demand has decreased but not yet to pre-shortage levels, and TechneLite demand has increased, but also not to its pre-shortage levels. We believe that eventually the relative demand for Thallium and TechneLite will return to pre-shortage levels. If the Moly supply challenges again become acute, there may be further negative effects on our business, results of operations, financial condition and cash flows.

Our dependence upon third parties for the manufacture and supply of a substantial portion of our products could prevent us from delivering our products to our customers in the required quantities, within the required timeframe, or at all, which could result in order cancellations and decreased revenues.

We obtain a substantial portion of our products from third party suppliers. We rely on sole source manufacturing for DEFINITY at Ben Venue Laboratories, Inc. ("BVL") and Ablavar at Covidien PLC. We also rely on BVL for a majority of our Cardiolite supply and certain TechneLite accessories. In addition, for reasons of quality assurance or cost effectiveness, we purchase certain components and raw materials from sole suppliers. Because we do not control the actual production of many of the products we sell, we may be subject to delays caused by interruption in production based on conditions outside of our control. At our North Billerica, Massachusetts facility, we manufacture TechneLite on a relatively new, highly automated production line, as well as Thallium and Gallium using our older cyclotron technology. If we or one of our manufacturing partners experiences an event, including a labor dispute, natural disaster, fire, power outage, security or other issue, we may be unable to manufacture the relevant products at previous levels, if at all. Due to the stringent regulations and requirements of the governing regulatory authorities regarding the manufacture of our products, we may not be able to quickly establish additional or replacement sources for certain components or

materials. In July 2010, BVL temporarily shut down the facility where they manufacture DEFINITY, Cardiolite and other products in order to upgrade the facility to meet certain European Medicines Agency ("EMEA") requirements. BVL has planned for the shutdown to run through March 2011. In anticipation, BVL manufactured additional inventory of these products to meet our expected needs during this period. There can be no assurance that BVL's facility will return to service in March 2011 or that the inventory supplied will be sufficient to meet demand for our products during the shutdown period.

We have initiated technology transfer activities to establish and secure a second source of supply for each of DEFINITY and Ablavar. We cannot assure you, however, that these activities will be maintained, will be successful, or that before such second source manufacturers are fully functional that we will be able to avoid or mitigate possible interim supply shortages. In addition, we cannot assure you that our existing suppliers or any new suppliers can adequately maintain either their financial health or regulatory compliance to allow continued production and supply. A reduction or interruption in manufacturing, or an inability to secure alternative sources of raw materials or components, could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We are highly dependent on payments from third party healthcare payors, including government sponsored programs, particularly Medicare, in the United States and other countries in which we operate, and reductions in third party coverage and reimbursement rates for our products could adversely affect our business and results of operations.

A substantial portion of our revenue depends, in part, on the extent to which the costs of our products are reimbursed by third party private and governmental payors, including Medicare, Medicaid and other U.S. government sponsored programs as well as other non-U.S. governmental payors and private payors. These third party payors exercise significant control over patient access and increasingly use their enhanced bargaining power to secure discounted rates and other requirements that may increase the cost of service or reduce demand for our products. Our potential customers' ability to obtain appropriate reimbursement for products and services from these third party payors affects the selection of products they purchase and the prices they are willing to pay. If these third party payors do not provide appropriate reimbursement for the costs of our products, deny their coverage or reduce their current levels of reimbursement, healthcare professionals may not prescribe our products and providers and suppliers may not purchase our products. In addition, demand for new products may be limited unless we obtain favorable reimbursement policies (including coverage, coding and payment) from governmental and private third party payors at the time of the product's introduction. Third party payors continually review their coverage policies for existing and new therapies and can deny coverage for treatments that include the use of our products or revise payment policies such that payments do not adequately cover the cost of our products. Even if third party payors make coverage and reimbursement available, such reimbursement may not be adequate or these payors' reimbursement policies may have an adverse effect on our business, results of operations, financial condition and cash flows.

Over the past several years, Medicare has implemented numerous changes to payment policies for imaging procedures, some of which have had a negative impact on utilization of imaging services. These include limiting payments in physician offices and free-standing imaging facility settings based upon rates paid to hospital outpatient departments, reducing payments for certain imaging procedures when performed together with other imaging procedures in the same family of procedures, and making significant revisions to the methodology for determining the practice expense portion of Medicare payment, which covers physician office expenses, including staff, equipment and supplies. In 2010, the U.S. government's Centers for Medicare and Medicaid Services ("CMS"), which administers the Medicare program, began a four year transition to changes in the practice expense methodology based upon the Physician Practice Information Survey ("PPIS"), which collected information on physician practice expenses by specialty. For 2010, CMS estimated that these and other changes to Medicare

payment policy would reduce payments for cardiology services by approximately 8% and for nuclear medicine services by 18%. Cardiology and nuclear medicine are the key specialties performing imaging procedures using our products. Unless Medicare changes its plans to implement the PPIS fully by 2013 or Congress mandates such changes, payments are expected to be reduced further by 2013.

Reforms to the United States healthcare system may adversely affect our business.

A significant portion of our patient volume is derived from U.S. government healthcare programs, principally Medicare, which are highly regulated and subject to frequent and substantial changes. For example, in March 2010, the President signed one of the most significant healthcare reform measures in decades, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act (collectively, the "Healthcare Reform Act"). It contains a number of provisions, including those governing enrollment in federal healthcare programs, reimbursement changes and fraud and abuse, which will impact existing government healthcare programs and will result in the development of new programs. We cannot assure you that the Healthcare Reform Act will not adversely affect our business and financial results, and we cannot predict how future federal or state legislative or administrative changes relating to healthcare reform will affect our business.

We expect that the Healthcare Reform Act and other healthcare reform measures that may be adopted in the future, such as the Healthcare Reform Act's imposition of a non-deductible excise tax on pharmaceutical manufacturers or importers who sell "branded prescription drugs," could have a material adverse effect on our industry generally and our ability to successfully commercialize our products or could limit or eliminate our spending on development projects.

The Healthcare Reform Act could potentially reduce the number of diagnostic medical imaging procedures performed or could reduce the amount of reimbursements paid for such procedures.

The Healthcare Reform Act is expected to extend coverage to approximately 32 million previously uninsured Americans. However, we cannot predict how many, if any, of those additional insureds would be current or future candidates for diagnostic medical imaging or, if as a result of such larger pool of insured Americans, the aggregate number of diagnostic medical imaging procedures performed in the United States would increase.

Further, the implementation of the Healthcare Reform Act could potentially reduce the aggregate number of diagnostic medical imaging procedures performed in the United States. Under the Healthcare Reform Act, referring physicians under the federal self-referral law must inform patients that they may obtain certain diagnostic imaging services from a provider other than that physician, his or her group practice, or another physician in his or her group practice. The referring physician must provide each patient with a written list of other suppliers who furnish such services in the area in which the patient resides. This new information provision could have the effect of shifting where certain diagnostic medical imaging procedures are performed, which could potentially reduce the overall number of diagnostic medical imaging procedures performed.

For 2010, CMS reduced the per procedure medical imaging reimbursement in the physician office and free-standing imaging facility. CMS intends to transition further reductions in payments through 2013. This could result in physicians or group practices ceasing to provide these services and have the further effect of shifting where certain medical imaging procedures are performed from the physician office and free-standing imaging facility setting to the hospital outpatient setting, which could potentially reduce the overall number of diagnostic medical imaging procedures performed. Further, this could slow the acceptance and introduction of next-generation imaging equipment into the marketplace, which, in turn, could adversely impact the future market adoption of certain of our imaging agents already in the market or currently in clinical or preclinical development. We expect that there will continue to be proposals to reduce or limit Medicare and Medicaid payment for services. To the extent any of these or other provisions of the Healthcare Reform Act have the effect of reducing

the aggregate number of diagnostic medical imaging procedures performed in the United States, our business, results of operations, financial condition and cash flows would be adversely affected. See "Business—Regulatory Matters."

Further, we expect that there will continue to be proposals to reduce or limit Medicare and Medicaid payment for services. Rates paid by private third party payors, including those that provide Medicare supplemental insurance, are based, in part, on established physician, clinic and hospital charges and are generally higher than Medicare payment rates. Reductions in the amount of reimbursement paid for diagnostic medical imaging procedures and changes in the mix of our patients between non-governmental payors and government sponsored healthcare programs and among different types of non-government payor sources, could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our business and industry are subject to complex and costly regulations. If government regulations are interpreted or enforced in a manner adverse to us or our business, we may be subject to enforcement actions, penalties, exclusion and other material limitations on our operations.

Both before and after the approval of our products and product candidates, we, our products, product candidates, operations, facilities, suppliers, distributors, contract manufacturers, contract research organizations and contract testing laboratories are subject to extensive regulation by federal, state and local government agencies in the United States as well as non-U.S. and transnational laws and regulations, with regulations differing from country to country. In the United States, the FDA regulates, among other things, the pre-clinical testing, clinical trials, manufacturing, safety, efficacy, potency, labeling, storage, record keeping, quality systems, advertising, promotion, sale, distribution, and import and export of drug products. We are required to register our business for permits and/or licenses with, and comply with the stringent requirements of the FDA, the U.S. Drug Enforcement Agency ("DEA"), the U.S. Nuclear Regulatory Commission (the "NRC"), the U.S. Department of Health and Human Services ("HHS"), Health Canada, the EMEA, state and provincial boards of pharmacy, state and provincial health departments and other state and provincial agencies.

For example, we are required to report certain adverse events and production problems, if any, to the FDA, and to comply with requirements concerning advertising and promotion for our products. Also, quality control and manufacturing procedures at our own facility and at third party suppliers must conform to current Good Manufacturing Practices ("cGMP") regulations after approval, and the FDA periodically inspects manufacturing facilities to assess compliance with cGMPs. Accordingly, we and others with whom we work must expend time, money, and effort in all areas of regulatory compliance, including manufacturing, production, and quality control.

In addition, we are subject to laws and regulations that govern financial and other arrangements among healthcare providers, including federal and state anti-kickback statutes, federal and state false claims laws and regulations, beneficiary inducement laws and regulations, and other fraud and abuse laws and regulations.

For example, we recently entered into a Medicaid Drug Rebate Agreement, which could subject us to potential liability under the False Claims Act. Although we and most of our competitors have not previously entered into such an agreement and it is unclear that it is required, we have received inquiries from several states and recently decided to enter into such agreement. Determination of the rebate amount for our products under the Medicaid program, as well as determination of payment amounts under Medicare and certain other third party payers, including government payers, depends upon information reported by us to the government. If we provide customers or government officials with inaccurate information about the products' eligibility for reimbursement, or the products fail to satisfy eligibility requirements, we could be subject to potential liability under the False Claims Act or other laws and regulations.

Additionally, funds received under all healthcare reimbursement programs are subject to audit with respect to the proper billing. Our customers engage in billing and as such, retroactive adjustments of revenue from these programs could occur.

Failure to comply with other requirements and restrictions placed upon us by laws and regulations can result in fines, civil and criminal penalties, program exclusion and debarment. Possible consequences of such actions could include:

- substantial modifications to our business practices and operations; a total or partial shutdown of production in one or more of our facilities while we remediate the alleged violation;
- delays in or the inability to obtain future pre-market clearances or approvals; and
- withdrawals or suspensions of current products from the market.

Regulations are subject to change as a result of legislative, administrative or judicial action, which may also increase our costs or reduce sales. Violation of any of these regulatory schemes, individually or collectively, could disrupt our business and have a material adverse affect on our business, results of operations, financial condition and cash flows.

It is time consuming and costly to obtain regulatory approval for our product candidates, which could delay or prevent us from being able to generate revenue from product sales.

We are not permitted to market our product candidates in the United States or other countries until we have received requisite regulatory approvals. For example, securing FDA approval requires the submission of a new drug application ("NDA") to the FDA for our drug candidates. The NDA must include extensive nonclinical and clinical data and supporting information to establish the product candidate's safety and effectiveness for each indication. The NDA must also include significant information regarding the chemistry, manufacturing and controls for the product. The FDA review process can take many years to complete, and approval is never guaranteed. If a product is approved, the FDA may limit the indications for which the product may be marketed, require extensive warnings on the product labeling, impose restricted distribution programs, require expedited reporting of certain adverse events, or require costly ongoing requirements for post-marketing clinical studies and surveillance or other risk management measures to monitor the safety or efficacy of the product candidate. Markets outside of the United States also have requirements for approval of drug candidates with which we must comply prior to marketing. Obtaining regulatory approval for marketing of a product candidate in one country does not ensure we will be able to obtain regulatory approval in other countries, but a failure or delay in obtaining regulatory approval in one country may have a negative effect on the regulatory process in other countries. Also, any regulatory approval of any of our products or product candidates, once obtained, may be withdrawn. Approvals might not be granted on a timely basis, if at all.

Any failure or significant delay in completing clinical trials for our product candidates, or in receiving regulatory approval for the sale of our product candidates, may severely harm our business and delay or prevent us from being able to generate revenue from product sales. See "—Our business and industry are subject to complex and costly regulations. If government regulations are interpreted or enforced in a manner adverse to us or our business, we may be subject to enforcement actions, penalties and other material limitations on our operations."

Challenges with product quality or product performance, including defects, caused by us or our suppliers could result in a decrease in customers and sales, unexpected expenses and loss of market share.

The manufacture of our products is highly exacting and complex and must meet stringent quality requirements, due in part to strict regulatory requirements, including the FDA's cGMPs. Problems may arise during manufacturing for a variety of reasons including equipment malfunction, failure to follow specific protocols and procedures, defective raw materials and environmental factors. Additionally, manufacturing flaws, component failures, design defects, off-label uses or inadequate disclosure of

product-related information could result in an unsafe condition or the injury or death of a patient. Such events could lead to a recall of, or issuance of a safety alert relating to, our products. We also may undertake voluntarily to recall products or temporarily shut down production lines based on internal safety and quality monitoring and testing data.

These problems could cause us to incur significant costs, including costs to replace products, lost revenue, damage to customer relationships, time and expense spent investigating the cause, and potentially cause similar losses with respect to other products. Such problems could also divert the attention of our management research and development personnel from product development efforts. If we deliver products with defects, or if there is a perception that our products contain errors or defects, we could incur recall and product liability costs, and our credibility and the market acceptance and sales of our products could materially decline. Due to the strong name recognition of our brands, an adverse event involving one of our products could result in reduced market acceptance and demand for all products within that brand, and could harm our reputation and our ability to market our products in the future. In some circumstances, adverse events arising from or associated with the design, manufacture or marketing of our products could result in the suspension or delay of regulatory reviews of our applications for new product approvals. Such problems could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our marketing and sales practices may contain risks that could result in significant liability, require us to change our business practices and restrict our operations in the future.

We are subject to federal, state and local laws targeting fraud and abuse in the healthcare industry, including the federal fraud and abuse law (the "Federal Anti-Kickback Statute"), the False Claims Act, the Foreign Corrupt Practices Act, the self-referral laws and restrictions on the promotion of off-label uses of our products. Violations of these laws are punishable by criminal or civil sanctions, including substantial fines, imprisonment and exclusion from participation in healthcare programs such as Medicare and Medicaid as well as health programs outside the United States. These laws and regulations are complex and subject to changing interpretation and application, which could restrict our sales or marketing practices. Even minor, inadvertent irregularities in claim submissions could potentially give rise to a charge that the law has been violated. Although we believe we maintain an appropriate compliance program, it may not be adequate in the detection or prevention of violations and/or the relevant regulatory authorities may disagree. Additionally, if there is a change in law, regulation or administrative or judicial interpretations, we may have to change one or more of our business practices to be in compliance with these laws. Required changes could be costly and time consuming. The recently enacted Healthcare Reform Act imposes new reporting and disclosure requirements on device and drug manufacturers for any "transfer of value" made or distributed to prescribers and other healthcare providers, effective March 30, 2013. Such information will be made publicly available in a searchable format beginning September 30, 2013. In addition, device and drug manufacturers will also be required to report and disclose any investment interests held by physicians and their immediate family members during the preceding calendar year. Failure to submit required information may result in civil monetary penalties of up to $150,000 per year (and up to $1 million per year for "knowing failures"), for all payments, transfers of value or ownership or investment interests not reported in an annual submission. Finally, under the Healthcare Reform Act, effective April 1, 2012, pharmaceutical manufacturers and distributors must provide the HHS with an annual report on the drug samples they provide to physicians.

The Healthcare Reform Act also provides greater financial resources to be allocated to enforcement of these laws and regulations and lower proof-standards for the Federal Anti-Kickback Statute and criminal healthcare fraud statutes, which may increase overall compliance costs for industry participants, including us. A person or entity no longer needs to have actual knowledge of this statute or specific intent to violate it. In addition, the Healthcare Reform Act provides that the government may assert that a claim including items or services resulting from a violation of the Federal

Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the false claims statutes. The violation of these laws, or our exclusion from such programs as Medicare, Medicaid and other governmental programs, a result of a violation of such laws, could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Ultrasound contrast agents may cause side effects which could limit our ability to sell DEFINITY.

DEFINITY is an ultrasound contrast agent based on perflutren lipid microspheres. In 2007, the FDA received reports of deaths and serious cardiopulmonary reactions following the administration of ultrasound micro-bubble contrast agents used in echocardiography. Four of the 11 reported deaths were caused by cardiac arrest occurring either during infusion or within 30 minutes following the administration of the contrast agent; most of the serious but non-fatal reactions also occurred in this time frame. As a result, in October 2007, the FDA requested that we and GE Healthcare, which distributes Optison, a competitor to DEFINITY, add a boxed warning to these products emphasizing the risk for serious cardiopulmonary reactions and that the use of these products was contraindicated in certain patients. In a strong reaction by the cardiology community to the FDA's new position, a letter was sent to the FDA, signed by 161 doctors, stating that the benefit of these ultrasound contrast agents outweighed the risks and urging that the boxed warning be removed. In May 2008, the FDA substantially modified the boxed warning, which, however, is still in place. Further, the discovery of additional safety issues may result in further changes in labeling or result in restrictions on the approval of our product, including removal of the product from the market. Lingering safety concerns about DEFINITY among some healthcare providers or future unanticipated side effects or safety concerns associated with DEFINITY could have a material adverse effect on the unit sales of this product and our financial condition and results of operations.

Gadolinium-based imaging agents may cause side effects which could limit our ability to sell Ablavar.

Ablavar is a contrast agent that contains gadolinium. Gadolinium contrast agents have been associated with the development of a very rare skin disease, nephrogenic systemic fibrosis ("NSF"). It has also been reported that NSF may affect the internal anatomy as well as the skin. In May 2007, the FDA requested that manufacturers of all gadolinium-containing contrast agents add a boxed warning and a new warning section that describes the risk of NSF because it is currently impossible to definitively determine whether the extent of risks for developing NSF are the same for all gadolinium-containing agents. In September 2010, the FDA requested that additional safety-related label changes be implemented for all gadolinium-based contrast agents to highlight the risks of NSF. Of the seven gadolinium-based contrast agents currently approved for use in the United States, three of them were required by the FDA to include certain new contraindications relating to severe kidney disease. The FDA required no substantial changes to the Ablavar prescribing information. We are aware of ongoing litigation in the United States relating to the use of imaging agents containing gadolinium. When it was purchased by us from EPIX in April 2009, Ablavar was known as Vasovist. To date, there have been no reported cases of NSF in connection with the administration of Ablavar or, to our knowledge, Vasovist, and neither we nor EPIX have been named as a party or joined in any litigation relating to NSF. We believe that over 90,000 doses of Ablavar and Vasovist have been sold to date. However, in the event Ablavar is directly linked to this very rare disease or other unanticipated side effects, such safety concerns could have a material adverse effect on the sales of this product, and our financial conditions and results of operations.

Our business depends on our ability to introduce new products and adapt to a changing technology and diagnostic landscape.

The healthcare industry is characterized by continuous technological development resulting in changing customer preferences and requirements. The success of new product development depends on many factors, including our ability to anticipate and satisfy customer needs, obtain regulatory and reimbursement approvals on a timely basis, develop and manufacture products in a cost-effective and timely manner, maintain advantageous positions with respect to intellectual property and differentiate our products from our competitors. To compete successfully in the marketplace, we must make substantial investments in new product development whether internally or externally through licensing or acquisitions. Our failure to introduce new and innovative products in a timely manner would have an adverse effect on our business, results of operations, financial condition and cash flows.

Even if we are able to develop, manufacture and obtain regulatory and reimbursement approvals for our new products, the success of these products would depend upon market acceptance. Levels of market acceptance for our new products could be affected by a number of factors, including:

- the availability of alternative products from our competitors, including, in the case of Ablavar, being one of seven gadolinium-based contrast agents currently approved for use in the United States;
- the price of our products relative to those of our competitors;
- the timing our market entry;
- our ability to market and distribute our products effectively, including, in the case of our PET Perfusion Agent ("PPA"), the creation of a complex field-based manufacturing and distribution network involving PET cyclotrons located at radiopharmacies where the agent will be manufactured and distributed rapidly to end-users, given the agent's 110-minute half-life; and
- market acceptance of our products, including, in the case of DEFINITY, appropriate resources to administer an intravenous agent during an echocardiography procedure, and in the case of PPA, sufficient market penetration of PET cameras to which nuclear cardiologists have reasonable access.

The field of diagnostic medical imaging is dynamic, with new products, including equipment and agents, continually being developed and existing products continually being refined. Our own diagnostic imaging agents compete not only with other similarly administered imaging agents but also with imaging agents employed in different and often competing diagnostic modalities. New imaging agents in a given diagnostic modality may be developed that provide benefits superior to the then-dominant agent in that modality, resulting in commercial displacement. Similarly, changing perceptions about comparative efficacy and safety including, among other things, comparative radiation exposure, as well as changing availability of supply may favor one agent over another or one modality over another. For example, prior to the recent outage of the NRU reactor, we experienced a slow annual decline in demand for Thallium as a myocardial perfusion imaging agent, in favor of Cardiolite which has superior safety and efficacy characteristics. To the extent there is technological obsolescence in any of our products that we manufacture, resulting in lower unit sales or decreased unit sales prices, we will have increased unit overhead allocable to the remaining share, which could have a material adverse effect on our business, results of operations, financial condition and cash flows. In addition, in the case of a new product such as Ablavar, if we do not ultimately meet our sales expectations for that product or we cannot sell the quantity of that product we are committed to purchase from our manufacturers prior to that product's expiration, we will incur inventory losses and/or losses on our purchase commitments. To the extent any of the products we manufacture become less available because of supply constraints or other events beyond our control, our current customers may begin to favor a competing agent or a competing diagnostic modality which could have a material adverse effect on our business, results of operation, financial condition and cash flows.

Our current portfolio of products primarily focuses on heart disease and vascular disease. This particular focus, however, may not be in our long-term best interest if the incidence and prevalence of heart disease and vascular disease decrease over time. Despite the aging population in the affluent parts of the world where diagnostic medical imaging is most frequently used, government and private efforts to promote preventative cardiac care through exercise, diet and improved medications could decrease the overall demand for our products, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

The process of developing new drugs is complex, time-consuming and costly, and the outcome is not certain.

Two of our pipeline candidates (our PET perfusion contrast agent and our cardiac neuronal imaging agent) are currently in clinical development, while a third pipeline candidate (our vascular remodeling agent) is in pre-clinical development at the lead optimization stage. To obtain regulatory approval for these product candidates, we must conduct extensive human tests, which are referred to as clinical trials, as well as meet other rigorous regulatory requirements. Satisfaction of all regulatory requirements typically takes many years and requires the expenditure of substantial resources. A number of other factors may cause significant delays in the completion of our clinical trials, including unexpected delays in the initiation of clinical sites, slower than projected enrollment, competition with ongoing clinical trials and scheduling conflicts with participating clinicians, regulatory requirements, limits on manufacturing capacity and failure of a product candidate to meet required standards for administration to humans. In addition, it may take longer than we project to achieve study endpoints and complete data analysis for a trial. Given the cost and complexity associated with conducting later stage clinical trials, we are currently considering seeking one or more development and commercialization partners to assist us with our PET perfusion agent. We may also consider outlicensing other pipeline products in the future. Depending upon the terms that we can negotiate with one or more prospective partners, the development of our pipeline candidates could be delayed by the timing of the consummation of such transactions as well as factors specific to the partner or partners involved.

Our product candidates are also prone to the risks of failure inherent in drug development and testing. The results of preliminary studies do not predict clinical success, and larger and later-stage clinical trials may not produce the same results as earlier-stage trials. Sometimes, product candidates that have shown promising results in early clinical trials have subsequently suffered significant setbacks in later clinical trials. Product candidates in later-stage clinical trials may fail to show desired safety and efficacy traits, despite having progressed through initial clinical testing. Further, the data collected from clinical trials of our product candidates may not be sufficient to support regulatory approval, or regulators could interpret the data differently and less favorably than we do. Further, the design of a clinical trial can determine whether its results will support approval of a product, and flaws in the design of a clinical trial may not become apparent until the clinical trial is well advanced. Clinical trials of potential products often reveal that it is not practical or feasible to continue development efforts. Regulatory authorities may require us or our partners to conduct additional clinical testing, in which case we would have to expend additional time and resources. The approval process may also be delayed by changes in government regulation, future legislation or administrative action or changes in regulatory policy that occur prior to or during regulatory review. The failure to provide clinical and preclinical data that are adequate to demonstrate to the satisfaction of the regulatory authorities that our product candidates are safe and effective for their proposed use will delay or preclude approval and will prevent us from marketing those products.

Even if our product candidates proceed successfully through clinical trials and receive regulatory approval, there is no guarantee that an approved product can be manufactured in commercial quantities at reasonable cost or that such a product will be successfully marketed. For example, our PPA will require the creation of a complex, field-based manufacturing and distribution network involving PET cyclotrons located at radiopharmacies where the agent will be manufactured and

distributed rapidly to end-users, given the agent's 110-minute half-life. Our development costs will increase if we are required to complete additional or larger clinical trials with respect to product candidates. If the delays or costs are significant, our financial results and our ability to commercialize our product candidates will be adversely affected.

In the United States, we are heavily dependent on a few large customers to generate a majority of our revenues for our nuclear imaging products. Outside of the United States, we rely on distributors to generate a substantial portion of our revenue.

In the United States, we rely on a limited number of radiopharmacy chains, primarily Cardinal Health, Inc. ("Cardinal"), United Pharmacy Partners, Inc. ("UPPI") and GE Healthcare, to distribute our current largest volume nuclear imaging products and generate a majority of our revenues. These three customers accounted for approximately 55% of our total revenues in 2009, with Cardinal, UPPI and GE Healthcare accounting for 30%, 16% and 9%, respectively. In June 2010, Triad Isotopes, a member of UPPI then with 26 radiopharmacies in its specific group, completed the purchase of 37 additional U.S. radiopharmacies from Covidien. Among the existing radiopharmacies in the United States, continued consolidation or reorganization may have a negative effect on our business, results of operations, financial condition or cash flows. We generally have distribution arrangements with our major radiopharmacy customers pursuant to multi-year contracts, each of which is subject to renewal, from as soon as December 2010 until as late as December 2014. If we cannot renew these contracts, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Outside of the United States, Canada, Australia and Puerto Rico, we have no radiopharmacies or sales force and therefore rely on distributors, either on a country-by-country basis or on a multi-country, regional basis, to market, distribute and sell our products. These distributors accounted for approximately 29% of total non-U.S. revenues in 2009. In certain circumstances, these distributors may also sell competing products to our own or products for competing diagnostic modalities. As a result, we cannot assure you that our international distributors will increase or maintain our current levels of unit sales or increase or maintain our current unit pricing, which, in turn, could have a material adverse effect on our business, results of operations, financial condition and cash flows.

To the extent that we enter into a development and commercialization arrangement for one or more of our pipeline candidates and are successful in obtaining regulatory and reimbursement approval for such candidate or candidates, we will likely have to share some of the economic benefits that those products generate with our partner or partners.

In the ordinary course of business, we may be subject to product liability claims and lawsuits, including potential class actions, alleging that our products have resulted or could result in an unsafe condition or injury.

Any product liability claim brought against us, with or without merit, could be costly to defend and could result in an increase of our insurance premiums. Although we have not had any such claims to date, claims that could be brought against us might not be covered by our insurance policies. Furthermore, even where the claim is covered by our insurance, our insurance coverage might be inadequate and we would have to pay the amount of any settlement or judgment that is in excess of our policy limits, which we believe are consistent with other pharmaceutical companies in the diagnostic medical imaging industry. We may not be able to obtain insurance on terms acceptable to us or at all, since insurance varies in cost and can be difficult to obtain. Our failure to maintain adequate insurance coverage or successfully defend against product liability claims could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We use hazardous materials in our business and must comply with environmental laws and regulations, which can be expensive.

Our operations use hazardous materials and produce hazardous wastes, including radioactive, chemical and in certain circumstances biological materials and wastes. We are subject to a variety of federal, state and local laws and regulations as well as non-U.S. laws and regulations relating to the transport, use, handling, storage and disposal of, and exposure to, these materials and wastes. Environmental laws and regulations are complex, change frequently and have become more stringent over time. We are required to obtain, maintain and renew various environmental and nuclear permits. Although we believe that our safety procedures for transporting, using, handling, storing and disposing of, and limiting exposure to, these materials and wastes complies with the standards prescribed by applicable laws and regulations, the risk of accidental contamination or injury cannot be eliminated. We place a high priority in these safety procedures and seek to limit any inherent risks. We generally contract with third parties for the disposal of wastes generated by our operations, and, prior to disposal, store any low level radioactive waste at our facilities until the materials are no longer considered radioactive. We cannot assure you that we have been or will be in compliance with environmental and health and safety laws at all times, however we believe we have complied in all material respects with all such laws. If we violate these laws, we could be fined, criminally charged or otherwise sanctioned by regulators. We may be required to incur further costs to comply with current or future environmental and safety laws and regulations. In addition, in the event of accidental contamination or injury from these materials, we could be held liable for any damages that result and any such liability could exceed our resources.

While we have budgeted for future capital and operating expenditures to maintain compliance with these laws and regulations, we cannot assure you that our costs of complying with current or future environmental protection, health and safety laws and regulations will not exceed our estimates or adversely affect our results of operations and financial condition. Further, we cannot assure you that we will not be subject to additional environmental claims for personal injury or cleanup in the future based on our past, present or future business activities.

If we are unable to protect our intellectual property, our competitors could develop and market products with features similar to our products, and demand for our products may decline.

Our commercial success will depend in part on obtaining and maintaining patent protection and trade secret protection of our technologies and product candidates as well as successfully defending these patents and trade secrets against third party challenges. We will only be able to protect our intellectual property from unauthorized use by third parties to the extent that valid and enforceable patents or trade secrets cover them.

The patent positions of pharmaceutical and biotechnology companies can be highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. In addition, changes in either the patent laws or in interpretations of patent laws in the United States or other countries may diminish the value of our intellectual property. Accordingly, we cannot predict the breadth of claims that may be allowed or enforced in our patents or in third party patents.

The degree of future protection for our proprietary rights is uncertain because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. For example:

- we might not have been the first to make the inventions covered by each of our pending patent applications and issued patents, and we could lose our patent rights as a result;

- we might not have been the first to file patent applications for these inventions or our patent applications may not have been timely filed, and we could lose our patent rights as a result;

- others may independently develop similar or alternative technologies or duplicate any of our technologies;
- it is possible that none of our pending patent applications will result in any further issued patents;
- our issued patents may not provide a basis for commercially viable drugs, may not provide us with any protection from unauthorized use of our intellectual property by third parties, and may not provide us with any competitive advantages;
- our patent applications or patents may be subject to interference, opposition or similar administrative proceedings;
- we may not develop additional proprietary technologies that are patentable; or
- the patents of others may have an adverse effect on our business.

Moreover, the issuance of a patent is not conclusive as to its validity or enforceability. A third party may challenge the validity or enforceability of a patent even after its issuance by the U.S. Patent and Trademark Office. It is also uncertain how much protection, if any, will be afforded by our patents if we attempt to enforce them and they are challenged in court or in other proceedings, such as oppositions, which may be brought in U.S. or non-U.S. jurisdictions to challenge the validity of a patent.

The defense and prosecution of intellectual property suits, interferences, oppositions and related legal and administrative proceedings in the United States are costly, time consuming to pursue and result in diversion of resources. The outcome of these proceedings is uncertain and could significantly harm our business. If we are not able to defend the patents of our technologies and products, then we will not be able to exclude competitors from marketing products that directly compete with our products, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We will also rely on trade secrets to protect our technology, especially where we do not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. We use reasonable efforts to protect our trade secrets, but our employees, consultants, contractors, outside scientific partners and other advisors may unintentionally or willfully disclose our confidential information to competitors or other third parties. Enforcing a claim that a third party improperly obtained and is using our trade secrets is expensive and time consuming, and the outcome is unpredictable. In addition, courts outside the United States are sometimes less willing to protect trade secrets. Moreover, our competitors may independently develop equivalent knowledge, methods and know-how. We often rely on confidentiality agreements with our collaborators, employees, consultants and other third parties and invention assignment agreements with our employees to protect our trade secrets and other know-how and proprietary information concerning our business. These confidentiality agreements may not prevent unauthorized disclosure of trade secrets and other proprietary information, and there can be no guarantee that an employee or an outside party will not make an unauthorized disclosure of our trade secrets, other technical know-how or proprietary information. We may not have adequate remedies for any unauthorized disclosure. This might happen intentionally or inadvertently. It is possible that a competitor will make use of such information, and that our competitive position will be compromised, in spite of any legal action we might take against persons making such unauthorized disclosures, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We rely on our trademarks, trade names, and brand names to distinguish our products from the products of our competitors, and have registered or applied to register many of these trademarks, including DEFINITY, Cardiolite, TechneLite, Ablavar, Neurolite and Lantheus Medical Imaging, Inc. We cannot assure you that our trademark applications will be approved. Third parties may also oppose

our trademark applications, or otherwise challenge our use of the trademarks. If our trademarks are successfully challenged, we could be forced to rebrand our products, which could result in loss of brand recognition, and could require us to devote resources advertising and marketing new brands. Further, we cannot assure you that competitors will not infringe our trademarks, or that we will have adequate resources to enforce our trademarks.

We may be subject to claims that we have infringed, misappropriated or otherwise violated the patent or other intellectual property rights of a third party. The outcome of any such claims is uncertain and any unfavorable result could adversely affect our business, financial condition and results of operations.

We may be subject to claims by third parties that we have infringed, misappropriated or otherwise violated their intellectual property rights. While we believe that the products that we currently manufacture using our proprietary technology do not infringe upon or otherwise violate proprietary rights of other parties or that meritorious defenses would exist with respect to any assertions to the contrary, we cannot assure you that we would not be found to infringe on or otherwise violate the proprietary rights of others.

We may be subject to litigation over infringement claims regarding the products we manufacture or distribute. This type of litigation can be costly and time consuming and could generate significant expenses, damage payments (potentially including treble damages) or restrictions or prohibitions on our use of our technology, which could adversely affect our results of operations. In addition, if we are found to be infringing on proprietary rights of others, we may be required to develop non-infringing technology, obtain a license (which may not be available on reasonable terms, or at all), make substantial one-time or ongoing royalty payments, or cease making, using and/or selling the infringing products, any of which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We face significant competition in our business and may not be able to compete effectively.

The market for diagnostic medical imaging agents is highly competitive and continually evolving. Our principal competitors in existing diagnostic modalities include large, global companies with substantial financial, manufacturing, sales and marketing, and logistics resources that are more diversified than us, such as Covidien, GE Healthcare, Bayer Schering Pharma AG and Bracco Diagnostics Inc. ("Bracco"), as well as other competitors. We cannot anticipate their competitive actions, such as price reductions on products that are comparable to our own, development of new products that are more cost-effective or have superior performance than our current products, and the introduction of generic versions when our proprietary products lose their patent protection. Our current or future products could be rendered obsolete or uneconomical as a result of this competition. Our failure to compete effectively could cause us to lose market share to our competitors and have a material adverse effect on our business, results of operations, financial condition and cash flows.

Generic competition has eroded our share for Cardiolite and will likely continue to do so. We are currently aware of four separate generic offerings of sestamibi, the first of which launched in September 2008. Management believes our share of the MPI segment decreased from approximately one half to approximately one third of the entire segment from 2008 through September 30, 2010. Cardiolite accounted for approximately 64%, 60% and 33% of our total revenues in 2007, 2008 and 2009, respectively. To the extent generic competitors further reduce their prices, we may be forced to further reduce the price of Cardiolite, which would have an adverse effect on our business, results of operations, financial condition and cash flows.

We may be adversely affected by the current economic environment.

Our ability to attract and retain customers, invest in and grow our business and meet our financial obligations depends on our operating and financial performance, which, in turn, is subject to numerous factors, including the prevailing economic conditions and financial, business and other factors beyond our control, such as the rate of unemployment and the number of uninsured persons in the United States. We cannot anticipate all the ways in which the current economic climate and financial market conditions could adversely impact our business.

We are exposed to risks associated with reduced profitability and the potential financial instability of our customers, many of whom may be adversely affected by the volatile conditions in the financial markets. For example, unemployment and underemployment, and the resultant loss of insurance, may decrease the demand for healthcare services and pharmaceuticals. If fewer patients are seeking medical care because they do not have insurance coverage, our customers may experience reductions in profitability and/or cash flow problems that could lead them to modify, delay or cancel orders for our products. If customers are not successful in generating sufficient revenue or are precluded from securing financing, they may not be able to pay, or may delay payment of, accounts receivable that are owed to us. This, in turn, could adversely affect our financial condition and liquidity. In addition, if economic challenges in the United States result in widespread and prolonged unemployment, either regionally or on a national basis, prior to the effectiveness of certain provisions of the Healthcare Reform Act, a substantial number of people may become uninsured or underinsured. In turn, this may lead to fewer individuals pursuing or being able to afford diagnostic medical imaging procedures. To the extent economic challenges result in fewer procedures being performed, our business, results of operations, financial condition and cash flows could be adversely affected.

Our business is subject to international economic, political and other risks that could negatively affect our results of operations or financial position.

For the year ended December 31, 2009 and the nine months ended September 30, 2010, 23.2% and 25.1%, respectively, of our total revenues were derived from countries outside the United States. We anticipate that revenue from non-U.S. operations may grow. Accordingly, our business is subject to risks associated with doing business internationally, including:

- less stable political and economic environments and changes in a specific country's or region's political or economic conditions;
- potential negative consequences from changes in tax laws affecting our ability to repatriate profits;
- unfavorable labor regulations;
- greater difficulties in relying on non-U.S. courts to enforce either local or U.S. laws, particularly with respect to intellectual property;
- greater difficulties in managing and staffing non-U.S. operations;
- the need to ensure compliance with the numerous regulatory and legal requirements applicable to our business in each of these jurisdictions and to maintain an effective compliance program to ensure compliance with these requirements;
- currency fluctuations;
- changes in trade policies, regulatory requirements and other barriers;
- civil unrest or other catastrophic events; and
- longer payment cycles of non-U.S. customers and difficulty collecting receivables in non-U.S. jurisdictions.

These factors are beyond our control. The realization of any of these or other risks associated with operating in non-U.S. countries could have a material adverse effect on our business, results of operations or financial condition.

We face currency and other risks associated with international sales.

We generate significant revenue from export sales, as well as from operations conducted outside the United States. During 2009 and the first nine months of 2010, the net impact of foreign currency

changes on transactions was a gain of $794,000 and a loss of $415,000, respectively. Operations outside the United States expose us to risks including fluctuations in currency values, trade restrictions, tariff and trade regulations, U.S. export controls, non-U.S. tax laws, shipping delays, and economic and political instability. For example, violations of U.S. export controls could result in fines and the suspension or loss of export privileges which could have a material adverse affect on our business, results of operations, financial conditions and cash flows.

The functional currency of each of our non-U.S. operations is generally the local currency. Exchange rates between some of these currencies and U.S. Dollars have fluctuated significantly in recent years and may do so in the future. Historically, we have not used derivative financial instruments or other financial instruments to hedge such economic exposures. It is possible that fluctuations in exchange rates will have a negative effect on our results of operations.

U.S. credit markets may impact our ability to obtain financing or increase the cost of future financing, including, in the event we obtain financing with a variable interest rate, interest rate fluctuations based on macroeconomic conditions that are beyond our control.

As of September 30, 2010, we had total consolidated debt of approximately $250.0 million. Our senior secured credit facilities provide for a $42.5 million revolving credit facility, under which we currently have no amounts outstanding. During periods of volatility and disruption in the U.S. credit markets, obtaining additional or replacement financing may be more difficult and the cost of issuing new debt or replacing our senior secured credit facilities could be higher than under our current facility. Higher cost of new debt may limit our ability to have cash on hand for working capital, capital expenditures and acquisitions on terms that are acceptable to us. Additionally, our revolving credit facility has a variable interest rate. By its nature, a variable interest rate will move up or down based on changes in the economy and other factors, all of which are beyond our control. If interest rates increase, our interest expense could increase, affecting earnings and reducing cash flows available for working capital, capital expenditures and acquisitions.

Many of our customer relationships outside of the United States are, either directly or indirectly, with governmental entities, and we could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act and similar worldwide anti-bribery laws outside the United States.

The U.S. Foreign Corrupt Practices Act and similar worldwide anti-bribery laws in non-U.S. jurisdictions generally prohibit companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Because of the predominance of government-sponsored healthcare systems around the world, many of our customer relationships outside of the United States are, either directly or indirectly, with governmental entities and are therefore subject to such anti-bribery laws. Our policies mandate compliance with these anti-bribery laws. We operate in many parts of the world that have experienced governmental corruption to some degree, and in certain circumstances strict compliance with anti-bribery laws may conflict with local customs and practices. Despite our training and compliance programs, our internal control policies and procedures may not always protect us from reckless or criminal acts committed by our employees or agents. Violations of these laws, or allegations of such violations, could disrupt our business and result in a material adverse effect on our results of operations, financial condition and cash flows.

Our business depends on the continued effectiveness and availability of our information technology infrastructure, and failures of this infrastructure could harm our operations.

To remain competitive in our industry, we must employ information technologies to support manufacturing processes, quality processes, distribution, R&D and regulatory applications that capture, manage and analyze the large streams of data generated in our clinical trials in compliance with applicable regulatory requirements. We rely extensively on technology to allow the concurrent conduct

of work sharing around the world. As with all information technology, our systems are vulnerable to potential damage or interruptions from fires, blackouts, telecommunications failures and other unexpected events, as well as to break-ins, sabotage or intentional acts of vandalism. Given the extensive reliance of our business on technology, any substantial disruption or resulting loss of data that is not avoided or corrected by our backup measures could harm our business, operations and financial condition.

We may not be able to hire or retain the number of qualified personnel, particularly scientific, medical and sales personnel, required for our business, which would harm the development and sales of our products and limit our ability to grow.

Competition in our industry for highly skilled scientific, healthcare and sales personnel is intense. If we are unable to retain our existing personnel, or attract and train additional qualified personnel, either because of competition in our industry for such personnel or because of insufficient financial resources, our growth may be limited and it could have a material adverse effect on our business.

If we lose the services of our key personnel, our business could be adversely affected.

Our success is substantially dependent upon the performance, contributions and expertise of our chief executive officer, executive leadership and senior management team. Don Kiepert, our Chief Executive Officer and President, and other members of our executive leadership and senior management team play a significant role in generating new business and retaining existing customers. We have employment agreements with Messrs. Pickering and Kiepert and a limited number of other individuals on our executive leadership team, although we cannot prevent them from terminating their employment with us. We do not maintain key man life insurance policies on any of our executive officers. Our inability to retain our existing executive leadership and senior management team or attract and retain additional qualified personnel could have a materially adverse effect on our business.

We will incur substantial ongoing costs as a result of being obligated to file reports under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and our management will be required to devote substantial time to new compliance initiatives.

In connection with this exchange offer, we will be required to file annual, quarterly and current reports under the Exchange Act with the Commission with respect to our business and financial condition. In addition, the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as well as rules subsequently implemented by the Commission have imposed various requirements on public companies, including the establishment and maintenance of effective disclosure controls and procedures, internal controls and corporate governance practices. Accordingly, we will incur significant legal, accounting and other expenses that we did not incur as a private company.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective internal controls for financial reporting and disclosure. While we currently have internal policies and procedures in place relating to financial reporting which are adequate for a privately-held company, we are not yet in compliance with the Sarbanes-Oxley Act. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal controls over financial reporting to be compliant with the Sarbanes-Oxley Act, significant resources and management oversight will be required. This may divert management's attention from other business concerns which could harm our business, results of operations and financial condition, and substantially increase our accounting, legal and compliance costs.

Risks Related to the Notes

We have a substantial amount of indebtedness which may limit our financial and operating activities and may adversely affect our ability to incur additional debt to fund future needs.

As of September 30, 2010, we had approximately $250.0 million of total indebtedness consisting entirely of the notes subject to the exchange offer, which notes mature May 15, 2017. In addition, we have up to $42.5 million of additional borrowing capacity under our revolving credit facility. Our substantial indebtedness and any future indebtedness we incur could:

- require us to dedicate a substantial portion of cash flow from operations to the payment of principal, and interest on, indebtedness, thereby reducing the funds available for other purposes;
- make it more difficult for us to satisfy and comply with our obligations with respect to the notes, namely the payment of principal and interest;
- subject us to increased sensitivity to interest rate increases;
- make us more vulnerable to economic downturns, adverse industry conditions or catastrophic external events;
- limit our ability to withstand competitive pressures;
- reduce our flexibility in planning for or responding to changing business, industry and economic conditions; and/or
- place us at a competitive disadvantage to competitors that have relatively less debt than we have.

In addition, our substantial level of indebtedness could limit our ability to obtain additional financing on acceptable terms, or at all, for working capital, capital expenditures and general corporate purposes. Our liquidity needs could vary significantly and may be affected by general economic conditions, industry trends, performance and many other factors not within our control.

Despite our substantial indebtedness, we may incur more debt, which could exacerbate the risks described above.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future subject to the limitations contained in the agreements governing our debt. Although these agreements restrict us and our restricted subsidiaries from incurring additional indebtedness, these restrictions are subject to important exceptions and qualifications. For example, we are generally permitted to incur certain indebtedness, including indebtedness to finance acquisitions of similar businesses, indebtedness arising in the ordinary course of business (such as workers' compensation claims), indebtedness among restricted subsidiaries and us and indebtedness relating to hedging obligations. We are also permitted to incur indebtedness so long as we comply with a fixed charge coverage ratio of 2.0 to 1.0, determined on a pro forma basis for the most recently completed four fiscal quarters. See "Description of the Notes—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock." If we or our subsidiaries incur additional debt, the risks that we and they now face as a result of our high leverage could intensify. In addition, the indenture governing the notes and the agreement governing our revolving credit facility will not prevent us from incurring obligations that do not constitute indebtedness under the agreements.

Our debt agreements contain restrictions that will limit our flexibility in operating our business.

The indenture governing the notes and the agreement governing our revolving credit facility contain various covenants that limit our ability to engage in specified types of transactions. These covenants limit our and our restricted subsidiaries' ability to, among other things:

- incur additional debt;

- pay dividends or make other distributions;
- redeem stock;
- issue stock of subsidiaries;
- make certain investments;
- create liens;
- enter into transactions with affiliates; and
- merge, consolidate or transfer all or substantially all of our assets.

Additionally, the agreement governing our revolving credit facility requires us to maintain certain financial ratios. A breach of any of these covenants could result in a default under the indenture governing the notes and the agreement governing our revolving credit facility. We may also be unable to take advantage of business opportunities that arise because of the limitations imposed on us by the restrictive covenants under our indebtedness.

We may not be able to generate sufficient cash flow to meet our debt service obligations.

Our ability to generate sufficient cash flow from operations to make scheduled payments on our debt obligations, which are expected to be approximately $24.4 million per year, will depend on our future financial performance, which will be affected by a range of economic, competitive and business factors, many of which are outside of our control. If we do not generate sufficient cash flow from operations to satisfy our debt obligations, including interest payments and the payment of principal at maturity, we may have to undertake alternative financing plans, such as refinancing or restructuring our debt, selling assets, entering into corporate collaborations or licensing arrangements for one or more of our product candidates, reducing or delaying capital investments or seeking to raise additional capital. We cannot assure you that any refinancing would be possible, that any assets could be sold, licensed or partnered, or, if sold, licensed or partnered, of the timing of the transactions and the amount of proceeds realized from those transactions, that additional financing could be obtained on acceptable terms, if at all, or that additional financing would be permitted under the terms of our various debt instruments then in effect. Furthermore, our ability to refinance would depend upon the condition of the finance and credit markets. Our inability to generate sufficient cash flow to satisfy our debt obligations, or to refinance our obligations on commercially reasonable terms or on a timely basis, would have an adverse effect on our business, results of operations and financial condition.

Your right to receive payments on the notes is effectively subordinated to the rights of our existing and future secured creditors. Further, the guarantees of the notes will be effectively subordinated to all of the guarantors' existing and future secured indebtedness.

Holders of our existing or future secured indebtedness and holders of existing or any future secured indebtedness of the guarantors will have claims that are prior to your claims as holders of the notes to the extent of the value of the assets securing that other indebtedness. The notes will be effectively subordinated to all of that secured indebtedness, including indebtedness under our revolving credit facility and any other future senior secured credit facility. In the event of any distribution or payment of our or the guarantors' assets in any foreclosure, dissolution, winding-up, liquidation, reorganization or other bankruptcy proceeding, holders of secured indebtedness will have a prior claim to those assets that constitute their collateral. Holders of the notes will participate in the distribution or payment of our and the guarantors' remaining assets ratably with all holders of our and the guarantors' unsecured indebtedness that is deemed to be of the same class as the notes, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor. In any of the foregoing events, we cannot assure you that there will be sufficient assets to pay amounts due on the notes. As a result, holders of notes may receive less, ratably, than holders of secured indebtedness.

The notes are effectively subordinated to the liabilities of our subsidiaries that do not guarantee the notes.

Certain of our subsidiaries, including all of our non-U.S. subsidiaries, will not guarantee the notes. To the extent that any of our subsidiaries do not guarantee the notes, the notes will be structurally subordinated to all existing and future obligations, including indebtedness, of such non-guarantor subsidiaries. The claims of creditors of the non-guarantor subsidiaries, including trade creditors, will have priority as to the assets of those subsidiaries.

For the nine months ended September 30, 2010, our non-guarantor subsidiaries accounted for approximately 22.0% of our total revenues. In addition, as of September 30, 2010, our non-guarantor subsidiaries held approximately 11.1% of our consolidated assets and had approximately 5.1% of liabilities (including trade payables), to which the notes and guarantees would have been structurally subordinated.

We are permitted to create unrestricted subsidiaries, which will not provide guarantees of the notes or be subject to any of the covenants in the indenture, and we may not be able to rely on the cash flow or assets of those unrestricted subsidiaries to pay our indebtedness.

Unrestricted subsidiaries will not provide guarantees of the notes or be subject to the covenants under the indenture governing the notes. As a result, our unrestricted subsidiaries will be able to engage in many of the activities that we and our restricted subsidiaries are prohibited or limited from doing under the terms of the indenture governing the notes, such as selling, conveying or distributing assets, incurring additional debt, pledging assets, guaranteeing debt, paying dividends, making investments and entering into mergers or other business combinations, subject to certain restrictive covenants in any of their financing documents, as applicable. These actions could be detrimental to our ability to make payments of principal and interest when due and to comply with our other obligations under the notes, and may reduce the amount of our assets that will be available to satisfy your claims should we default on the notes. As of September 30, 2010, we did not have any unrestricted subsidiaries.

We may choose to redeem notes when prevailing interest rates are relatively low.

We may choose to redeem the notes from time to time, especially when prevailing interest rates are lower than the rate borne by the notes. If prevailing rates are lower at the time of redemption, you would not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on the notes being redeemed. Our redemption right also may adversely impact your ability to sell your notes as the optional redemption date or period approaches.

Federal and state statutes allow courts, under specific circumstances, to avoid guarantees and to require noteholders to return payments received from us or the guarantors.

Our creditors or the creditors of our guarantors could challenge the guarantees as fraudulent conveyances or on other grounds. Under the federal bankruptcy law and comparable provisions of state fraudulent transfer laws, the delivery of the guarantees could be avoided as fraudulent transfers if a court determined that the applicable guarantor, at the time it incurred the indebtedness evidenced by its guarantee or granted its lien:

- delivered the guarantee with the intent to hinder, delay or defraud its existing or future creditors; or
- received less than reasonably equivalent value or did not receive fair consideration for the delivery of the guarantee, and that such guarantor was insolvent or rendered insolvent at the time it delivered the guarantee;

- was engaged in a business or transaction for which such guarantor's remaining assets constituted unreasonably small capital; or

- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

If the guarantees were avoided or limited under fraudulent transfer or other laws, any claim you may make against us for amounts payable on the notes would be effectively subordinated to all of the indebtedness and other obligations of our guarantors, including trade payables and any subordinated indebtedness.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets;

- if the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they became absolute and matured; or

- it could not pay its debts as they became due.

We cannot be sure what standard a court would apply in making these determinations or, regardless of the standard, that a court would not void the guarantees or that any guarantee would not be subordinated to a guarantor's other indebtedness. In a recent Florida bankruptcy case, a similar provision was found to be ineffective to protect the guarantees.

Any future note guarantees provided after the notes are issued could also be avoided by a trustee in bankruptcy.

The indenture governing the notes provides that certain of our future subsidiaries will guarantee the notes. Any future note guarantee for the benefit of the noteholders might be avoidable by the grantor (as debtor-in-possession) or by its trustee in bankruptcy or other third parties if certain events or circumstances exist or occur. For instance, if the entity granting the future note guarantee were insolvent at the time of the grant and if such grant was made within 90 days, or in certain circumstances, a longer period, before that entity commenced a bankruptcy proceeding, and the granting of the future note guarantee enabled the noteholders to receive more than they would if the grantor were liquidated under Chapter 7 of the U.S. Bankruptcy Code, then such note guarantee could be avoided as a preferential transfer.

We may not be able to fulfill our repurchase obligations with respect to the notes upon a change of control.

If we experience certain specific change of control events, we will be required to offer to repurchase all of our outstanding notes at 101% of the principal amount of such notes plus accrued and unpaid interest to the date of repurchase. We cannot assure you that we will have available funds sufficient to pay the change of control purchase price for any or all of the notes that might be tendered in the change of control offer.

The definition of change of control in the indenture governing the notes offered hereby includes a phrase relating to the direct or indirect sale, transfer, conveyance or other disposition of "all or substantially all" of our and our restricted subsidiaries' assets, taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require us to repurchase such notes as a result of a sale, transfer, conveyance or other disposition of less than all

of our and our "restricted subsidiaries" assets taken as a whole to another person or group may be uncertain. In addition, a recent Delaware Chancery Court decision raised questions about the enforceability of provisions, which are similar to those in the indenture governing the notes offered hereby, related to the triggering of a change of control as a result of a change in the composition of a board of directors. Accordingly, the ability of a holder of notes to require us to repurchase notes as a result of a change in the composition of our board of directors may be uncertain.

In addition, our revolving credit facility contains, and any future credit agreement likely will contain, restrictions or prohibitions on our ability to repurchase the notes under certain circumstances. If these change of control events occur at a time when we are prohibited from repurchasing the notes, we may seek the consent of our lenders to purchase the notes or could attempt to refinance the borrowings that contain these prohibitions or restrictions. If we do not obtain our lender's consent or refinance these borrowings, we will not be able to repurchase the notes. Accordingly, the holders of the notes may not receive the change of control purchase price for their notes in the event of a sale or other change of control, which will give the trustee and the holders of the notes the right to declare an event of default and accelerate the repayment of the notes. See "Description of the Exchange Notes —Repurchase at the Option of Holders—Change of Control."

An adverse rating of the notes may cause their trading price to fall.

Multiple rating agencies have assigned ratings to the notes. As of September 30, 2010, the ratings of the notes with Standard & Poor's Ratings Services and Moody's Investors Service were B+, positive outlook, and B2, stable outlook, respectively. Ratings agencies, however, may lower ratings on the notes or any of our other debt in the future. If rating agencies maintain a lower than-expected rating or reduce, or indicate that they may reduce, their ratings of our debt in the future, the trading price of the notes could significantly decline.

If a bankruptcy petition were filed by or against us, holders of notes may receive a lesser amount for their claim than they would have been entitled to receive under the indenture governing the notes.

If a bankruptcy petition were filed by or against us under the U.S. Bankruptcy Code after the issuance of the notes, the claim by any holder of the notes for the principal amount of the notes may be limited to an amount equal to the sum of:

- the original issue price for the notes; and
- that portion of the original issue discount, if any, that does not constitute "unmatured interest" for purposes of the U.S. Bankruptcy Code.

Any original issue discount that was not amortized as of the date of the bankruptcy filing would constitute unmatured interest. Accordingly, holders of the notes under these circumstances may receive a lesser amount than they would be entitled to receive under the terms of the indenture governing the notes, even if sufficient funds are available.

We are indirectly owned and controlled by Avista and their interests may conflict with yours as a creditor.

Avista and an affiliated co-investment vehicle collectively own approximately 99.5% of Holdings, which is the sole stockholder of Lantheus Intermediate, our parent company. As a result, Avista has the power to elect our board of directors and effectively has control over major decisions regardless of whether holders of the notes believe that any such decisions are in their own best interests. The interests of Avista as an equity holder may conflict with your interests as a holder of the notes. Avista may have an incentive to increase the value of its investment or cause us to distribute funds at the expense of our financial condition and affect our ability to make payments on the notes. In addition, Avista may have an interest in pursuing acquisitions, divestitures, financings or other transactions that it

believes could enhance its equity investments even though such transactions might involve risks to you as a holder of the notes.

Risks Related to the Exchange Offer

Your Restricted Notes will not be accepted for exchange if you fail to follow the exchange offer procedures.

We will not accept your Restricted Notes for exchange if you do not follow the exchange offer procedures. We will issue Exchange Notesas part of the exchange offer only after a timely receipt of your Restricted Notes, a properly completed and duly executed letter of transmittal and all other required documents. Therefore, if you wish to tender your Restricted Notes, please allow sufficient time to ensure timely delivery. If we do not receive your Restricted Notes, letter of transmittal and other required documents by the time of expiration of the exchange offer, initially expected to be at 5:00 p.m., New York City time, on , 2011, we will not accept your RestrictedNotes for exchange. We areunder no duty to give notification of defects or irregularities with respect to the tenders of Restricted Notes for exchange. If there are defects or irregularities with respect to your tender of Restricted Notes, we will not accept your Restricted Notes for exchange. See "The Exchange Offer—Procedures for Tendering Restricted Notes."

If you do not exchange your Restricted Notes, there will be restrictions on your ability to resell your Restricted Notes.

Following the exchange offer, Restricted Notes that you do not tender, that we do not accept or that do not qualify to be registered in a "shelf" registration form will be subject to transfer restrictions. Absent registration, any untendered Restricted Notes may therefore only be offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws or pursuant to an effective registration statement. If no such exemption is available, you will not be able to sell your Restricted Notes.

There is no public market for the Exchange Notes, and we cannot assure you that a market for the Exchange Notes will develop.

The Exchange Notes are a new issue of securities for which there is currently no active trading market. We do not intend to file an application to have the Exchange Notes listed on any securities exchange or included for quotation on any automated dealer quotation system. Although the initial purchasers in the original issuance indicated that they intend to make a market in the notes as over-the-counter securities that are not traded on an exchange, they have no obligation to do so and may discontinue market-making activity at any time without notice.

If any of the Exchange Notes are traded after their initial issuance, they may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar securities and other factors, including general economic conditions, our financial condition, performance and prospects and prospects for companies in our industry generally. In addition, the liquidity of the trading market in the Exchange Notes and the market prices quoted for the Exchange Notes may be negatively affected by changes in the overall market for high-yield securities. As a result, we cannot assure you that an active trading market will develop for the Exchange Notes.

In addition, we have the right, pursuant to the registration rights agreement, to suspend the use of the registration statement in certain circumstances. In the event of such a suspension you would not be able to sell the notes under the registration statement.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements contained in this prospectus are forward-looking statements that are subject to risks and uncertainties, including, in particular, statements about our plans, strategies, prospects and industry estimates. These statements identify prospective information and include words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects," "should," "predicts," "hopes" and similar expressions. Examples of forward-looking statements include, but are not limited to, statements we make regarding: (i) our liquidity, including our belief that our existing cash, cash equivalents and anticipated revenues are sufficient to fund our existing operating expenses, capital expenditures and liquidity requirements for at least the next twelve months; (ii) our outlook and expectations for the balance of 2010 and 2011, including, without limitation, in connection with continued market expansion and penetration for certain of our commercial products; and (iii) expected new product launch dates and market exclusivity periods. The foregoing is not an exclusive list of all forward-looking statements we make. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. The matters referred to in the forward-looking statements contained in this prospectus may not in fact occur. We caution you therefore against relying on any of these forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national or global political, economic, business, competitive, market and regulatory conditions and the following:

- our dependence on a limited number of third party suppliers and the ongoing global Moly supply challenge;
- a failure of TechneLite generator demand to return to pre-NRU reactor outage levels;
- our dependence upon third parties for the manufacture and supply of a substantial portion of our products;
- our dependence upon third party healthcare payors and the uncertainty of third party coverage and reimbursement rates;
- uncertainties regarding the impact of U.S. healthcare reform on our business;
- our being subject to extensive government regulation and our potential inability to comply with such regulations;
- problems with the quality or performance of our products;
- liability associated with our marketing and sales practices;
- the occurrence of side effects with our DEFINITY and Ablavar products;
- our inability to introduce new products and adapt to changing technology and diagnostic landscape;
- the extensive costs, time and uncertainty associated with new product development, including further product development in cooperation with a development partner or partners;
- our dependence on key customers for our nuclear imaging products;
- our exposure to product liability claims and environmental liability;
- our inability to protect our intellectual property and the risk of claims that we have infringed on the intellectual property of others;

- our inability to compete effectively;
- risks associated with the current economic environment, including the U.S. credit markets;
- risks associated with our international operations;
- our inability to adequately protect our technology infrastructure;
- our inability to hire or retain skilled employees and the loss of any of our key personnel;
- costs and other risks associated with becoming a reporting company and becoming subject to the Sarbanes-Oxley and Dodd-Frank Acts; and
- other factors that are described in "Risk Factors," beginning on page 16.

Any forward-looking statement made by us in this prospectus speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

THE EXCHANGE OFFER

Purpose and Effect

We issued the Restricted Notes on May 10, 2010 in a transaction exempt from registration under the Securities Act. In connection with the original issuance, we entered into an indenture and a registration rights agreement. The registration rights agreement requires that we file a registration statement under the Securities Act with respect to the Exchange Notes to be issued in the exchange offer and, upon the effectiveness of the registration statement, offer you the opportunity to exchange your Restricted Notes for a like principal amount of Exchange Notes. If we fail to satisfy our registration obligations under the registration rights agreement, including, if required, our obligation to have an effective resale shelf registration statement for the Restricted Notes, we will be required to pay additional interest to the holders of the Restricted Notes, in an amount equal to 0.25% per year and an additional 0.25% per year for each subsequent 90 day period until effectiveness, up to a maximum of 1.00% per year. Such additional interest would become due if (a) the registration statement related to the Exchange Offer is not effective by May 10, 2011, (b) a resale shelf registration statement registering the Restricted Notes is not effective by 90 days following the date the Exchange Offer cannot be consummated or a holder cannot participate in the Exchange Offer due to applicable law or SEC policy, (c) the Exchange Offer is not consummated on or prior to the 30th Business Day after the date on which the registration statement related to the Exchange Offer is declared effective by the SEC, (d) the registration statement related to the Exchange Offer is declared effective by the SEC and such registration statement ceases to be effective or usable at any time prior to the time that the Exchange Offer is consummated or (e) a resale shelf registration statement registering the Restricted Notes has been declared effective by the SEC and such resale shelf registration statement ceases to be effective or usable at any time prior to the first anniversary of its effective date (other than such time as all such notes have been disposed of thereunder). Except as set forth below, these Exchange Notes will be issued without a restrictive legend or additional interest provisions and, we believe, may be reoffered and resold by you without registration under the Securities Act. The Exchange Notes will be issued under the same indenture as the Restricted Notes. After we complete the exchange offer, our obligations with respect to the registration of the Restricted Notes and the Exchange Notes will terminate. A copy of the registration rights agreement has been filed as an exhibit to the registration statement of which this prospectus forms a part. Notwithstanding anything to the contrary set forth in this prospectus, the exchange offer is not being made to you, and you may not participate in the exchange offer, if (a) you are our "affiliate" within the meaning of Rule 405 of the Securities Act or (b) you are a broker-dealer that acquired Restricted Notes directly from us.

Based on interpretations by the staff of the Commission set forth in no-action letters issued to third parties unrelated to us, we believe that the Exchange Notes to be issued to you in the exchange offer may be offered for resale, resold and otherwise transferred by you, without compliance with the registration and prospectus delivery provisions of the Securities Act, unless you are a broker-dealer that receives Exchange Notes in exchange for Restricted Notes acquired by you as a result of market-making activities or other trading activities. This interpretation, however, is based on your representation to us that:

- the Exchange Notes to be issued to you in the exchange offer are acquired in the ordinary course of your business;
- at the time of the commencement of the exchange offer, you have no arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the Exchange Notes to be issued to you in the exchange offer in violation of the Securities Act;
- you are not an affiliate (as defined in Rule 405 promulgated under the Securities Act) of us;

- you are not engaging in, and do not intend to engage in, a distribution of the Exchange Notes to be issued to you in the exchange offer;

- you are not acting on behalf of any persons or entities who could not truthfully make the foregoing representations.

If you have any of the disqualifications described above or cannot make each of the representations set forth above, you may not rely on the interpretations by the staff of the Commission referred to above. Under those circumstances, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a sale, transfer or other disposition of any notes unless you are able to utilize an applicable exemption from all of those requirements. In addition, each broker-dealer that receives Exchange Notes in the exchange offer for its own account in exchange for Restricted Notes that were acquired by the broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of those Exchange Notes. See "Plan of Distribution."

If you will not receive freely tradable Exchange Notes in the exchange offer or are not eligible to participate in the exchange offer and the Restricted Notes held by you remain subject to the demand registration provisions of the registrations rights agreement, you may elect to have your Restricted Notes registered in a "resale shelf" registration statement on an appropriate form pursuant to Rule 415 under the Securities Act. If we are obligated to file a shelf registration statement, we will be required to keep the shelf registration statement effective for a period of two years from May 10, 2010 or such shorter period that will terminate when (a) all of the notes covered by the shelf registration statement have been sold pursuant to the shelf registration statement, (b) we file a subsequent shelf registration statement or (c) there ceases to be any Restricted Notes. Other than as set forth in this paragraph, you will not have the right to require us to register your Restricted Notes under the Securities Act. See "—Procedures for Tendering Restricted Notes" below.

Terms of the Exchange Offer

Upon the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal, we will accept any and all Restricted Notes validly tendered and not withdrawn prior to 5:00 p.m., New York City time, on , 2011. We will issue $1,000 principal amount of Exchange Notes in exchange for each $1,000 principal amount of Restricted Notes accepted in the exchange offer. You may tender some or all of your Restricted Notes pursuant to the exchange offer. However, Restricted Notes may be tendered only in minimum denominations of $2,000 and any integral multiple of $1,000 in excess thereof.

The form and terms of the Exchange Notes are substantially the same as the form and terms of the Restricted Notes, except that the Exchange Notes to be issued in the exchange offer have been registered under the Securities Act and will not bear legends restricting their transfer or contain additional interest provisions. The Exchange Notes will be issued pursuant to, and entitled to the benefits of, the indenture. The indenture also governs the Restricted Notes. Each series of Exchange Notes and Restricted Notes will be deemed a single issue of the respective series of notes under the indenture.

As of the date of this prospectus, $250,000,000 aggregate principal amount of Restricted Notes are outstanding. This prospectus, together with the letter of transmittal, is being sent to all registered holders and to others believed to have beneficial interests in the Restricted Notes. We intend to conduct the exchange offer in accordance with the applicable requirements of the Exchange Act and the rules and regulations of the Commission promulgated under the Exchange Act.

We will be deemed to have accepted validly tendered Restricted Notes when, as and if we have given oral or written notice of our acceptance to the exchange agent. The exchange agent will act as our agent for the tendering holders for the purpose of receiving the Exchange Notes from us. Any Restricted Notes not accepted for exchange for any reason will be returned without expense to an account maintained with DTC promptly after the expiration or termination of the exchange offer.

You will not be required to pay brokerage commissions or fees or, except as set forth below under "—Transfer Taxes," transfer taxes with respec to the exchange of your Restricted Notes in the exchange offer. We will pay all charges and expenses, other than applicable taxes, in connection with the exchange offer. See "—Fees and Expenses" below.

Expiration Date; Amendments

The exchange offer will expire at 5:00 p.m., New York City time, on , 2011 unless we determine, in our sole discretion, to extend the exchange offer, in which case, it will expire at the later date and time to which it is extended. We do not intend to extend the exchange offer, although we reserve the right to do so. If we extend or terminate the exchange offer, we will give oral or written notice of the extension to the exchange agent and give each registered holder notice by means of a press release or other public announcement of any extension prior to 9:00 a.m., New York City time, on the next business day after the scheduled expiration date. We will not extend the exchange offer past , 2011.

We also reserve the right, in our sole discretion,

(1) to delay accepting any Restricted Notes, to the extent in a manner compliant with Rule 14e-1(c) of the Exchange Act, in the event the exchange offer are extended,

(2) subject to applicable law and by complying with Rule 14e-1(d) under the Exchange Act to the extent that rule applies, to extend the exchange offer or, if any of the conditions set forth below under "—Conditions to the Exchange Offer" have not been satisfied or waived, to terminate the exchange offer by giving oral or written notice of the delay or termination to the exchange agent, or

(3) to amend the terms of the exchange offer in any manner, by complying with Rule 14e-1(d) under the Exchange Act to the extent that rule applies. If we make any material amendment to the terms of the exchange offer or waive any material condition, we will keep the exchange offer open for at least five business days after we notify you of such change or waiver. If we make a material change to the terms of the exchange offer, it may be necessary for us to provide you with an amendment to this prospectus reflecting that change. We may only delay, terminate or amend the offer prior to its expiration.

We acknowledge and undertake to comply with the provisions of Rule 14e-l(c) under the Exchange Act, which requires us to return the Restricted Notes surrendered for exchange promptly after the termination or withdrawal of the exchange offer. We will notify you as promptly as we can of any extension, termination or amendment.

Procedures for Tendering Restricted Notes

The Restricted Notes were issued as global notes in fully registered form without interest coupons. Beneficial interests in the global notes held by direct or indirect participants in DTC are shown on, and transfers of these interests are effected only through, records maintained in book-entry form by DTC with respect to its participants. You may only tender your Restricted Notes by book-entry transfer of the Restricted Notes into the exchange agent's account at DTC. The tender to us of Restricted Notes by you, as set forth below, and our acceptance of the Restricted Notes will constitute a binding agreement between us and you, upon the terms and subject to the conditions set forth in this

prospectus. Except as set forth below, to tender Restricted Notes for exchange pursuant to the exchange offer, you must transmit to Wilmington Trust FSB, as exchange agent, on or prior to the time of expiration either:

(1) a written or facsimile copy of a properly completed and duly executed letter of transmittal for your Restricted Notes, including all other documents required by the letter of transmittal, to the exchange agent at the address set forth on the cover page of the letter of transmittal; or

(2) a computer-generated message transmitted by means of DTC's Automated Tender Offer Program (ATOP) system and received by the exchange agent and forming a part of a confirmation of book-entry transfer, in which you acknowledge and agree to be bound by the terms of the letter of transmittal for your notes.

In addition, the exchange agent must receive, on or prior to the expiration date:

(1) a timely confirmation of book-entry transfer (a "book-entry confirmation") of the Restricted Notes into the exchange agent's account at DTC; or

(2) you must comply with the guaranteed delivery procedures described below.

If you are a beneficial owner whose Restricted Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, and wish to tender, you should promptly instruct the registered holder to tender on your behalf. Any registered holder that is a participant in DTC's book-entry transfer facility system may make book-entry delivery of the Restricted Notes by causing DTC to transfer the Restricted Notes into the exchange agent's account. If you wish to tender on your own behalf, you must, prior to completing and executing the letter of transmittal for your Restricted Notes and delivering your Restricted Notes, either make appropriate arrangements to register ownership of the Restricted Notes in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time.

Signatures on a letter of transmittal or a notice of withdrawal must be guaranteed by an eligible institution unless:

- Restricted Notes tendered in the exchange offer are tendered either
  - by a registered holder who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the letter of transmittal, or
  - for the account of an eligible institution; and
- the box entitled "Special Registration Instructions" on the letter of transmittal has not been completed.

If signatures on a letter of transmittal or a notice of withdrawal are required to be guaranteed, the guarantee must be by a financial institution, which includes most banks, savings and loan associations and brokerage houses, that is a participant in the Securities Transfer Agents Medallion Program, the New York Stock Exchange Medallion Program or the Stock Exchanges Medallion Program.

If the letter of transmittal is signed by a person other than you, your Restricted Notes must be endorsed or accompanied by a properly completed bond power and signed by you as your name appears on those Restricted Notes.

If the letter of transmittal or any Restricted Notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations, or others acting in a fiduciary or representative capacity, those persons should so indicate when signing. Unless we waive this requirement, in this instance you must submit with the letter of transmittal proper evidence satisfactory to us of their authority to act on your behalf.

We, in our sole discretion, will make a final and binding determination on all questions as to the validity, form, eligibility (including time of receipt) and acceptance of Restricted Notes tendered for exchange. We reserve the absolute right to reject any and all tenders not properly tendered or to not accept any tender which acceptance might, in our judgment or our counsel's, be unlawful. We also reserve the absolute right to waive any defects or irregularities or conditions of the exchange offer as to any individual tender before the expiration date (including the right to waive the ineligibility of any holder who seeks to tender Restricted Notes in the exchange offer). Our interpretation of the terms and conditions of the exchange offer as to any particular tender either before or after the expiration date will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of Restricted Notes for exchange must be cured within a reasonable period of time, as we determine. We are not, nor is the exchange agent or any other person, under any duty to notify you of any defect or irregularity with respect to your tender of Restricted Notes for exchange, and no one shall be liable for failing to provide such notification.

By tendering Restricted Notes, you represent to us that: (i) the Exchange Notes to be issued to you in the exchange offer are acquired in the ordinary course of your business; (ii) at the time of the commencement of the exchange offer you have no arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the Exchange Notes to be issued to you in the exchange offer in violation of the Securities Act; (iii) you are not our affiliate, as defined in Rule 405 of the Securities Act, (iv) you are not engaging in, and do not intend to engage in, a distribution of the Exchange Notes to be issued to you in the exchange offer; (v) if you are a purchasing broker-dealer, that you will receive the Exchange Notes for your own account in exchange for the Restricted Notes that were acquired by you as a result of your market-making or other trading activities and that you will deliver a prospectus in connection with any resale of such Exchange Notes and (vi) you are not acting on behalf of any persons or entities who could not truthfully make the foregoing representations. For further information regarding resales of the Exchange Notes by participating broker-dealers, see the discussion under the caption "Plan of Distribution."

If any holder or other person is an "affiliate" of ours, as defined under Rule 405 of the Securities Act, or is engaged in, or intends to engage in, or has an arrangement or understanding with any person to participate in, a distribution of the Exchange Notes, that holder or other person cannot rely on the applicable interpretations of the staff of the Commission, may not tender its Restricted Notes in the exchange offer and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

Each broker-dealer that receives Exchange Notes for its own account in exchange for Restricted Notes, where the Restricted Notes were acquired by it as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus that meets the requirements of the Securities Act in connection with any resale of the Exchange Notes. By so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. See "Plan of Distribution."

Furthermore, any broker-dealer that acquired any of its Restricted Notes directly from us:

- may not rely on the applicable interpretation of the staff of the Commission's position contained in Exxon Capital Holdings Corp., SEC no-action letter (April 13, 1988), Morgan, Stanley & Co. Inc., SEC no-action letter (June 5, 1991) and Shearman & Sterling, SEC no-action letter (July 2, 1993);

- must also be named as a selling securityholder in connection with the registration and prospectus delivery requirements of the Securities Act relating to any resale transaction.

By delivering an agent's message, a beneficial owner (whose Restricted Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee) or holder will be deemed

to have irrevocably appointed the exchange agent as its agent and attorney-in-fact (with full knowledge that the exchange agent is also acting as an agent for us in connection with the exchange offer) with respect to the Restricted Notes, with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest subject only to the right of withdrawal described in this prospectus), to receive for our account all benefits and otherwise exercise all rights of beneficial ownership of such Restricted Notes, in accordance with the terms and conditions of the exchange offer.

Each beneficial owner or holder will also be deemed to have represented and warranted to us that it has authority to tender, exchange, sell, assign and transfer the Restricted Notes it tenders and that, when the same are accepted for exchange, we will acquire good, marketable and unencumbered title to such Restricted Notes, free and clear of all liens, restrictions, charges and encumbrances, and that the Restricted Notes tendered are not subject to any adverse claims or proxies. Each beneficial owner and holder, by tendering its Restricted Notes, also agrees that it will comply with its obligations under the registration rights agreement.

Acceptance of Restricted Notes for Exchange; Delivery of Exchange Notes

Upon satisfaction or waiver of all of the conditions to the exchange offer, we will accept, promptly after the expiration date, all Restricted Notes properly tendered and will issue the Exchange Notes promptly after acceptance of the Restricted Notes. See "—Conditions to the Exchange Offer." For purposes of the exchange offer, we will be deemed to have accepted properly tendered Restricted Notes for exchange if and when we give oral (confirmed in writing) or written notice to the exchange agent.

The holder of each Restricted Note accepted for exchange will receive an Exchange Note in the amount equal to the surrendered Restricted Note. Holders of Exchange Notes on the relevant record date for the first interest payment date following the consummation of the exchange offer will receive interest accruing from the most recent date to which interest has been paid on the Restricted Notes or, if no interest has been paid, from the issue date of the Restricted Notes. Holders of Exchange Notes will not receive any payment in respect of accrued interest on Restricted Notes otherwise payable on any interest payment date, the record date for which occurs on or after the consummation of the exchange offer.

In all cases, issuance of Exchange Notes for Restricted Notes that are accepted for exchange will be made only after timely receipt by the exchange agent of an agent's message and a timely confirmation of book-entry transfer of the Restricted Notes into the exchange agent's account at DTC.

If any tendered Restricted Notes are not accepted for any reason set forth in the terms and conditions of the exchange offer or if Restricted Notes are submitted for a greater principal amount than the holder desires to exchange, such unaccepted or non-exchanged Restricted Notes will be returned without expense to an account maintained with DTC promptly after the expiration or termination of the exchange offer.

Guaranteed Delivery Procedures

If you desire to tender your Restricted Notes and your Restricted Notes are not immediately available, time will not permit your Restricted Notes or other required documents to reach the exchange agent before the time of expiration or you cannot complete the procedure for book-entry on a timely basis, you may tender if:

- you tender through an eligible financial institution;
- on or prior to 5:00 p.m., New York City time, on the expiration date, the exchange agent receives from an eligible institution, a written or facsimile copy of a properly completed and duly

executed letter of transmittal and notice of guaranteed delivery, substantially in the form provided by us; and

- a book-entry confirmation, and all other documents required by the letter of transmittal, are received by the exchange agent within three New York Stock Exchange trading days after the date of execution of the notice of guaranteed delivery.

The notice of guaranteed delivery may be sent by facsimile transmission, mail or hand delivery. The notice of guaranteed delivery must set forth:

- your name and address;
- the amount of Restricted Notes you are tendering; and
- a statement that your tender is being made by the notice of guaranteed delivery and that you guarantee that within three New York Stock Exchange trading days after the execution of the notice of guaranteed delivery, the eligible institution will deliver the following documents to the exchange agent:
  - a book-entry confirmation of tender;
  - a written or facsimile copy of the letter of transmittal, or a book-entry confirmation instead of the letter of transmittal; and
  - any other documents required by the letter of transmittal.

Book-Entry Transfers

The exchange agent will make a request to establish an account for the Restricted Notes at DTC for purposes of the exchange offer within two business days after the date of this prospectus. Any financial institution that is a participant in DTC's systems must make book-entry delivery of Restricted Notes by causing DTC to transfer those Restricted Notes into the exchange agent's account at DTC in accordance with DTC's procedures for transfer. This participant should transmit its acceptance to DTC on or prior to the expiration date. DTC will verify this acceptance, execute a book-entry transfer of the tendered Restricted Notes into the exchange agent's account at DTC and then send to the exchange agent confirmation of this book-entry transfer. The transmission of the Restricted Notes and agent's message to DTC and delivery by DTC to and receipt by the exchange agent of the related agent's message will be deemed to be a valid tender.

If one of the following situations occurs:

- you cannot deliver a book-entry confirmation of book-entry delivery of your book-entry interests into the relevant account of the exchange agent at DTC; or
- you cannot deliver all other documents required by the letter of transmittal to the exchange agent prior to the time of expiration,

then you must tender your book-entry interests according to the guaranteed delivery procedures discussed above.

Withdrawal Rights

For a withdrawal of a tender of Restricted Notes to be effective, the exchange agent must receive a valid withdrawal request through the Automated Tender Offer Program (ATOP) system from the tendering DTC participant before the expiration date. Any such request for withdrawal must include the VOI number of the tender to be withdrawn and the name of the ultimate beneficial owner of the related Restricted Notes in order that such notes may be withdrawn. Properly withdrawn Restricted Notes may be re-tendered by following the procedures described under "—Procedures for Tendering

Restricted Notes" above at any time on or before 5:00 p.m., New York City time, on the expiration date.

We will determine all questions as to the validity, form and eligibility, including time of receipt, of notices of withdrawal. Any Restricted Notes so withdrawn will be deemed not to have been validly tendered for exchange. No Exchange Notes will be issued unless the Restricted Notes so withdrawn are validly re-tendered.

Conditions to the Exchange Offer

Notwithstanding any other provision of the exchange offer and subject to our obligations under the registration rights agreement, we will not be required to accept for exchange, or to issue Exchange Notes in exchange for, any Restricted Notes and may terminate or amend the exchange offer, if at any time before the expiration of the exchange offer any of the following events occur:

- the exchange offer violates applicable law or any applicable interpretation of the staff of the Commission;
- an action or proceeding has been instituted or threatened in any court or by any governmental agency that might materially impair our ability to proceed with the exchange offer and any material adverse development shall have occurred in any existing action or proceeding with respect to us; and
- all governmental approvals have not been obtained, which approvals we deem necessary for the consummation of the exchange offer.

These conditions are for our sole benefit and we may assert them regardless of the circumstances giving rise to them, subject to applicable law. We also may waive in whole or in part at any time and from time to time any particular condition in our sole discretion. If we waive a condition, we may be required in order to comply with applicable securities laws, to extend the expiration date of the exchange offer. Our failure at any time to exercise any of the foregoing rights will not be deemed a waiver of these rights and these rights will be deemed ongoing rights that may be asserted at any time (in the case of any condition involving governmental approvals necessary to the consummation of the exchange offer) and from time to time prior to the time of expiration (in the case of all other conditions).

In addition, we will not accept for exchange any Restricted Notes tendered, and no Exchange Notes will be issued in exchange for any of those Restricted Notes, if at the time the notes are tendered any stop order is threatened by the Commission or in effect with respect to the registration statement of which this prospectus is a part or the qualification of the indenture under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act" or "TIA").

The exchange offer is not conditioned on any minimum principal amount of Restricted Notes being tendered for exchange.

Exchange Agent

We have appointed Wilmington Trust FSB as exchange agent for the exchange offer. Questions, requests for assistance and requests foradditional copies of the prospectus, letter of transmittal and other related documents should be directed to the exchange agent addressed as follows:

By Mail, Hand or Overnight Delivery:

Wilmington Trust FSB
c/o Wilmington Trust Company
Corporate Capital Markets
Rodney Square North
1100 North Market Street
Wilmington, Delaware 19890-1626

By Facsimile:

(302) 636-4139

For Information or Confirmation by Telephone:

Sam Hamed
(302) 636-6181

The exchange agent also acts as trustee under the indenture.

Fees and Expenses

The principal solicitation is being made through DTC by Wilmington Trust FSB, as exchange agent. We will pay the exchange agent customary fees for its services, reimburse the exchange agent for its reasonable out-of-pocket expenses incurred in connection with the provision of these services and pay other registration expenses, including registration and filing fees, fees and expenses of compliance with federal securities and state blue sky securities laws, printing expenses, messenger and delivery services and telephone, fees and disbursements to our counsel, application and filing fees and any fees and disbursement to our independent registered public accounting firm. We will not make any payment to brokers, dealers or others soliciting acceptances of the exchange offer. We will pay the estimated cash expenses to be incurred in connection with the exchange offer.

Additional solicitation may be made by telephone, facsimile or in person by our and our affiliates' officers and regular employees and by persons so engaged by the exchange agent.

Transfer Taxes

You will not be obligated to pay any transfer taxes in connection with the tender of Restricted Notes in the exchange offer unless you instruct us to register Exchange Notes in the name of, or request that Restricted Notes not tendered or not accepted in the exchange offer be returned to, a person other than the registered tendering holder. In those cases, you will be responsible for the payment of any applicable transfer tax.

Accounting Treatment

We will record the Exchange Notes at the same carrying value as the Restricted Notes, as reflected in our accounting records on the date of the exchange. Accordingly, we will not recognize any gain or loss for accounting purposes as the term of the Exchange Notes are substantially identical to those of the Restricted Notes. The expenses of the exchange offer will be amortized over the terms of the Exchange Notes.

Consequences of Failing to Exchange Restricted Notes

If you do not exchange your Restricted Notes for Exchange Notes in the exchange offer or qualify to elect to have your Restricted Notesregistered in a "shelf" registration form, your Restricted Notes will continue to be subject to the provisions of the indenture regarding transfer and exchange of the Restricted Notes and the restrictions on transfer of the Restricted Notes imposed by the Securities Act and state securities law. These transfer restrictions are required because the Restricted Notes were issued under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. In general, the Restricted Notes may not be offered or sold unless registered under the Securities Act, except under an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. We do not plan to register the Restricted Notes under the Securities Act.

If you do not exchange your Restricted Notes for Exchange Notes in the exchange offer or qualify to elect to have your Restricted Notes registered in a "shelf" registration form, you will continue to be entitled to all the rights and limitations applicable to the Restricted Notes as set forth in the indenture, but we will not have any further obligation to you to provide for the exchange and registration of the Restricted Notes under the registration rights agreement other than as set forth above under "—Purpose and Effect." Therefore, the liquidity of the marketfor your Restricted Notes could be adversely affected upon completion of the exchange offer if you do not participate in the exchange offer.

Participating Broker-Dealers

Each broker-dealer that receives Exchange Notes for its own account in exchange for Restricted Notes, where such Restricted Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. See "Plan of Distribution."

BASIS OF FINANCIAL INFORMATION

The term "Predecessor" refers to our predecessor company, BMSMI, formerly a division of BMS, and now known as Lantheus Medical Imaging, Inc. The term "Successor" refers to Lantheus MI Intermediate, Inc., our direct parent, and its subsidiaries. The financial statements included in this prospectus for BMSMI, as of and for the year ended December 31, 2007, have been prepared on a carve-out basis using BMS's historical bases in the assets and liabilities and the historical results of the operations of BMSMI. The financial statements have been derived from the consolidated financial statements and accounting records of BMS, principally from statements and records representing the business of BMSMI when operated as a division of BMS. These financial statements have been prepared in accordance with GAAP.

The statement of operations for the year ended December 31, 2007 includes expense allocations for certain corporate functions historically provided to BMSMI by BMS, including general corporate expenses related to corporate functions such as executive oversight, risk management, information technology, accounting, audit, legal, investor relations, human resources, shared services and employee benefits and incentives, including pension and other post retirement benefits and stock-based compensation arrangements. Additionally, the statement of operations includes expense allocations relating to the effects of foreign currency derivatives.

We considered these allocations to be a reasonable reflection of the utilization of services provided or benefits received. The allocations may not, however, reflect the expense BMSMI would have incurred as a stand-alone company, and the expense allocation methodologies used by BMS may not represent actual costs of operating the stand-alone business. Actual costs that may have been incurred if BMSMI had been a stand-alone company would depend on a number of factors, including the chosen organizational structure, what functions were outsourced or performed by employees and strategic decisions made in areas such as information technology systems and infrastructure.

In addition, certain Predecessor items have been reclassified to conform with Successor's presentation.

Therefore, the results of operations, changes in equity and cash flows for the Successor and Predecessor periods are not comparable. These statements have been prepared using the Predecessor's bases in the assets and liabilities and the historical results of operations for the year ended December 31, 2007. Periods subsequent to December 31, 2007 have beenprepared using our bases in the assets and liabilities.

Following the Acquisition, our audited financial statements were prepared at the Lantheus Intermediate level rather than at the Lantheus level due to covenants in our financial arrangements undertaken in connection with the Acquisition. Because BMSMI is the legal predecessor to Lantheus, we believe that BMSMI is the effective predecessor of Lantheus MI Intermediate which owns 100% of the capital stock of Lantheus and has no other operations and holds no other assets.

NON-GAAP FINANCIAL MEASURES

EBITDA and Adjusted EBITDA and the ratios related thereto, as presented in this prospectus, are supplemental measures of our performance that are not required by, or presented in accordance with, generally accepted accounting principles in the United States ("GAAP"). They are not measurements of our financial performance under GAAP and should not be considered as alternatives to net income or any other performance measures derived in accordance with GAAP or as alternatives to cash flow from operating activities as measures of our liquidity.

Our measurement of EBITDA and Adjusted EBITDA and the ratios related thereto may not be comparable to similarly titled measures of other companies and are not measures of performance calculated in accordance with GAAP. We have included information concerning EBITDA and Adjusted EBITDA in this prospectus because we believe that such information is used by certain investors as one measure of a company's historical performance.

EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for analysis of our operating results or cash flows as reported under GAAP. Some of these limitations are:

- they do not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- they do not reflect changes in, or cash requirements for, our working capital needs;
- they do not reflect the significant interest expense or the cash requirements necessary to service interest or principal payments, on our debt;
- although depreciation is a non-cash charge, the assets being depreciated will often have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any cash requirements for such replacements;
- they are not adjusted for all non-cash income or expense items that are reflected in our statements of cash flows; and
- other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as measures of discretionary cash available to us to invest in the growth of our business. We compensate for these limitations by relying primarily on our GAAP results and using EBITDA and Adjusted EBITDA only for supplemental purposes. Please see the consolidated financial statements included elsewhere in this prospectus for our GAAP results.

For a presentation of net income as calculated under GAAP and reconciliation to our calculation of EBITDA and Adjusted EBITDA, see "Summary—Summary Consolidated Financial Data" in this prospectus.

USE OF PROCEEDS

The exchange offer is intended to satisfy our obligations under the registration rights agreement. We will not receive any cash proceeds from the issuance of the Exchange Notes or the exchange offer. Accordingly, the issuance of the Exchange Notes will not result in any increase in our outstanding indebtedness or change in our capitalization. We will bear the expenses of the Exchange Offer.

RATIO OF EARNINGS TO FIXED CHARGES

Year Ended December 31,		Nine Months Ended September 30,
2008	2009	2010
3.9x	4.1x	1.7x

For purposes of calculating the ratio of earnings to fixed charges, earnings represents the sum of income before income taxes, fixed charges and amortization of capitalized interest, less capitalized interest. Fixed charges consist of interest expense, capitalized interest, amortization of deferred financing costs, write-off of deferred financing costs and the portion of rental expense which management believes is representative of the interest component of rent expense. Financial information for the year ended December 31, 2007 is presented on a carve-out basis, utilizing allocations which do not separately and distinctly identify fixed charges and, therefore, we have not presented the ratio of earnings to fixed charges for 2007.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and our capitalization as of September 30, 2010. The following table should be read in conjunction with "Selected Consolidated Financial Data," "Management's Discussion and Analysis of Financial Condition and Result of Operations" and our audited financial statements and notes thereto included in this prospectus.

	As of September 30, 2010 (Unaudited) (dollars in thousands)
Cash and cash equivalents	$ 36,447
Long-term debt, including current portion:	
Senior secured credit facilities:	
Revolving credit facility(1)	—
9.75% Senior Notes	$ 250,000
Total long-term debt, including current portion	250,000
Total stockholder's equity	155,361
Total capitalization	$ 405,361

(1) Our senior secured credit facilities provide for a $42.5 million revolving credit facility, under which we currently have no amounts outstanding.

SELECTED CONSOLIDATED FINANCIAL DATA

The following table sets forth (i) selected consolidated financial data for Lantheus Intermediate, our parent company and a guarantor of the notes (as "Successor"), for the nine months ended September 30, 2009 and 2010, which have been derived from the unaudited consolidated financial statements of Lantheus Intermediate included elsewhere in this prospectus, (ii) certain selected consolidated financial data for Lantheus Intermediate, our parent company and a guarantor of the notes (as "Successor"), as of and for the fiscal years ended December 31, 2008 and 2009, which have been derived from the audited consolidated financial statements of Lantheus Intermediate included elsewhere in this prospectus and (iii) certain selected consolidated financial data for BMSMI (as "Predecessor," formerly a division of BMS and now known as Lantheus Medical Imaging, Inc.) for the year ended December 31, 2007, which have been derived from the audited financial statements of BMSMI included elsewhere in this prospectus. The financial statements of BMSMI as of and for the year ended December 31, 2007 were prepared in connection with Avista's acquisition of Lantheus on January 8, 2008 and contain expense allocations for corporate functions historically provided to BMSMI by BMS and not costs that we would have necessarily incurred as a stand-alone entity. These statements have been prepared using the Predecessor's bases in the assets and liabilities and the historical results of operations. As a result, the financial statements of BMSMI as of and for the year ended December 31, 2007 are not comparable to our financial statements for subsequent periods. See "Basis of Financial Information."

The selected financial data as of and for the years ended December 31, 2005 and 2006 have been omitted. Such data are unknown and unavailable to us and would require the preparation of financial data for the predecessor on a carve-out basis. This preparation would require substantial management time and cannot be completed without the expenditure of unreasonable time, effort and expense. We believe the omission of this financial data does not have a material impact on the understanding of our results of operations, financial performance and related trends.

The results indicated below and elsewhere in this prospectus are not necessarily indicative of our future performance. You should read this information together with "Capitalization," "Management's

Discussion and Analysis of Financial Condition and Results of Operations" and the audited and unaudited consolidated financial statements and related notes included elsewhere in this prospectus.

	Predecessor	Successor			
		Year Ended December 31,		Nine Months Ended September 30,	
	2007	2008	2009	2009	2010
	(dollars in thousands)				
Statement of Operations:					
Total revenues	$ 629,177	$ 536,844	$ 360,211	$ 277,675	$ 259,157
Cost of goods sold(1)	223,674	244,496	184,844	139,988	139,591
General and administrative expenses(1)	28,331	64,909	35,430	27,056	22,573
Sales and marketing expenses(1)	64,724	45,730	42,337	30,904	33,838
Research and development expense	50,005	34,682	44,631	32,117	34,957
In-process research and development	—	28,240	—	—	—
Restructuring and other charges, net	9,841	—	—	—	—
Operating income	252,602	118,787	52,969	47,610	28,198
Interest expense	—	31,038	13,458	11,214	13,937
Interest income	—	693	73	49	123
Loss on early extinguishment of debt	—	—	—	—	3,057
Other (expense) income, net	(4,224)	2,950	2,720	3,109	532
Income before income taxes	248,378	91,392	42,304	39,554	11,859
Income tax provision	97,073	48,606	21,952	21,527	4,265
Net income	$ 151,305	$ 42,786	$ 20,352	$ 18,027	$ 7,594
Balance Sheet Data (at period end):					
Cash and cash equivalents	$ —	$ 21,036	$ 31,480	$ 21,465	$ 36,447
Total assets	539,221	528,035	492,543	509,396	519,539
Total liabilities	68,852	240,226	181,964	201,785	364,178
Current portion of long-term debt	—	15,000	30,000	15,000	—
Total long-term debt	—	127,751	63,649	78,649	250,000
Total stockholder's equity	470,369	287,809	310,579	307,611	155,361

(1) For comparability purposes, a reclassification totaling $15,788 has been made from general and administrative and sales and marketing expenses to cost of goods sold in the Predecessor period to be consistent with the Successor period presentation. Accordingly, these amounts do not agree to the corresponding amounts in the audited financial statements of the Predecessor included elsewhere in this prospectus.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our results of operations and financial statements in conjunction with the consolidated financial statements, the accompanying notes and the other financial information included in this prospectus. This section contains forward looking statements that involve risks and uncertainties. Our actual results may vary materially from those discussed in the forward looking statements as a result of various factors, including, without limitation, those set forth in "Risk Factors," as well as other matters described in this prospectus. Actual results may differ materially from those contained in the forward looking statements. See "Cautionary Note Regarding Forward Looking Statements."

Overview

We are a leading specialty pharmaceutical company that develops, manufactures, distributes and sells innovative diagnostic medical imaging products on a global basis. Our current imaging agents primarily assist in the diagnosis of heart, vascular and other diseases using nuclear imaging, ultrasound and MRI technologies. We also have a full clinical and preclinical development program of next-generation and first-in-class products that use PET and MRI technologies. We believe that our products offer significant benefits to patients, healthcare providers and the overall healthcare system. As a result of more accurate diagnosis of disease, we believe our products allow healthcare providers to make more informed patient care decisions, potentially improving outcomes, reducing patient risk and decreasing costs for payors and the entire healthcare system.

We have operations in the United States, Puerto Rico, Canada and Australia and distribution relationships in Europe, Asia Pacific and Latin America. Our products are used by nuclear physicians, cardiologists, radiologists, internal medicine physicians, technologists and sonographers working in a variety of clinical settings and we sell our products to radiopharmacies, hospitals, clinics, group practices, integrated delivery networks, group purchasing organizations and, in certain circumstances, wholesalers.

Our Products

Our principal products include DEFINITY, an ultrasound contrast agent, Cardiolite, a myocardial perfusion imaging agent, and TechneLite, a generator used to provide the radioisotope to radiolabel Cardiolite and other radiopharmaceuticals. In the United States, DEFINITY, Cardiolite and TechneLite are marketed through an internal sales force and sold either to radiopharmacies or directly to end-users. Radiopharmacies reconstitute certain of the products into patient specific unit-dose syringes which are then sold directly to hospitals, clinics and group practices. Internationally, in some countries these products are marketed through an internal sales force and sold either through our radiopharmacies or directly to end-users, and in other countries through distributors. DEFINITY, Cardiolite and TechneLite, in the aggregate, accounted for approximately 72% and 78% of our global revenues during the nine months ended September 30, 2010 and 2009, respectively and approximately 76% of our global total revenues in 2009.

The following table sets forth our revenue derived from our principal products:

(dollars in thousands)	Nine Months Ended September 30, 2010	%	2009	%
Revenue				
Cardiolite	$ 56,559	22	$ 94,389	34
TechneLite	86,641	33	91,485	33
DEFINITY	44,142	17	30,307	11
Other	71,815	28	61,494	22
	$ 259,157	100	$ 277,675	100

Cardiolite is the leading technetium-based radiopharmaceutical used in SPECT MPI procedures. Cardiolite is primarily used for detecting coronary artery disease. Cardiolite was approved by the FDA in 1990, and its market exclusivity expired in July 2008. During the nine months ended September 30, 2010 and September 30, 2009, Cardiolite generated net revenues of $56.6 million and $94.4 million, respectively, and Cardiolite accounted for approximately 22% and 34% of our net revenues, respectively. For the year ended December 31, 2009, Cardiolite generated total revenues of $119.3 million, and Cardiolite accounted for approximately 64%, 60% and 33% of our total revenues in 2007, 2008 and 2009.

TechneLite is a technetium-based generator which provides the essential nuclear material used by radiopharmacies to radiolabel Cardiolite and other technetium-based radiopharmaceuticals used in nuclear medicine procedures. TechneLite uses Moly as its main active ingredient. During the nine months ended September 30, 2010 and September 30, 2009, TechneLite generated net revenues of $86.6 million and $91.5 million, respectively, and accounted for approximately 33% of our net revenues in each respective period. For the year ended December 31, 2009, TechneLite generated net revenues of $112.9 million and accounted for approximately 17%, 23% and 31% of our net revenues in 2007, 2008 and 2009, respectively.

DEFINITY is the leading ultrasound contrast agent used in ultrasound exams of the heart, also known as echocardiography exams. DEFINITY consists of gas-filled micro-bubbles, and is indicated in the United States for use in patients with suboptimal echocardiograms to assist in the imaging of the left ventricular chamber and left endocardial border of the heart in ultrasound procedures. We launched DEFINITY in 2001, with market exclusivity currently until the end of 2016. During the nine months ended September 30, 2010 and September 30, 2009, DEFINITY generated net revenues of $44.1 million and $30.3 million, respectively, and DEFINITY accounted for approximately 17% and 11% of our net revenues, respectively. For the year ended December 31, 2009, DEFINITY generated net revenues of $42.9 million, and DEFINITY accounted for approximately 9%, 4% and 12% of our net revenues in 2007, 2008 and 2009, respectively.

In April 2009, in order to continue to diversify our product portfolio, we purchased the U.S., Canadian and Australian rights to an MRA agent, now known as Ablavar, from EPIX Pharmaceuticals, Inc., and in June 2010, we acquired the remaining rest of world rights to Ablavar. Ablavar was approved by the FDA to evaluate aortoiliac occlusive disease in adults with known or suspected peripheral vascular disease. We paid an aggregate purchase price of approximately $32.8 million, which consisted of $28.2 million in patents, $500,000 in manufacturing know-how acquired from a different party, and $4.1 million in inventory. In the third quarter of 2009, we hired and trained a contract sales force and a medical liaison staff to prepare for the launch of Ablavar. In January 2010, we formally launched Ablavar in the United States and expect that this launch will enable us to capitalize on the current usage of MRA contrast agents in MRA procedures and the overall growing trends within the diagnostic medical imaging industry. The revenue recognized relating to Ablavar for the first nine months of 2010 was not material to our financial statements.

In 2009 and 2008, we experienced a reduction in gross profit of approximately $117.0 million and $113.2 million, respectively. The primary factor contributing to this decrease is a shift in product sales mix and a decrease in pricing related to our higher margin products in 2009, as compared to 2008, and in 2008, as compared to 2007. The decrease in 2009, as compared to 2008, was primarily due to a decrease in our higher margin product Cardiolite and the decrease in 2008, as compared to 2007, was primarily due to a decrease in our higher margin products Cardiolite and DEFINITY, which was offset, in part, by an increase in our lower margin product TechneLite. As discussed below, the reduction in sales related to Cardiolite in 2009 and 2008 was due primarily to the expiration of Cardiolite's market exclusivity, which expired in July 2008, and the introduction of generic competition, which began in September 2008. The reduction in sales in 2008, as compared to 2007, also related to DEFINITY, the sales of which were negatively impacted by the addition of a boxed warning in late 2007. Our gross profit margin for 2009, as compared to 2008, was also positively impacted by an $8.2 million inventory revaluation recorded in 2008 as a result of our acquisition from BMS and $32.8 million of additional intangible amortization recorded in 2008 primarily related to the expiration of Cardiolite's market exclusivity in 2008 after which amortization ceased. In addition, our gross profit margins decreased by 28% in 2008, as compared to 2007, which was also negatively impacted by the inventory revaluation recorded in 2008 and an increase in sales related to our lower margin product TechneLite.

Key Factors Affecting Our Results

DEFINITY Boxed Warning

In October 2007, the FDA requested that all of the manufacturers of ultrasound contrast agents add a boxed warning to their products to notify physicians and patients about potentially serious safety concerns or risks posed by the products. As a result of the boxed warning, unit sales of DEFINITY decreased substantially in late 2007 and early 2008. In May 2008, the boxed warning was modified by the FDA in response to the efforts of prescribing physicians. Since the re-launch of DEFINITY in June 2008, sales of DEFINITY have continued to increase quarter over quarter. As we better educate the physician and healthcare provider community about the benefits and risks of this product, we believe we will experience further penetration of suboptimal echocardiograms.

Cardiolite Competitive Position

Cardiolite's market exclusivity expired in July 2008. In September 2008, the first of several competing generic products to Cardiolite was launched, and while we have faced significant pricing pressure, management believes our share of the MPI segment decreased from approximately one half to approximately one third of the entire segment from 2008 through the end of the second quarter of 2010. This is in comparison to many drugs which see a greater than 50% share erosion in the first several months after exclusivity expires. We believe that Cardiolite has been able to retain substantial share and its leadership position because of the brand awareness, appreciation of the agent's safety and efficacy profile, loyalty to the agent within the cardiology community, and our strong relationships with our distribution partners. In addition, Cardiolite has been able to retain its leadership position in the face of an overall moderate decline in the MPI segment due to a change in professional society appropriateness guidelines, on-going reimbursement pressures, the limited availability of Moly during the recent reactor shutdowns and the increase in Thallium doses and use of other diagnostic modalities as a result of a temporary shift to more available imaging agents and modalities. In the latter case, given the superior safety and efficacy profile of technetium generator-based MPI agents, with the major global Moly producers now operating again, we believe that there will be an incremental increase in orders for Cardiolite from our Cardiolite channel partners.

Global Moly Supply Challenge

Our TechneLite product uses Moly as its main active ingredient. Historically, our largest supplier of Moly has been Nordion which has relied on the NRU reactor in Chalk River, Ontario. This reactor

was off-line from May 2009 until August 2010 due to a "heavy water" leak in the reactor vessel. We have taken several steps in response to the global Moly shortage, including expanding sourcing from South Africa and Belgium, and pursuing additional global solutions. We recently entered into an agreement with NTP to supply us with Moly from the SAFARI reactor in South Africa. NTP, in turn, has partnered with IRE to co-supply us from the Belgian BR2 reactor. IRE also processes raw Moly from several other smaller European reactors. We are also pursuing additional sources of Moly from potential new producers around the world to further augment our current supply. In addition, we are exploring a number of alternative Moly projects with existing reactors and technologies as well as new technologies.

With the general instability in the global supply of Moly and recent supply shortages, we have faced substantial increases in the cost of Moly in comparison to historical costs. We attempt to pass these Moly cost increases on to our customers in our customer contracts. Additionally, the instability in the global supply of Moly has resulted in Moly producers requiring, in exchange for fixed Moly prices, supply minimums in the form of take-or-pay obligations. The Moly supply shortage also had an incremental negative effect on the use of other technetium generator based diagnostic imaging agents, including Cardiolite. With less Moly, we manufactured fewer generators for radiopharmacies and hospitals to make up unit doses of Cardiolite, resulting in decreased share of Cardiolite in favor of Thallium, an older medical isotope that does not require Moly, and other diagnostic modalities. However, with the return to service of the NRU reactor, we believe that Cardiolite sales will incrementally benefit. In addition, since the NRU reactor restart, Thallium demand has decreased but not yet to pre-shortage levels, and TechneLite demand has increased, but also not to its pre-shortage levels. We believe that eventually the relative demand for Thallium and TechneLite will return to pre-shortage levels. See "Risk Factors—Our dependence upo third parties for the manufacture and supply of a substantial portion of our products could prevent us from delivering our products to our customers in the required quantities, within the required timeframe, or at all, which could result in order cancellations and decreased revenues."

Comparability of Annual Financial Statements

The financial statements included in this prospectus for BMSMI, as of and for the year ended December 31, 2007, have been prepared on a carve-out basis using BMS's historical bases in the assets and liabilities and the historical results of the operations of BMSMI. The financial statements have been derived from the consolidated financial statements and accounting records of BMS, principally from statements and records representing the business of BMSMI when operated as a division of BMS. These financial statements have been prepared in accordance with GAAP.

The statement of operations includes expense allocations for certain corporate functions historically provided to BMSMI by BMS, including general corporate expenses related to corporate functions such as executive oversight, risk management, information technology, accounting, audit, legal, investor relations, human resources, shared services and employee benefits and incentives, including pension and other post retirement benefits and stock-based compensation arrangements. Additionally, the statement of operations includes expense allocations relating to the effects of foreign currency derivatives.

We considered these allocations to be a reasonable reflection of the utilization of services provided or benefits received. The allocations may not, however, reflect the expense BMSMI would have incurred as a stand-alone company, and the expense allocation methodologies used by BMS may not represent actual costs of operating the stand-alone business. Actual costs that may have been incurred if BMSMI had been a stand-alone company would depend on a number of factors, including the chosen organizational structure, what functions were outsourced or performed by employees and strategic decisions made in areas such as information technology systems and infrastructure.

Therefore, the results of operations, changes in equity and cash flows for the Successor and Predecessor periods are not comparable. These statements have been prepared using the Predecessor's bases in the assets and liabilities and the historical results of operations for the year ended December 31, 2007. Periods subsequent to December 31, 2007 have been prepared using our bases in the assets and liabilities.

For the purpose of convenience, we have assumed an effective date of January 1, 2008 for the acquisition. We determined the results of operations between the effective date and the acquisition date are not material and these results have been included with our results of operations. In the accompanying consolidated statements of income, we included net revenues of approximately $12.0 million, gross profit of approximately $8.3 million, operating income of approximately $5.4 million and net income of $3.3 million relating to the period from January 1, 2008 through January 7, 2008. The net income effect of this period of $3.3 million has been included as non-cash earnings within operating activities on the consolidated statement of cash flows and as goodwill on the consolidated balance sheet.

Trends and Outlook

The following have negatively impacted our results in the nine months ended September 30, 2010:

- The combination of the global Moly supply shortage affecting our ability to supply TechneLite generators to the market;
- continued Cardiolite generic competition;
- DEFINITY's reduced level of sales as a result of the boxed warning and subsequent re-launch; and
- limited Ablavar revenues to offset costs related to the launch of the product and the hiring of our contract sales force and medical liaisons.

Following the launch of Ablavar and further education of its benefits, we anticipate, as a result of our efforts, that market acceptance of the product will increase in the future.

For the remainder of 2010, we expect that these challenges will be partially mitigated as a result of the expected continued increase in DEFINITY sales on a year-over-year basis, anticipated continued leadership position of Cardiolite among myocardial perfusion imaging agents and the anticipated return of a sustained Moly supply resulting in increased unit volume of TechneLite as compared to during the NRU reactor outage.

Description of Key Line Items

Revenues

The majority of our revenue is derived from product revenue. Product revenue can be affected by changes in raw material availability, customer demand and competitive pressures in the market. Product pricing is reduced upon entrance of generic competition to the marketplace, offset by decreases in rebates and discounts as brand name sales are replaced by generic. Other revenue represents contract manufacturing performed with respect to one product for one customer. The related costs are included in cost of goods sold.

Cost of Goods Sold

Cost of goods sold consists of manufacturing, distribution and other costs related to our commercial products. In addition, it includes reserves established for excess or obsolete inventory. Most of our manufacturing and distribution costs are internal costs which include salaries and expenses related to managing our manufacturing, supply chain and quality assurance. Certain raw material costs and volumes are subject to product availability and variable pricing, which can have an impact on the total cost of our products in any given period. The cost of Moly was historically purchased through contractual pricing arrangements with a sole supplier. The sources of this raw material have since been diversified, which has resulted in variable pricing. With the general instability in the global supply of Moly and recent supply shortages, we have also faced increases in the cost of Moly in comparison to our historical costs. We attempt to pass these Moly cost increases on to our customers in our customer contracts.

Research and Development Expenses

Research and development expenses consist of costs incurred in identifying, developing and testing product candidates. These expenses consist primarily of salaries and related expenses for personnel, fees paid to professional service providers for monitoring and analyzing clinical trials, regulatory costs, including user fees paid to the FDA, costs related to the development of our approved products, costs of contract research and manufacturing and the cost of facilities. In addition, research and development expenses include the cost of our medical affairs and medical information functions, which educate physicians on the scientific aspects of our commercial products and the approved indications, labeling and the costs of monitoring adverse events. After FDA approval of a product candidate, we record manufacturing expenses associated with a product as cost of goods sold rather than as research and development expenses. We expense research and development costs and patent related costs as they are incurred. Because of our ability to utilize resources across several projects, many of our research and development costs are not tied to any particular project and are allocated among multiple projects. We record direct costs on a project-by-project basis. We record indirect costs in the aggregate in support of all research and development. Development costs for clinical stage programs such as Flurpiridaz F18 tend to be higher than earlier stage programs such as our BMS 753951 program because of the costs associated with conducting late stage clinical trials and supporting manufacturing infrastructure.

We expect that research and development expenses relating to our portfolio will fluctuate depending primarily on the timing and outcomes of clinical trials, related manufacturing initiatives and the results of our decisions based on these outcomes. We expect to incur additional expenses over the next several years for clinical trials related to our product development candidates, including Flurpiridaz F18, ^{18}F LMI1195 and BMS 753951. We also expect manufacturing expenses for some programs included in research and development expenses to increase as we support our manufacturing infrastructure for later stages of clinical development.

Sales and Marketing Expenses

Sales and marketing expenses consist primarily of salaries and other related costs for personnel in sales, marketing and business development and our sales operations functions, as well as other costs related to our commercial products. We also incurred sales, marketing and other related costs in the third and fourth quarter of 2009 associated with our launch of Ablavar. In the third quarter of 2009, we hired and trained a contract sales force and a medical liaison staff to prepare for the launch of Ablavar. Other costs included in sales and marketing expenses include sales and marketing costs related to our co-promotion and marketing agreement, cost of product samples, promotional materials, market research and sales meetings. We expect to continue to incur sales and marketing costs associated with enhancing our sales and marketing functions and maintaining our sales force to support our commercial products.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and other related costs for personnel in executive, finance, accounting, legal, information technology and human resource functions. Other costs included in general and administrative expenses include certain facility and insurance costs, including director and officer liability insurance, as well as professional fees for legal, consulting and accounting services.

Critical Accounting Policies

The discussion and analysis of our financial condition and results of operations are based on our condensed consolidated financial statements, which have been prepared in accordance with GAAP. These financial statements requires us to make estimates and judgments that affect our reported assets and liabilities, revenues and expenses, and other financial information. Actual results may differ materially from these estimates under different assumptions and conditions. In addition, our reported financial condition and results of operations could vary due to a change in the application of a particular accounting standard.

We believe the following represent our critical accounting policies and estimates used in the preparation of our financial statements.

Revenue Recognition

We recognize revenue when evidence of an arrangement exists, title has passed, substantially all the risks and rewards of ownership have transferred to the customer, the selling price is fixed or determinable and collectibility is reasonably assured. For transactions for which revenue recognition criteria have not yet been met, the respective amounts are recorded as deferred revenue until such point in time when criteria are met and revenue can be recognized. Revenue is recognized net of reserves, which consist of allowances for returns, sales rebates and chargebacks. The estimates of these allowances are based on historical sales volumes and mix and require assumptions and judgements to be made in order to make such estimates. In the event that the sales mix is different from our estimates, we may be required to pay higher or lower total price adjustments and/or chargebacks than we previously estimated. Any changes to these estimates are recorded in the current period. In 2010 and 2009, these changes in estimates were not material to our results.

Revenue arrangements with multiple elements are divided into separate units of accounting if certain criteria are met, including whether the delivered element has stand-alone value to the customer and whether there is objective and reliable evidence of the fair value of the undelivered items. Supply or service transactions may involve the charge of a nonrefundable initial fee with subsequent periodic payments for future products or services. The up-front fees, even if nonrefundable, are earned (and revenue is recognized) as the products and/or services are delivered and performed over the term of the arrangement.

Estimates for rebates and allowances represent our estimated obligations under contractual arrangements with third parties. Rebate accruals and allowances are recorded in the same period the related revenue is recognized, resulting in a reduction to product revenue and the establishment of a liability which is included in accrued expenses. These rebates result from performance-based offers that are primarily based on attaining contractually specified sales volumes and growth, administration fees of group purchasing organizations and certain distributor related commissions. The calculation of the accrual for these rebates and allowances is based on an estimate of the third party's buying patterns and the resulting applicable contractual rebate or commission rate(s) to be earned over a contractual period.

Revenue reserves are categorized as follows: rebates and allowances. An analysis of the amount of, and change in, reserves is summarized as follows:

(in thousands)	Rebates	Allowances	Total
Balance, as of January 1, 2008	$ 9,672	$ 64	$ 9,736
Current provisions relating to sales in current year	19,228	635	19,863
Adjustments relating to prior years	(7)	—	(7)
Payments/credits relating to sales in current year	(11,256)	(538)	(11,794)
Payments/credits relating to sales in prior years	(9,665)	(64)	(9,729)
Balance, as of December 31, 2008	$ 7,972	$ 97	$ 8,069
Current provisions relating to sales in current year	1,996	471	2,467
Adjustments relating to prior years	(1,586)	—	(1,586)
Payments/credits relating to sales in current year	(1,579)	(430)	(2,009)
Payments/credits relating to sales in prior years	(6,376)	(97)	(6,473)
Balance, as of December 31, 2009	$ 427	$ 41	$ 468
Current provisions relating to sales in current year	2,149	368	2,517
Adjustments relating to prior years	—	—	—
Payments/credits relating to sales in current year	(962)	(318)	(1,280)
Payments/credits relating to sales in prior years	(418)	(41)	(459)
Balance, as of September 30, 2010	$ 1,196	$ 50	$ 1,246

In July 2008, Cardiolite's market exclusivity expired and generic competition was introduced to the market in September 2008. As a result of the expiration of the market exclusivity of this product, we experienced a significant decrease in rebates as a majority of contracts associated with Cardiolite expired in the second half of 2008 and rebates were paid out through 2009 resulting in the decline of accrued rebates from $9.7 million at January 1, 2008 to $8.0 million at December 31, 2008 and to $427,000 at December 31, 2009.

Inventory

Inventories include material, direct labor and related manufacturing overhead, and are stated at the lower of cost or market determined on a first-in, first-out basis. We record inventory when we take delivery and title to the product. Any commitment for product ordered but not yet received is included as purchase commitments in our contractual obligations table. We assess the recoverability of inventory to determine whether adjustments for impairment are required. Inventory that is in excess of future requirements is written down to its estimated net realizable value based upon estimates of forecasted demand for our products. The estimates of demand require assumptions to be made of future operating performance and customer demand. If actual demand is less than what has been forecasted by management, additional inventory impairments may be required. Our inventory on hand was $45.0 million, $19.6 million and $13.9 million, net of a reserve for excess and obsolete inventory of $3.2 million, $3.6 million, and $1.5 million, as of September 30, 2010, December 31, 2009 and 2008, respectively. The increase in the reserve was due primarily to excess TechneLite accessories which reached expiration prior to use as a result of the NRU reactor delay, offset by utilization of reserves as such materials were scrapped.

In July 2010, BVL temporarily shut down the facility where they manufacture DEFINITY, Cardiolite and other products in order to upgrade the facility to meet certain EMEA requirements. BVL has planned for the shutdown to run through March 2011. In anticipation, BVL manufactured additional inventory of these products to meet our expected needs during this period. Although BVL has manufactured additional inventory to ensure they meet their ongoing supply requirements under the manufacturing contract, they have not delivered the product to us and we have not taken title to

this earlier-produced product nor are we obligated to take more product than we would have under normal supply conditions. Our obligation with respect to any inventory manufactured by BVL as a result of their planned shutdown remains consistent with our historical procurement and purchasing practice.

At September 30, 2010 and December 31, 2009 the balances of inventory on hand reflect approximately $25.4 million and $6.0 million, respectively, of finished products and materials related to Ablavar which was a product that was commercially launched in January 2010, of which at September 30, 2010, approximately $21.9 million was included in other non-current assets. We entered into an agreement with a supplier to provide active pharmaceutical ingredient ("API") and finished products for Ablavar under which we are required to purchase quarterly minimum quantities ranging from $6.3 million to $7.5 million of API inventory through 2012. The supply agreement is designed to ensure supply of the product. At September 30, 2010, the total of this remaining minimum purchase commitment was approximately $56 million. In addition to the minimum commitment, we, at our discretion, can manufacture API into finished product for an additional charge per vial. We record the inventory when we take delivery, at which time we assume title and risk of loss. We include within current assets the amount of inventory that will be utilized within twelve months. Inventory that will be utilized after twelve months is included in non-current assets.

As noted above, Ablavar, an MRA agent, was commercially launched in January 2010. We are currently in the process of educating radiologists on optimizing the use of the product within their patient populations. The revenues for this product through September 30, 2010 have not been significant. Based on the expected market penetration and management's estimates of projected sales, coupled with the potential aggregate six-year shelf life of the finished product and the API, we believe that we will be able to use our committed supply. In the event that we do not meet our sales expectations for Ablavar or cannot sell the product we are committed to purchase prior to its expiration, we would incur inventory losses and/or losses on our purchase commitments.

Goodwill, Intangibles and Long-Lived Assets

Goodwill is not amortized but the carrying value is tested annually for impairment at October 31, as well as whenever events or changes in circumstances suggest that the carrying amount may not be recoverable. We perform this test by comparing the fair value of the reporting unit containing goodwill to its carrying value, including goodwill. If the fair value exceeds the carrying value, goodwill is not impaired. If the carrying value exceeds the fair value, then we would calculate the potential impairment loss by comparing the implied fair value of goodwill with the carrying value of the goodwill. If the implied fair value of goodwill is less than the carrying value, then an impairment charge would be recorded.

We calculate the fair value of our reporting units using the income approach which utilizes discounted forecasted future cash flows and the market approach which utilizes fair value multiples of comparable publicly traded companies. The discounted cash flows are based on our most recent long-term financial projections and are discounted using a risk adjusted rate of return which is determined using estimates of market participant risk-adjusted weighted-average costs of capital and reflects the risks associated with achieving future cash flows. The market approach is calculated using the guideline company method, where we use market multiples derived from stock prices of companies engaged in the same or similar lines of business. There is not a quoted market price for our reporting units or the Company as a whole, therefore, a combination of the two methods is utilized to derive the fair value of the business. We evaluate and weigh the results of these approaches as well as ensure the results of these two methodologies do not materially differ. We believe the use of these two methodologies ensures a consistent and supportable method of determining our fair value that is consistent with the objective of measuring fair value. If the fair value were to decline, then we may be required to incur material charges relating to the impairment of those assets.

We perform impairment testing for intangible and long-lived assets whenever events or changes in circumstances suggest that the carrying value of an asset or group of assets may not be recoverable. We measure the recoverability of assets to be held and used by comparing the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment equals the amount by which the carrying amount of the assets exceeds the fair value of the assets. Any impairments are recorded as permanent reductions in the carrying amount of the assets.

We completed our required annual impairment test as of the fourth quarter of 2009 and 2008 and determined that at each of those periods the carrying amount of goodwill was not impaired. In each year, our fair value, which includes goodwill, was substantially in excess of our carrying value.

Accounting for Stock-Based Compensation

Our employees are eligible to receive awards from the Lantheus MI Holdings, Inc. 2008 Equity Incentive Plan. Our stock-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as expense over the requisite service period, which generally represents the vesting period, and includes an estimate of the awards that will be forfeited. We use the Black-Scholes valuation model for estimating the fair value on the date of grant of stock options. The fair value of stock option awards is affected by the valuation assumptions, including the volatility of market participants, expected term of the option, risk-free interest rate and expected dividends as well as the estimated fair value of the Holdings common stock. The fair value of the Holdings common stock is determined by the Holdings board of directors at each award date. Any material change to the assumptions used in estimating the fair value of the options could have a material impact on our results of operations. When a contingent cash settlement of vested options becomes probable, we reclassify the vested awards to a liability and account for any incremental compensation cost in the period in which the settlement becomes probable.

Income Taxes

The provision for income taxes has been determined using the asset and liability approach of accounting for income taxes. The provision for income taxes represents income taxes paid or payable for the current year plus the change in deferred taxes during the year. Deferred taxes result from differences between the financial and tax bases of our assets and liabilities. Deferred tax assets and liabilities are measured using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax attributes are expected to be recovered or paid, and are adjusted for changes in tax rates and tax laws when changes are enacted.

Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. The assessment of whether or not a valuation allowance is required often requires significant judgment, including the long-range forecast of future taxable income and the evaluation of tax planning initiatives. Adjustments to the deferred tax valuation allowances are made to earnings in the period when such assessments are made.

We account for uncertain tax positions using a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Differences between tax positions taken in a tax return and amounts recognized in the financial statements are recorded as adjustments to income taxes payable or receivable, or adjustments to deferred taxes, or both. We classify interest and penalties within the provision for income taxes.

We have a tax indemnification agreement with BMS related to certain contingent tax obligations arising prior to the acquisition of the business from BMS. The tax obligations are recognized in liabilities and the tax indemnification receivable is recognized within other noncurrent assets. The

changes in the tax indemnification asset are recognized within other income, net in the statement of income, and the changes in the related liabilities are recorded within the tax provision. Accordingly, as these reserves change, adjustments are included in the tax provision while the offsetting adjustment is included in other income. Assuming that the receivable from BMS continues to be considered recoverable by us, there is no net effect on earnings related to these liabilities and no net cash outflows.

The calculation of our tax liabilities involves certain estimates, assumptions and the application of complex tax regulations in numerous jurisdictions worldwide. Any material change in our estimates or assumptions, or the tax regulations, may have a material impact on our results of operations.

Results of Operations

Comparison for the Nine Months Ended September 30, 2010 and 2009

	Nine Months Ended			
	September 30, 2010	September 30, 2009	Change $	Change %
	(dollars in thousands)			
Net product revenues				
Cardiolite	$ 56,559	$ 94,389	$ (37,830)	(40)%
TechneLite	86,641	91,485	(4,844)	(5)
DEFINITY	44,142	30,307	13,835	46
Other currently marketed products	65,653	55,353	10,300	19
Total net product revenues	252,995	271,534	(18,539)	(7)
License and other revenues	6,162	6,141	21	—
Total revenues	259,157	277,675	(18,518)	(7)
Cost of goods sold	139,591	139,988	(397)	—
Gross profit	119,566	137,687	(18,121)	(13)
General and administrative	22,573	27,056	(4,483)	(17)
Sales and marketing	33,838	30,904	2,934	9
Research and development	34,957	32,117	2,840	9
Operating income	28,198	47,610	(19,412)	(41)
Interest expense	(13,937)	(11,214)	2,723	24
Loss on early extinguishment of debt	(3,057)	—	3,057	100
Interest income	123	49	74	151
Other (expense) income, net	532	3,109	(2,577)	(83)
Income before income taxes	11,859	39,554	(27,695)	(70)
Provision for income taxes	(4,265)	(21,527)	(17,262)	(80)
Net income	$ 7,594	$ 18,027	$ (10,433)	(58)

Revenues

Net Product Revenues. We recognized revenue from net product sales of $253.0 million in the nine months ended September 30, 2010 compared to $271.5 million in the nine months ended September 30, 2009, a decrease of $18.5 million, or 7%. This decrease was primarily due to the following:

- Cardiolite sales decreased $37.8 million, or 40%, from $94.4 million in the nine months ended September 30, 2009 to $56.6 million in the nine months ended September 30, 2010. This decrease was primarily due to the continued impact from the expiration of Cardiolite's market exclusivity in July 2008 and subsequent introduction of generic competition which began in

September 2008, as well as the decrease in available Moly caused by the global Moly supply shortage. As a result, unit volume and average selling price in the United States decreased by 37% and 12%, respectively, in the nine months ended September 30, 2010 as compared to the nine months ended September 30, 2009;

- TechneLite sales decreased $4.8 million, or 5%, from $91.5 million in the nine months ended September 30, 2009 to $86.6 million in the nine months ended September 30, 2010. This decrease was primarily due to 25% lower unit volume in the United States caused by the global Moly supply shortage which began in May 2009 and continued until August 2010 and lower demand. We believe the lower demand was due to greater efficiencies achieved by the radiopharmacies in response to the extended global Moly supply shortage offset, in part, by a 17% net average selling price increase across all customer segments in the U.S. related to the incremental molybdenum and distribution costs that, in accordance with our distribution agreements, we were able to pass through to our customers; and

- Other marketed products decreased $151,000 on a consolidated basis largely due to a $1.7 million decrease in Neurolite from lower volume due, in part, from timing and $901,000 increase in customer rebates. These decreases were partly offset by an $838,000 increase in third party products, a $757,000 increase in Gallium and $870,000 increases in our other marketed products.

These decreases were offset, in part, by the following:

- DEFINITY sales increased $13.8 million, or 46%, from the nine months ended September 30, 2009 to the nine months ended September 30, 2010. The increase was due to a 44% increase in United States sales volume as a result of continued unit sales growth following the modification of the boxed warning in May 2008 and the subsequent re-launch of the product in June 2008, and 2% net average selling price increase across all customer segments;

- Thallium sales increased $5.9 million, or 58%, from the nine months ended September 30, 2009 to the nine months ended September 30, 2010. The increase was due largely to a 79% increase in United States volume due to its substitution for technetium-based studies as a result of the global Moly shortage offset, in part, by a 7% net average selling price reduction across all customer segments; and

- Xenon sales increased $4.5 million due to 15% higher U.S. volume from new customers and 31% net higher average selling price across all customer segments in the U.S..

License and Other Revenues. License and other revenue remained level at $6.1 million in the nine months ended September 30, 2010 and September 30, 2009, respectively. We recorded $4.3 million in other revenue related to contract manufacturing in the nine-month periods ended September 30, 2010 and September 30, 2009. In addition, we recorded license revenue of $1.9 million in the nine-month periods ended September 30, 2010 and September 30, 2009.

Costs and Expenses

Cost of Goods Sold. Cost of goods sold in the nine months ended September 30, 2010 was $139.6 million compared to $140.0 million in the nine months ended September 30, 2009, a decrease of $397,000. Gross profit in the nine months ended September 30, 2010 was $119.6 million compared to $137.7 million in the nine months ended September 30, 2009, a decrease of $18.1 million or 13%. The decrease in cost of goods sold was primarily due to:

- a $6.1 million decrease of amortization related to intangible customer relationships and capitalized software; and

- a $2.1 million decrease in other marketed products from lower cost.

These decreases were offset, in part, by:

- a net increase of $4.5 million directly related to the end of the global Moly shortage, which is comprised of a decrease in volume of approximately $18.3 million offset by an increase in the cost of Moly purchased of approximately $13.8 million;
- a $2.0 million increase in Xenon, driven by higher volume from new customers; and
- a $1.2 million increase in Ablavar cost primarily from project expenses related to material cost improvements.

The decrease in gross profit was primarily attributable to:

- a decrease in margins of $36.5 million from volume reductions of Cardiolite; and
- net margin loss of $5.9 million directly related to the global Moly shortage.

These decreases were offset, in part, by:

- higher DEFINITY volume of $12.9 million;
- lower amortization of $6.1 million related to intangible customer relationships and capitalized software;
- a $2.5 million increase from higher Xenon volume and average selling price; and
- a $2.8 million increase from third party and other products.

Sales and Marketing Expenses. Consolidated sales and marketing expenses for the nine months ended September 30, 2010 were $33.8 million, compared to $30.9 million for the nine months ended September 30, 2009. As a percentage of net revenue, sales and marketing expense was 13% and 11% for the nine months respectively. The $2.9 million or 9%, increase was primarily attributable to the following:

- a $2.7 million increase related to a contract sales force hired in 4Q 2009, to support Ablavar;
- a $789,000 increase related to advertising and other promotional materials, samples and other related costs associated with Ablavar;
- a $526,000 increase related to new product, business development initiatives for flurpiridaz F18 and other potential products;
- a $378,000 related to costs to support the launch of and sales force training for Ablavar;
- a $101,000 increase in exhibit and other commercial product promotional activity due to a shift in timing of the American Society of Nuclear Cardiologists meeting from October in 2009 to September in 2010; and
- a $146,000 increase related to site depreciation and overhead costs related to our sales and marketing function.

These increases were offset, in part, by the following:

- an $875,000 decrease in advertising and other promotion costs related to DEFINITY due to delay of new agency selection;
- a $602,000 decrease in credit card fees as a result of lower sales revenue; and
- a $239,000 decrease in salary, benefits and other employee related expenses associated with our sales and marketing function.

General and Administrative Expenses. General and administrative expenses for the nine months ended September 30, 2010 were $22.6 million compared to $27.1 million for the nine months ended September 30, 2009. The $4.5 million, or 17%, decrease was primarily attributable to the following:

- a $2.8 million decrease in external consulting related to our infrastructure cost improvement initiative;
- a $1.6 million decrease related to lower salary, benefits and employee related expenses within the general and administrative functions;
- a $707,000 decrease in information technology external contractor and services, primarily for non-recurring business transition activities in 2009 as well as cost control efforts in 2010;
- a $585,000 decrease in accounting, tax and other business advisory professional services related to business transition activity in 2009; and
- a $264,000 decrease in legal fees and professional services primarily related to lower intellectual property, business opportunity evaluations, and non-recurring business transition activities in 2009.

These decreases were offset, in part, by the following:

- a $906,000 increase for amortization of capital software, partly offset with lower site costs primarily related to transition activities in 2009 and cost control efforts in 2010; and
- a $506,000 increase for international related recruitment fees, professional and legal services, certain IT and other costs.

Research and Development Expenses. Research and development expenses for the nine months ended September 30, 2010 were $35.0 million compared to $32.1 million in the nine months ended September 30, 2009 an increase of approximately $2.9 million, or 9%.

The following table summarizes the primary components of our research and development expenses for the nine months ended September 30, 2010 and 2009:

	Nine Months Ended September 30,	
	2010	2009
	(dollars in millions)	
Flurpiridaz F18	$ 3.2	$ 3.0
Other clinical programs	0.5	2.2
Total clinical programs	3.7	5.2
Personnel salary, benefits and other employee related	17.1	13.4
General research and development expenses	14.2	13.5
Total research and development expenses	$ 35.0	$ 32.1

The following summarizes the expenses associated with our primary research and development programs:

Flurpiridaz F 18. During the nine months ended September 30, 2010, we incurred $3.2 million in expenses related to our PET perfusion agent clinical program compared to $3.0 million during the nine months ended September 30, 2009, an increase of approximately $287,000, or 10%. This increase was primarily due to the timing of patient enrollment related to our phase II study and completion of enrollment in second quarter of 2010.

Other Clinical Programs. During the nine months ended September 30, 2010, we incurred $454,000 in expenses related to other clinical trial programs compared to $2.2 million during the nine months ended September 30, 2009, a decrease of $1.8 million, or 80%. The decrease related primarily to a $443,000 decrease in expense related to a DEFINITY phase IV study in combination with $1.2 million decreased spend related to the Cardiolite pediatrics trial.

Personnel salary, benefits and employee related expenses were $17.1 million in the nine months ended September 30, 2010 compared to $13.4 million in the nine months ended September 30, 2009, an increase of $3.6 million, or 27%. This increase was due primarily to increased new employees to support ongoing clinical programs and for additional medical liaison support for Ablavar.

General research and development expenses were $14.2 million in the nine months ended September 30, 2010 compared to $13.5 million in the nine months ended September 30, 2009, an increase of approximately $694,000, or 5%. The increase is due to $1.0 million for additional pharmacovigilance services and product support, $439,000 regulatory fees related to our DEFINITY product and our annual product registration fee to European Medicines Agency, $202,000 in other clinical, lab supplies and services, and $90,000 in certain IT related costs. These increases were offset, in part, by a $228,000 decrease in external lab services, a $631,000 decrease in research supplies related to earlier phases of clinical programs, and a $203,000 decrease primarily for lower costs associated with European regulatory support.

We anticipate that our research and development expenses related to our Flurpiridaz F 18 program for 2010 will consist primarily of costs related to the wrap up of our Phase II and planning of our Phase III clinical trials.

Other

Interest Expense. Interest expenses was $13.9 million in the nine months ended September 30, 2010 compared to $11.2 million in the nine months ended September 30, 2009, an increase of $2.7 million, or 24%. This increase was due to interest expense associated with the new 9.75% Senior Notes.

Loss on early extinguishment of debt. The loss on early extinguishment of debt was $3.1 million for the nine months ended September 30, 2010. The expense consisted of a $2.3 million write-off of deferred financing costs and $779,000 of prepayment penalty.

Interest Income. Interest income was $123,000 in the nine months ended September 30, 2010, compared to $49,000 in the nine months ended September 30, 2009, an increase of $74,000.

Other (Expense) Income, net. In the nine months ended September 30, 2010 we had income of $532,000, compared to income of $3.1 million in the nine months ended September 30, 2009. The decrease was primarily attributable to changes in foreign currency rates, lower estimate of recovery of uncertain tax positions and the settlement of uncertain tax positions of $319,000 relating to state income taxes.

Provision for Income Taxes

The provision for income taxes was $4.3 million in the nine months ended September 30, 2010 compared to $21.5 million in the nine months ended September 30, 2009, a decrease of $17.3 million. This decrease in the first nine months of 2010 versus the first nine months of 2009 was due to lower taxable income and discrete events, including changes in the applicable state income tax rates on deferred tax assets and true-ups of tax provisions to actual tax returns filed. We estimate that our effective tax rate (excluding discrete events) on a full year basis is 36.75% applied to current year income. During the nine months ended September 30, 2010, income tax benefit relating to discrete events was primarily related to interest expense associated with uncertain tax positions, the settlement of uncertain tax positions, and the true-up of tax provisions to actual filed tax returns. These amounts reflect our estimates of the effective rates expected to be applicable for the respective full fiscal years, adjusted for any discrete events, which are recorded in the period that they occur. These estimates are reevaluated each quarter based on our estimated tax expense for the full fiscal year.

Segment Discussion

We have five operating segments, which are: United States, Canada, Australia, United Kingdom and Puerto Rico. Our segments derive revenues through the manufacturing, marketing, selling and distribution of medical imaging products, focused primarily on cardiovascular diagnostic imaging. In the nine months ended September 30, 2010 and 2009, no single operating segment, outside of the United States, accounted for more than 10% of total sales, 10% of operating profit or 10% of total assets. Accordingly, we report the U.S. reporting segment separately and the non-U.S. operating segments as All Other.

	Nine months ended September 30,			
	2010	2009	Change $	Change %
		(in thousands)		
Revenue				
U.S.	$ 225,244	$ 247,980	$ (22,736)	(9)
All Other	57,030	51,215	5,815	11
Total revenue, including inter-segment	282,274	299,195	(16,921)	(6)
Less: Inter-segment revenue	(23,117)	(21,520)	(1,597)	(7)
	$ 259,157	$ 277,675	$ (18,518)	(7)
Revenues from external customers				
Cardiolite	$ 40,105	$ 76,942	$ (36,837)	(48)
TechneLite	77,520	85,493	(7,973)	(9)
DEFINITY	43,459	29,870	13,589	45
Other	41,043	34,155	6,888	20
U.S.	202,127	226,460	(24,333)	(11)
All Other	57,030	51,215	5,815	11
	$ 259,157	$ 277,675	$ (18,518)	(7)
Operating income/(loss)				
U.S.	$ 25,451	$ 47,599	$ (22,148)	(47)
All Other	3,675	(6,202)	9,877	159
Total operating income, including inter-segment	29,126	41,397	(12,271)	(30)
Inter-segment operating income	(928)	6,213	(7,141)	(115)
	$ 28,198	$ 47,610	$ (19,412)	(41)

The reasons for the decreases in the United States segment revenues and operating income are consistent with those discussed above and are driven mainly by decreases in sales of our Cardiolite and TechneLite products, offset in part by increases in DEFINITY. The United States segment was disproportionately impacted by the global Moly supply shortage as a large portion of TechneLite sales loss was absorbed by the U.S. segment. The increases in the All Other segment revenues and operating income result mainly from the increase in other marketed products sales.

Inter-segment revenues represent sales of certain products made from our U.S. segment to our All Other segment. Inter-segment operating income (loss) represents the elimination of the margin relating to the sales made from our U.S. segment to the All Other segment, as well as the elimination of inter-segment cost from our All Other segment to our customers.

Comparison of the Years Ended December 31, 2009 and 2008

The following table sets forth certain consolidated statements of income data and information for the periods indicated:

	Year Ended December 31,			
	2009	2008	Change $	Change %
	(dollars in thousands)			
Net Product Revenues				
Cardiolite	$ 119,304	$ 321,674	$ (202,370)	(63)%
TechneLite	112,910	124,287	(11,377)	(9)
DEFINITY	42,942	20,439	22,503	110
Other currently marketed products	77,147	65,340	11,807	18
Total net product revenues	352,303	531,740	(179,437)	(34)
License and other revenues	7,908	5,104	2,804	55
Total revenues	360,211	536,844	(176,633)	(33)
Cost of goods sold	184,844	244,496	(59,652)	(24)
Gross profit	175,367	292,348	(116,981)	(40)
Sales and marketing	42,337	45,730	(3,393)	(7)
General and administrative	35,430	64,909	(29,479)	(45)
Research and development	44,631	34,682	9,949	29
In-process research and development	—	28,240	(28,240)	(100)
Operating income	52,969	118,787	(65,818)	(55)
Interest expense	(13,458)	(31,038)	(17,580)	(57)
Interest income	73	693	(620)	(89)
Other income, net	2,720	2,950	(230)	(8)
Income before income taxes	42,304	91,392	(49,088)	(54)
Provision for income taxes	(21,952)	(48,606)	(26,654)	(55)
Net income	$ 20,352	$ 42,786	$ (22,434)	(52)

Revenues

Net Product Revenues. We recognized revenue from net product sales of $352.3 million in 2009 compared to $531.7 million in 2008, a decrease of $179.4 million, or 34%. This decrease was primarily due to the following:

- Cardiolite sales decreased $202.4 million, or 63%, from $321.7 million in 2008 to $119.3 million in 2009. This decrease was primarily due to the expiration of Cardiolite's market exclusivity in July 2008 and the introduction of generic competition which began in September 2008. Although we were still able to maintain our leadership position, unit volume and price in the United States decreased by 22% and 47%, respectively, in 2009 as compared to 2008. See "—Key Factors Affecting Our Results—Cardiolite Competitive Position;" and

- TechneLite sales decreased $11.4 million, or 9%, from $124.3 million in 2008 to $112.9 million in 2009. This decrease was primarily due to lower volume in the United States caused by the Moly supply shortage which began in May 2009 offset, in part, by an increase in price in the United States, due to the incremental Moly and distribution costs that we were able to pass through to our customers, resulting in a 9% decline in revenue.

These decreases were offset, in part, by the following:

- DEFINITY sales increased $22.5 million, or 110%, from 2008 to 2009 due to a 104% increase in sales volume as a result of the modification of the boxed warning in May 2008 and the subsequent re-launch of the product in June 2008; and

- other marketed products increased $11.8 million, or 18%, largely due to $6.7 million of higher sales of Thallium due to its substitution for technetium-based products as a result of the Moly shortage, a $3.1 million increase in revenue as a result of continued demand for Neurolite in Japan, a $1.7 million increase in sales of third party products and a $3.4 million decrease in customer rebates in 2009 as compared to 2008 as a result of a decrease in sales of Cardiolite.

License and Other Revenues. License and other revenue increased $2.8 million, or 55%, to $7.9 million in 2009 from $5.1 million in 2008. This increase is primarily due to $2.5 million in license revenue recorded in 2009. In addition, we recorded $5.4 million and $5.1 million in fiscal years 2009 and 2008, respectively, in other revenue related to our contract manufacturing services related to a product for one customer.

Costs and Expenses

Cost of Goods Sold. Cost of goods sold in 2009 was $184.8 million, compared to $244.5 million in 2008, a decrease of $59.7 million, or 24%. Gross profit in 2009 was $175.4 million, compared to $292.3 million in 2008, a decrease of $117.0 million, or 40%. The decrease in cost of goods sold was due, in part, to the $32.8 million in intangible amortization incurred in 2008, primarily related to the Cardiolite patent exclusivity which expired in July 2008. In addition, cost of goods sold decreased due to an $8.2 million inventory revaluation recorded in 2008 as a result of the acquisition of our business from BMS, a $17.5 million decrease due to the change in product mix between TechneLite and Thallium as a result of the Moly shortage and a $1.2 million decrease as a result of changes in Cardiolite volumes due to the generic event in 2008. The decrease in gross profit was primarily attributable to price reductions for Cardiolite relating to the generic event of approximately $201.2 million, offset by higher DEFINITY and Thallium margins of $35.3 million, lower intangible amortization of $32.8 million and an inventory revaluation of $8.2 million, $2.5 million increased margin on license revenue, and an increase in third party product margin of $4.9 million.

Sales and Marketing Expenses. Sales and marketing expenses for 2009 were $42.3 million, compared to $45.7 million for 2008. As a percentage of net revenue, sales and marketing expense was 11.8% and 8.5% for 2009 and 2008, respectively. The $3.4 million, or 7%, decrease in 2009 was primarily attributable to the following:

- a decrease of approximately $1.1 million in salary and other costs related to certain personnel reductions in our field sales force; and

- a decrease of $5.5 million in employee travel, meetings and other employee expenses related to personnel reductions and cost reduction initiatives.

These decreases were offset, in part, by the following:

- an increase of approximately $2.1 million related to promotional materials, advertising and other costs (market research, regulatory fees and other marketing programs) associated with the launch of Ablavar;

- an increase of $947,000 related to the hiring of a contract sales force to support the launch of Ablavar; and

- an increase of $213,000 for promotional materials, advertising for DEFINITY and Cardiolite.

General and Administrative Expenses. General and administrative expenses for 2009 were $35.4 million compared to $64.9 million for 2008. The $29.5 million, or 45%, decrease in 2009 was primarily attributable to the following:

- a decrease of approximately $13.0 million in termination and severance related charges associated with the closure of our European operations in 2008;
- a decrease of approximately $10.8 million in transition related charges attributable to our service support agreements with BMS following our divestiture;
- a decrease of $8.7 million in consulting and other related expenses to support a stand-alone infrastructure, payroll implementation, treasury and other divestiture related activities;
- a decrease of $2.5 million in legal fees primarily related to lower transition and intellectual property related activity;
- a decrease of $1.0 million related to lower bonus expense for the year ended at December 31, 2009 as compared to December 31, 2008; and
- a decrease of $1.0 million for independent educational grants, which were included in general and administrative costs in 2008 and included in research and development in 2009.

The decreases were offset, in part, by the following:

- an increase of $4.4 million in consulting, information technology and other related expenses to support a stand-alone infrastructure, payroll implementation and other divestiture related activities;
- an increase of approximately $1.4 million in salary, wages and other personnel related costs;
- an increase of $1.1 million in depreciation expense primarily related to information technology hardware and software purchased in 2008; and
- an increase of $641,000 in overhead expense related to increased costs to operate our North Billerica, Massachusetts facility.

Research and Development Expenses. Research and development expenses in 2009 were $44.6 million compared to $34.7 million in 2008, an increase of approximately $9.9 million, or 29%.

The following table summarizes the primary components of our research and development expenses for the years ended December 31, 2009 and 2008:

	Year Ended December 31,	
	2009	2008
	(dollars in millions)	
Flurpiridaz F18	$ 4.2	$ 2.3
^{18}F LMI1195	0.8	—
Other clinical programs	2.8	1.9
Total clinical programs	7.8	4.2
Personnel salary, benefits and other employee related	18.3	17.0
General research and development expenses	18.5	13.5
Total research and development expenses	$ 44.6	$ 34.7

The following summarizes the expenses associated with our primary research and development programs:

Flurpiridaz F18 (PPA). During 2009, we incurred $4.2 million in expenses related to our PPA program compared to $2.3 million during 2008, an increase of $1.9 million, or 83%. This increase was primarily due to the following:

- a $1.2 million increase in clinical services and analysis costs related to our Phase II clinical trial;
- a $430,000 increase in clinical site costs due to increased enrollment in the Phase II trial; and
- a $276,000 increase in contractor site-monitoring support and travel expenses related to increased effort in the Phase II clinical trial.

^{18}F LMI1195 ("Cardiac Neuronal Imaging"). During 2009, we incurred $769,000 in expenses related to our Cardiac Neuronal Imaging program in its initial year of clinical trials. Because this was the initial year of clinical trial expenses under the program, the expenses incurred related primarily to:

- approximately $448,000 of expenses related to clinical services and analysis costs related clinical trial interpretation; and
- approximately $321,000 in clinical site costs related to increasing enrollment in the program.

Other Clinical Programs. During 2009, we incurred $2.8 million in expenses related to other clinical trial programs compared to $1.9 million during 2008, an increase of $0.9 million, or 47%. The increase related primarily to $901,000 in contractor support and professional services fees for the completion of a DEFINITY Phase IV study.

Personnel salary, benefits and employee related expenses were $18.3 million in 2009 compared to $17.0 million in 2008, a $1.3 million, or 8%, increase. This increase was due to $1.1 million in increased travel and relocation costs to support clinical programs, $406,000 increase in contracted support staff costs for clinical program monitoring and a $487,000 increase in field based technical MRI support related to Ablavar, offset, in part, by a decrease of $653,000 in lower bonus expenses as a result of not fully achieving certain annual EBITDA targets in 2009.

General research and development expenses were $18.5 million in 2009 compared to $13.5 million in 2008, a $5.0 million, or 37%, increase. The increase is due primarily to a $2.0 million increase in research, clinical and lab supplies resulting from our continued research efforts, and $3.6 million in other professional and contracted services to support chemistry, manufacture and control development, PPA development, data statistic management and clinical compliance for clinical sites. This was offset by a decrease in unallocated facility related costs, which were $0.6 million due to reduced infrastructure costs. The remaining general research and development expenses, which are incurred in support of all of our research and development programs, are not easily allocable to any individual program, and therefore, have been included in general research and development expenses.

We anticipate that our research and development expenses related to our PPA program for 2010 will consist primarily of costs related to our Phase II and Phase III clinical trials for Flurpiridaz F18.

In-process Research and Development ("IPR&D"). In 2008, as a result of the acquisition from BMS, we allocated $28.2 million to IPR&D. The value assigned to IPR&D was determined by estimating costs to develop the purchased IPR&D into commercially viable product, the phase the project was in and our potential revenue generated from the project. The estimated fair value of in-process research and development related to PET perfusion agents. Immediately following the closing of the acquisition, the $28.2 million IPR&D was charged to expense.

Other

Interest Expense. Interest expenses was $13.5 million in 2009, compared to $31.0 million in 2008, a decrease of $17.6 million, or 57%. This decrease was due to a decrease in our outstanding debt in 2009 of approximately $49.1 million.

Interest Income. Interest income was $73,000 in 2009, compared to $693,000 in 2008, a decrease of $620,000, or 89%. This change was due to a decrease in available cash balances and lower interest rates.

Other Income, net. Other income, net in 2009, was $2.7 million, compared to $3.0 million in 2008. The decrease was primarily attributable to changes in the amount of income recognized related to our tax indemnification agreement with BMS.

Provision for Income Taxes. The provision for income taxes was $22.0 million in 2009 compared to $48.6 million in 2008, a decrease of $26.6 million. This decrease was due to lower taxable income in 2009 as compared to 2008. Our effective tax rates for the years ended December 31, 2009 and 2008 were 51.9% and 53.2%, respectively. The excess of our effective tax rate over the statutory rate in 2009 is driven principally by the tax effect of our uncertain tax positions and the impact of the changes in the applicable state tax rates that are applied to deferred tax assets. The excess of our effective tax rate over the statutory rate in 2008 results from the tax effect of the in-process research and development charge and our uncertain tax positions.

Comparison of the Years Ended December 31, 2008 and 2007

The following table sets forth certain consolidated statements of income data and information for the periods indicated:

	Successor	Predecessor		
	Year Ended December 31,			
	2008	2007	Change $	Change %
	(dollars in thousands)			
Net Product Revenues				
Cardiolite	$ 321,674	$ 405,039	$ (83,365)	(21)%
TechneLite	124,287	104,941	19,346	18
DEFINITY	20,439	57,254	(36,815)	(64)
Other currently marketed products	65,340	57,167	8,173	14
Total net product revenues	531,740	624,401	(92,661)	(15)
License and other revenues	5,104	4,776	328	7
Total revenues	536,844	629,177	(92,333)	(15)
Cost of goods sold(1)	244,496	223,674	20,822	9
Gross profit	292,348	405,503	(113,155)	(28)
Sales and marketing(1)	45,730	64,724	(18,994)	(29)
General and administrative(1)	64,909	28,331	36,578	129
Research and development	34,682	50,005	(15,323)	(31)
Restructuring	—	9,841	(9,841)	(100)
In-process research and development	28,240	—	28,240	100
Operating income	118,787	252,602	(133,815)	(53)
Interest expense	(31,038)	—	(31,038)	(100)
Interest income	693	—	693	100
Other income (expense), net	2,950	(4,224)	7,174	(170)
Income before income taxes	91,392	248,378	(156,986)	(63)
Provision for income taxes	(48,606)	(97,073)	(48,467)	(50)
Net income	$ 42,786	$ 151,305	$ (108,519)	(72)

(1) For comparability purposes, a reclassification totaling $15,788 has been made from general and administrative and sales and marketing expenses to cost of goods sold in the Predecessor period to be consistent with the Successor period presentation. Accordingly, these amounts do not agree to the corresponding amounts in the audited financial statements of the Predecessor included elsewhere in this prospectus.

Revenues

Net Product Revenues. We recognized revenue from net product sales of $531.7 million in 2008 compared to $624.4 million in 2007, a decrease of $92.7 million, or 15%. This decrease was primarily due to the following:

- Cardiolite sales decreased $83.4 million, or 21%, from $405.0 million in 2007 to $321.7 million in 2008. This decrease was primarily due to the expiration of Cardiolite's market exclusivity and the introduction of generic competition which began in September 2008. As a result, volume and

price in the United States were 10% and 6%, lower, respectively, in 2008 as compared to 2007; and

- DEFINITY sales decreased $36.8 million, or 64%, from 2007 to 2008, due to a 63% decline in sales volume as a result of the boxed warning in October 2007.

These decreases were offset, in part, by a $19.3 million, or 18%, increase in TechneLite sales due to a price increase in the United States offset, in part, by lower volumes in 2008. We gained share in 2007 as a result of a competitor manufacturing delay in 2007.

Cost of Goods Sold. Cost of goods sold in 2008 was $244.5 million, compared to $223.7 million in 2007, an increase of $20.8 million, or 9%. The increase in cost of goods sold was due, in part, to an $8.2 million inventory revaluation recorded in 2008 as a result of our acquisition from BMS, higher intangible amortization of approximately $900,000, higher insurance costs of $2.8 million, increased DEFINITY cost of $1.4 million due to increased volume, higher TechneLite cost of $6.2 million and a $3.6 million increase in third party product cost. These increases in costs were offset, in part, by a $2.3 million decrease in Cardiolite due to the 2008 generic event. Gross profit in 2008 was $292.3 million, compared to $405.5 million in 2007, a decrease of $113.2 million, or 28%. The decrease in gross profit was primarily attributable to decreased sales volumes from Cardiolite and DEFINITY resulting in decreases of $81.1 and $38.3 million, respectively, due to the expiration of the exclusivity rights of Cardiolite in 2008 and the DEFINITY boxed warning in 2007. In addition, there were higher intangible amortization and an inventory revaluation of $11.9 million. These amounts were offset, in part, by a $3.8 million increase in margin due to a change in TechneLite and Thallium mix and $14.3 million in other favorable product mix.

Sales and Marketing Expenses. Sales and marketing expenses for 2008 were $45.7 million, compared to $64.7 million for 2007. As a percentage of total revenue, sales and marketing expense was 8.5% and 10.3% for 2008 and 2007, respectively. The $19.0 million, or 29%, decrease in 2008 was primarily attributable to the following:

- a decrease of approximately $10.8 million in salary and related costs attributed to the closure of our European operations that were not included in 2008;

- a decrease of approximately $7.1 million in infrastructure costs, such as car leases, software and support following a reduction in force during 2007; and

- a decrease of $2.3 million in international employee travel, meetings, and other employee expenses due to restructuring and other support reduction efforts.

These decreases were offset, in part, by an increase of $1.2 million related to the loss of reimbursement of certain selling expenses that resulted from the termination of a certain co-promotion arrangement with a business partner.

General and Administrative Expenses. General and administrative expenses for 2008 were $64.9 million compared to $28.3 million for 2007. The $36.6 million, or 129%, increase in 2008 was primarily attributable to the following:

- an increase of approximately $13.0 million in termination and severance charges associated with the closure of our European operations in 2008;

- an increase of $10.9 million in transition related charges in accordance with our service support agreements with BMS following our acquisition;

- an increase of $12.1 million in consulting, information technology and other related expenses to support a stand-alone infrastructure, payroll implementation and other divestiture related activities;

- an increase of $4.4 million in legal costs to support our transition to a stand-alone business;
- an increase of approximately $980,000 for management advisory services as a result of the acquisition;
- an increase of $849,000 in stock-based compensation related to options grants issued to employees after the acquisition; and
- an increase of $1.3 million in salary, bonus and other related costs related to additional personnel hired in connection with the acquisition.

The increases were offset, in part, by the following:

- a $3.8 million decrease in international general and administrative costs related primarily to our change in how we operate in Europe;
- a $1.1 million decrease of stand-alone insurance costs as compared to allocated insurance charges prior to the acquisition;
- a $978,000 decrease in procurement related charges allocated to general and administrative prior to the acquisition. In 2008, we included procurement related charges in cost of products sold;
- a $839,000 decrease in educational grants; and
- a $381,000 decrease in other general and administrative charges due to lower stand-alone costs as compared to allocated general and administrative charges prior to the acquisition.

Research and Development Expenses. Research and development expenses in 2008 were $34.7 million compared to $50.0 million in 2007, a decrease of approximately $15.3 million, or 31%. This decrease was primarily due to the completion of Cardiolite pediatric trial and related expenses associated with that clinical trial, as well as a decrease in the number of employees performing research and development functions as a result of a restructuring in early 2007.

The following table summarizes the primary components of our research and development expenses for the years ended December 31, 2008 and 2007:

	Successor	Predecessor
	Year Ended December 31,	
	2008	2007
	(dollars in millions)	
Flurpiridaz F18	$ 2.3	$ 0.2
Cardiolite Pediatric	0.4	6.5
Other clinical programs	1.5	3.0
Total clinical programs	4.2	9.7
Personnel salary, benefits and other employee related	17.0	22.6
General research and development expenses	13.5	17.7
Total research and development expenses	$ 34.7	$ 50.0

The following summarizes the expenses associated with our primary research and development programs:

Flurpiridaz F18 (PPA). We incurred $2.3 million in expenses in 2008 related to our PPA program compared to $200,000 during 2007, an increase of $2.1 million, or 1050%. This increase was primarily due to clinical services, and analysis costs related to our Phase II clinical trial.

Cardiolite Pediatric Study. Approximately $6.1 million in lower Cardiolite pediatric clinical trial costs upon submission to the FDA in December 2007 and subsequent approval of pediatric extension in January 2008.

Other Clinical Programs. During 2008, we incurred $1.5 million in expenses related to other clinical trial programs compared to $3.0 million during 2007, a decrease of $1.5 million or 50%. The decrease primarily related to DEFINITY clinical trials relating to contractor support and professional services for the closure of the Phase IV study.

Personnel salary, benefits and employee-related expenses were $17.0 million in 2008, compared to $22.6 million in 2007, a $5.6 million or 25% decrease. This decrease was due to a $2.9 million decrease in salary and travel personnel related costs and a $2.7 million decrease in associated benefit costs due to headcount reductions in research and development related to our 2007 restructuring.

General research and development expenses were $13.5 million in 2008 compared to $17.7 million in 2007, a $4.2 million, or 24%, decrease. The decrease is due primarily to a $3.5 million decrease in professional services, offset, in part, by an increase in $600,000 related to pharmacovigilance and other related costs. Unallocated facility-related costs were $7.5 million in 2008, compared to $8.2 million in 2007. The decrease was primarily due to reduced infrastructure costs. The remaining general research and development expenses, which are incurred in support of all of our research and development programs, are not easily allocable to any individual program, and therefore, have been included in general research and development expenses.

Restructuring Charges. During 2007, we recorded charges of $9.8 million in termination benefits and other related costs for workforce reductions of approximately 150 manufacturing, research and development, selling and administrative personnel primarily due to the closure of two clinical programs and the projected loss of exclusivity for Cardiolite in 2008. A determination was made by management to realign resources consistent with the scale of the business, taking into account needs of customers and patients we serve.

Other

Interest Expense. Interest expense was $31.0 million in 2008 and was related to our debt facility which we entered into on January 8, 2008. Prior to 2008 we did not have a debt facility.

Other Income (Expense), Net. Other income, net in 2008 was $3.0 million, compared to $4.2 million of other expense in 2007. The increase was primarily attributable to foreign exchange gains and changes in the amount of income recognized related to our tax indemnification agreement with BMS.

Segment Discussion

We have five operating segments, which are: United States, Canada, Australia, United Kingdom and Puerto Rico. The Company's segments derive revenues through the manufacturing, marketing, selling and distribution of medical imaging products, focused primarily on cardiovascular diagnostic imaging. As of September 30, 2010, no single operating segment, outside of the United States, accounts for more than 10% of total sales, 10% of operating profit or 10% of total assets. In addition, there are no significant trends or factors which are unique to any one operating segment and, as a result, management believes that a discussion of segment operating results is not necessary to obtain an understanding of our results of operations.

Liquidity and Capital Resources

Cash Flows

The following table provides information regarding our cash flows:

	Nine months ended September 30	
	2010	2009
	(dollars in thousands)	
Cash provided by (used in):		
Operating activities	$ 26,893	$ 76,728
Investing activities	(5,384)	(35,596)
Financing activities	(17,045)	(41,802)
Effect of foreign exchange rate on cash	503	1,099
Net (decrease) increase in cash and cash equivalents	$ 4,967	$ 429

The following table provides information regarding our cash flows:

	Successor		Predecessor
	Year Ended December 31,		
	2009	2008	2007
	(dollars in thousands)		
Cash provided by (used in):			
Operating activities	$ 95,783	$ 178,445	$ 243,218
Investing activities	(38,351)	(530,832)	(4,808)
Financing activities	(49,102)	376,466	(235,880)
Net increase in cash and cash equivalents	$ 10,444	$ 21,036	—

Net Cash Provided by Operating Activities

Our primary sources of operating cash flows are products sold. Our primary uses of cash in our operations are for inventories and other costs of product sales, sales and marketing expenses, research and development expenses, general and administrative expenses and interest payments.

Net cash provided by operating activities in the first nine months of 2010 reflected our net income of $7.6 million, adjusted by non-cash expenses totaling $34.3 million, offset by changes in accounts receivable, prepaid expenses, inventories, income taxes payable, accrued expenses and other operating assets and liabilities totaling $15.0 million. Non-cash items included amortization and depreciation of $30.0 million, provisions for excess and obsolete inventory of $2.3 million, stock-based compensation of $397,000 and changes in the deferred tax provision of $893,000. Accounts receivable increased by $13.4 million primarily due to the increase in product sales as a result of the NRU reactor returning to service and increasing the available Moly supply. Inventories increased by $27.7 million primarily due to the purchase of Ablavar product. Prepaid expenses and other assets increased by $588,000 primarily due to the timing of prepayments on relating to certain insurance payments. Income tax payable decreased $2.7 million as payments have been made in the current period. Accounts payable increased by $21.1 million primarily due to an increase in payables related to manufacturing, product development and interest expenses. Accrued expenses increased by $7.3 million primarily due to an increase in accrued interest, offset, in part, by a decrease in accrued bonuses. Deferred revenue increased by $1.0 million primarily due to the deferral of new product shipments in the period.

Net cash provided by operating activities in the first nine months of 2009 reflected our net income of $18.0 million, adjusted by non-cash expenses totaling $48.1 million and changes in accounts receivable, prepaid expenses, inventories, income taxes payable, accrued expenses and other operating

assets and liabilities totaling $10.6 million. Non-cash items included amortization and depreciation of $33.7 million, provisions for excess and obsolete inventory of $3.8 million, stock-based compensation of $706,000 and changes in deferred income taxes of $9.6 million. Accounts receivable decreased by $21.3 million primarily due to decreased net product sales. Inventories increased by $11.8 million primarily due to the purchase of Ablavar, Cardiolite and DEFINITY product. Deferred revenue increased by $9.1 million primarily due to the deferral of license revenue. Prepaid expenses and other assets decreased by $4.3 million primarily due to the utilization of income tax prepayments. Accounts payable increased by $3.4 million primarily due to increased payables related to manufacturing, product development and marketing expenses. Accrued expenses decreased by $12.4 million primarily due to the reduction of accrued bonuses, accrued interest and the receipt of invoices post period end. Income tax payable decreased by $3.1 million due to timing of tax payments.

Net cash provided by operating activities in 2009 reflected our net income of $20.4 million, adjusted by non-cash expenses totaling $63.2 million and changes in accounts receivable, prepaid expenses, inventories, income taxes payable, accrued expenses and other operating assets and liabilities totaling $12.2 million. Non-cash items included amortization and depreciation of $41.7 million, stock-based compensation of $1.2 million and changes in the deferred tax provision of $10.8 million. Accounts receivable decreased by $28.0 million, primarily due to decreased net product sales. Inventories increased by $10.6 million, primarily due to the purchase of $4.1 million of Ablavar API, and finished goods. Deferred revenue increased by $6.0 million, primarily due to the receipt and partial deferral of a $10.0 million special license fee from a single customer. Prepaid expenses and other assets decreased by $5.5 million, primarily due to the utilization of prepaid income taxes and the timing of prepayments on insurance renewals. Income tax payable increased $1.5 million from a prepaid position in the prior year. Accounts payable decreased by $3.2 million, primarily due to a reduction in payables related to manufacturing, product development and marketing expenses. Accrued expenses decreased by $15.0 million, primarily due to a decrease in transition related costs and accrued bonuses.

Net cash provided by operating activities in 2008 reflected our net income of $42.8 million, adjusted by non-cash expenses totaling $107.2 million and changes in accounts receivable, prepaid expenses, inventories, income taxes payable, accrued expenses and other operating assets and liabilities totaling $28.5 million. Non-cash items included amortization and depreciation of $73.2 million, stock-based compensation of $1.4 million and changes in deferred income taxes of $4.4 million. Inventories decreased by $5.3 million, primarily due to timing of shipments at year end. Deferred revenue increased by $4.1 million, primarily due to the deferral of revenue related to certain distributor arrangements. Prepaid expenses and other assets increased by $1.8 million, primarily due to prepayments on insurance and related fees, including income tax. Accounts payable increased by $5.1 million, primarily due to increased payables related to manufacturing, product development and marketing expenses. Accrued expenses increased by $21.7 million, primarily due to an increase in transition related costs and accrued bonuses. Income tax payable decreased by $6.0 million due to timing of tax payments.

Net cash provided by operating activities in 2007 reflected our net income of $151.3 million, adjusted by non-cash expenses totaling $63.4 million and changes in accounts receivable, prepaid expenses, inventories, income taxes payable, accrued expenses and other operating assets and liabilities totaling $28.5 million. Non-cash items included amortization and depreciation of $71.8 million, stock-based compensation of $2.4 million and changes in deferred income tax of $12.4 million. Accounts receivable decreased by $24.6 million. Inventories increased by $0.8 million, primarily due to timing of shipments. Accounts payable decreased by $3.7 million, primarily due to a reduction in payables related to manufacturing, product development and marketing expenses. Accrued expenses increased by $1.5 million, primarily due to payments of bonuses and other general corporate expenses. Income tax liabilities increased by $6.9 million due to uncertain tax positions.

Net Cash Used in Investing Activities

Our primary uses of cash in investing activities are the purchase of property and equipment and the acquisition of product rights. Net cash used in investing activities in the first nine months of 2010 and 2009 reflected the purchase of property and equipment for $5.2 million and $6.1 million, respectively. In addition, in the first nine months of 2010 and 2009, investing activities used $215,000 and $29.5 million, respectively, of cash for the acquisition of the rights to a MRA agent, now known as Ablavar.

Net cash used in investing activities in 2009, primarily reflected the purchase of the Ablavar product rights for $29.5 million and property and equipment for $8.9 million. Net cash used in investing activities in 2008 primarily reflected the Holdings acquisition of the BMSMI and the purchase of property and equipment. Net cash used in investing activities in 2007 primarily reflected purchases of property and equipment for $4.8 million. We do not expect to have significant proceeds from investing activities.

Net Cash Provided by (Used in) Financing Activities

Historically, our primary sources of cash flows from financing activities have been the proceeds from the issuance of our term loan of $296.5 million, proceeds from borrowing on our line of credit of $28.0 million and proceeds from the issuance of common stock of $245.4 million. Going forward, we expect our primary sources of cash flows from financing activities to be equity or debt issuances or other arrangements that we may make or into which we may enter. Our primary historical uses of cash in financing activities are principal payments on our term loan and line of credit. On May 10, 2010, we issued $250.0 million of 9.750% Senior Notes due in 2017 (the "Restricted Notes"). The proceeds of the Restricted Notes were used (i) to repay amounts due under our then existing credit agreement and (ii) to pay a dividend to Holdings to repay its $75.0 million demand note and for it to repurchase $90.0 million of Holdings' Series A Preferred Stock at the accreted value.

Net cash used in financing activities in 2009 reflected aggregate principal payments on our term loan of $49.1 million and proceeds from the draw down on our line of credit of $28.0 million offset by payments on our line of credit of $28.0 million.

Net cash provided by financing activities in 2008 reflected proceeds from the issuance of our term loan of $296.5 million and proceeds from the issuance of common stock of $245.4 million offset by aggregate principal payments on our term loan $153.7 million and debt issuance costs in connection with issuance of the term loan of $11.7 million.

Net cash used in financing activities in 2007 reflected net transfers of cash to BMS of $235.9 million.

Sources of Liquidity

On May 10, 2010, we issued the Restricted Notes at face value, net of issuance costs of $6.3 million, under an indenture, dated May 10, 2010. The net proceeds of the Restricted Notes were used to repay $77.9 million due under our outstanding credit agreement and to issue a $163.8 million dividend, which utilized $65.7 million of retained earnings and $98.1 million of additional paid in capital, to Holdings to repay a $75.0 million demand note and for Holdings to repurchase $90.0 million of Holdings' Series A Preferred Stock at the accreted value. The $75.0 million demand note was issued in June 2009, was payable on demand by Holdings and had an interest rate equal to the greater of the prime rate plus 2.25% or LIBOR plus 5.0%; the interest rate at December 31, 2009 was 5.5%. The Restricted Notes mature on May 15, 2017. Interest on the Notes accrues at a rate of 9.750% per year and is payable semiannually in arrears on May 15 and November 15 commencing on November 15, 2010. We anticipate our annual interest expense will increase to $24.4 million as a result of the

Restricted Note issuance. The increase in interest expense related to the Restricted Notes will be offset, in part, by the elimination of principal payments which were required under the Credit Agreement and were being made on an accelerated basis through April 2010, as well as an expected increase in our results of operations and cash flows from growth in DEFINITY, Ablavar and TechneLite, now that the NRU reactor is again operational.

In addition, our revolving line of credit was replaced with a $42.5 million revolving credit facility (the "Facility") with the ability to request the lenders to increase the Facility by an additional amount of up to $15.0 million at the discretion of the lenders. Interest on the Facility will be at LIBOR plus 4% or Reference Rate (as defined in the agreement) plus 3%. At September 30, 2010, there were no amounts outstanding under the Revolver and our aggregate borrowing capacity was $42.5 million.

The Notes contain certain covenants of us and the guarantors that limit the payments of dividends, incurrence of additional indebtedness and guarantees, issuance of disqualified stock and preferred stock, transactions with affiliates, and a merger, consolidation or sale of all or substantially all of our assets. As of September 30, 2010, we were in compliance with all applicable covenants. In addition, we are required to comply with financial covenants in the Facility, including a total leverage ratio and interest coverage ratio, beginning with the quarter ended September 30, 2010, as well as limitations on the amount of capital expenditures. The financial ratios are determined by our earnings before interest, taxes, depreciation and amortization ("EBITDA"). The total leverage ratio is the financial covenant that is currently the most restrictive, which requires Lantheus Intermediate and its Subsidiaries (as defined in the Facility) to maintain a leverage ratio of 3.75 to 1.00 for each fiscal quarter in 2010 beginning with the quarter ended September 30, 2010 and the first three fiscal quarters in 2011, 3.50 to 1.00 in the last fiscal quarter of 2011 and the first three fiscal quarters of 2012 and 3.25 to 1.00 thereafter. The interest coverage ratio requires Lantheus Intermediate and its Subsidiaries (as defined in the Facility) to have a coverage ratio of 2.25 to 1.00 for each fiscal quarter in 2010 and 2011 and the first three fiscal quarters of 2012, and 2.50 to 1.00 thereafter. Although we believe that our anticipated EBITDA amounts will be sufficient such that we will be in compliance with our financial covenants, if our upcoming quarterly earnings are not sufficient, we could be in violation of the leverage ratio covenant.

We entered into an inventory supply agreement with a third party in connection with the launch of Ablavar. This agreement has a minimum quarterly purchase commitment ranging from $6.3 million to $7.5 million through September 2012. At September 30, 2010, the total of this remaining minimum purchase commitment was approximately $56 million. Accordingly, significant cash outflows will be required during the term of this purchase commitment and costs incurred in connection with the product launch, with limited cash inflows from Ablavar until market penetration increases further. We believe that we will be able meet this obligation as a result of our expected increase in results of operations and cash flows which we believe will result from continued increases in the sale of DEFINITY which continues to experience market growth towards sales levels prior to the boxed warning, increase in the sale of TechneLite resulting from the NRU reactor recently becoming operational and the anticipated return of a normalized and sustained Moly supply, increase in the sales of Ablavar as we continue our U.S. launch of the product and, with the acquisition of the remaining rest of world rights, the potential for sales in non-U.S. markets, and the anticipated continued strong position of Cardiolite. In addition, while the loss of gross profit due to the global Moly shortage did have a detrimental impact on our cash flows and results of operations, we continued to generate positive cash flows from operations during the period of the Moly shortage and we did not make any significant changes to our strategic initiatives as a result of the shortage.

Funding Requirements

Our future capital requirements will depend on many factors, including:

- the level of product sales of our currently marketed products and any additional products that we may market in the future;
- the scope, progress, results and costs of development activities for our current product candidates and whether we obtain a partner to help share such development costs;
- the costs, timing and outcome of regulatory review of our product candidates;
- the number of, and development requirements for, additional product candidates that we pursue;
- the costs of commercialization activities, including product marketing, sales and distribution and whether we obtain a partner to help share such commercialization costs;
- the costs and timing of establishing manufacturing and supply arrangements for clinical and commercial supplies of our product candidates and products;
- the extent to which we acquire or invest in products, businesses and technologies;
- the extent to which we choose to establish collaboration, co-promotion, distribution or other similar arrangements for our marketed products and product candidates;
- the cost of defending any claims relating to product liability, regulatory compliance or other matters; and
- the costs of preparing, filing and prosecuting patent applications and maintaining, enforcing and defending claims related to intellectual property owned by or licensed to us.

To the extent that our capital resources are insufficient to meet our future capital requirements, we will need to finance our cash needs through public or private equity offerings, debt financings, corporate collaboration and licensing arrangements or other financing alternatives, to the extent such transactions are permissible under the covenants of our indenture and credit agreement. If any of the transactions require a waiver under the covenants in our indenture and credit agreement, we will seek to obtain such a waiver to remain in compliance with the covenants of the indenture and credit agreement. Our only committed external source of funds is borrowing availability under our credit facility. On May 10, 2010, our $50.0 million revolving credit facility was replaced with a new $42.5 million revolving credit facility. At September 30, 2010 we had $42.5 million of borrowing availability under the facility. Additional equity or debt financing, or corporate collaboration and licensing arrangements, may not be available on acceptable terms, if at all.

As of September 30, 2010, we had $36.4 million of cash and cash equivalents. Based on our current operating plans, we believe that our existing cash and cash equivalents, results of our operations and our revolver will be sufficient to continue to fund our liquidity requirements for at least the next twelve months.

Contractual Obligations

Contractual obligations represent future cash commitments and liabilities under agreements with third parties and exclude contingent contractual liabilities for which we cannot reasonably predict future payment, including contingencies related to potential future development, financing, certain suppliers, contingent royalty payments and/or scientific, regulatory, or commercial milestone payments

under development agreements. The following table summarizes our contractual obligations as of September 30, 2010:

	Payments Due by Period				
	Total	Less than 1 Year	1 - 3 Years	3 - 5 Years	More than 5 Years
	(dollars in thousands)				
Debt obligations (principal)	$ 250,000	$ —	$ —	$ —	$ 250,000
Interest on debt obligations	168,594	24,375	48,750	48,750	46,719
Operating leases(1)	4,845	743	1,536	1,270	1,296
Purchase obligations(2)	212,617	136,393	69,867	6,357	—
Asset retirement obligation	4,065	—	—	—	4,065
Other long-term liabilities(3)	29,202	—	—	—	29,202
Total contractual obligations	$ 669,323	$ 161,511	$ 120,153	$ 56,377	$ 331,282

(1) Operating leases include minimum payments under leases for our facilities and certain equipment.

(2) Purchase obligations include fixed or minimum payments under manufacturing and service agreements with third-parties.

(3) Due to the uncertainty related to the timing of the reversal of uncertain tax positions, the liability is not subject to fixed payment terms and the amount and timing of payments, if any, which we will make related to this liability, are not known.

Interest Rate Risk

We are subject to interest rate risk in connection with revolving credit facility, which is variable rate indebtedness. Interest rate changes could increase the amount of our interest payments and thus negatively impact our future earnings and cash flows. As of September 30, 2010, there was no amount outstanding under our revolving credit facility. Any increase in the interest rate under the revolving credit facility will have a negative impact on our future earnings, depending on the outstanding balance of the revolving credit facility during the respective period.

Off-Balance Sheet Arrangements

Since inception, we have not engaged in any off-balance sheet arrangements, including structured finance, special purpose entities or variable interest entities.

Effects of Inflation

We do not believe that inflation has had a significant impact on our revenues or results of operations since inception. We expect our cost of product sales and other operating expenses will change in the future in line with periodic inflationary changes in price levels. Because we intend to retain and continue to use our property and equipment, we believe that the incremental inflation related to the replacement costs of such items will not materially affect our operations. However, the rate of inflation affects our expenses, such as those for employee compensation and contract services, which could increase our level of expenses and the rate at which we use our resources. While our management generally believes that we will be able to offset the effect of price-level changes by adjusting our product prices and implementing operating efficiencies, any material unfavorable changes in price levels could have a material adverse affect on our financial condition, results of operations and cash flows.

Foreign Currency Risk

We face exposure to movements in foreign currency exchange rates whenever we, or any of our subsidiaries, enter into transactions with third parties that are denominated in currencies other than our, or its, functional currency. Intercompany transactions between entities that use different functional currencies also expose us to foreign currency risk. During 2009 and the first nine months of 2010, the net impact of foreign currency changes on transactions was a gain of $794,000 and a loss of $415,000, respectively. Historically, we have not used derivative financial instruments or other financial instruments to hedge such economic exposures.

Gross margins of products we manufacture at our U.S. plants and sell in currencies other than the U.S. Dollar are also affected by foreign currency exchange rate movements. Our gross margin on total revenue was 48.7% in 2009 and 46.1% in the first nine months of 2010. If the U.S. Dollar had been stronger by 1%, 5% or 10%, compared to the actual rates during 2009, our gross margin on total net product sales would have been 48.7%, 49.0% and 49.3%, respectively. If the U.S. Dollar had been stronger by 1%, 5% or 10%, compared to the actual rates during the first nine months of 2010, our gross margin on total net product sales would have been 46.2%, 46.4% and 46.7%, respectively.

In addition, a portion of our earnings is generated by our foreign subsidiaries, whose functional currencies are other than the U.S. Dollar (in which we report our consolidated financial results), our earnings could be materially impacted by movements in foreign currency exchange rates upon the translation of the earnings of such subsidiaries into the U.S. Dollar.

If the U.S. Dollar had been uniformly stronger by 1%, 5% or 10%, compared to the actual average exchange rates used to translate the financial results of our foreign subsidiaries, our net product sales and net income for the first nine months of 2010 would have been impacted by approximately the following amounts:

	Approximate Decrease in Net Revenue	Approximate Decrease in Net Income
	(dollars in thousands)	
1%	$ (472)	$ (22)
5%	(2,361)	(111)
10%	(4,723)	(221)

Recent Accounting Standards

In October 2009, the FASB issued an update to the accounting standard for revenue recognition related to multiple-element arrangements, which in certain instances requires companies to allocate revenue in arrangements involving multiple deliverables based on the estimated selling price of each deliverable, even though such deliverables are not sold separately either by the company itself or other vendors. This standard eliminates the requirement that all undelivered elements must have objective and reliable evidence of fair value before a company can recognize the portion of the overall arrangement fee that is attributable to items that already have been delivered. As a result, the new guidance may allow some companies to recognize revenue on transactions that involve multiple deliverables earlier than under previous requirements. We will adopt this standard in the first quarter of 2011 and the adoption is not expected to have a material effect on our consolidated financial statements.

INDUSTRY AND MARKET DATA

We obtained the market and competitive position data used throughout this prospectus from our own research, surveys or studies conducted by third parties and industry or general reports compiled by industry and professional organizations, including Global Industry Analysts, Inc. ("GIA"), Frost and Sullivan, Inc. ("Frost & Sullivan"), CMS, the Centers for Disease Control and Prevention ("CDC"), the Central Intelligence Agency, the American Heart Association and the U.S. Census Bureau. The data that was used is publicly available or available through subscriptions that are available to the public for a fee.

BUSINESS

Overview

We are a leading specialty pharmaceutical company that develops, manufactures and distributes innovative diagnostic medical imaging products on a global basis. Our current imaging agents primarily assist in the diagnosis of heart, vascular and other diseases using nuclear imaging, echocardiography and MRI technologies. We also have a full clinical and preclinical development pipeline of next-generation and first-in-class products that use PET and MRI technologies. We believe that our products offer significant benefits to patients, healthcare providers and the overall healthcare system. As a result of more accurate diagnosis of disease, we believe our products allow healthcare providers to make more informed patient care decisions, potentially improving outcomes, reducing patient risk and decreasing costs for payors and the entire healthcare system.

With direct operations in the United States, Puerto Rico, Canada and Australia, we have a long and distinguished history of developing and commercializing innovative market-changing products.

Our principal branded products include DEFINITY, Cardiolite and TechneLite, which, in the aggregate, accounted for approximately 76% and 72% of our total revenues in 2009 and the nine months ended September 30, 2010, respectively. For the year ended December 31, 2009, we generated total revenues, net income, EBITDA and Adjusted EBITDA of $360.2 million, $20.4 million, $96.2 million and $99.9 million, respectively.

Our Products

DEFINITY

DEFINITY Vial for (Perflutren Lipid Microsphere) Injectable Suspension is the leading ultrasound contrast agent used during echocardiographic exams. In the United States, DEFINITY is indicated for use in patients with suboptimal echocardiograms to opacify the left ventricular chamber of the heart and to improve the delineation of the left endocardial border of the heart.

DEFINITY is sold in vials that contain a clear, colorless, sterile, non-pyrogenic hypertonic liquid, which upon activation with the aid of Vialmix, provides a homogenous, opaque, milky white injectable suspension of perflutron lipid microspheres.

DEFINITY primarily competes with Optison, a GE Healthcare product, as well as other imaging modalities. DEFINITY was the leading ultrasound contrast agent used by echo-cardiologists in 2009, with, we believe, over 90% of sales in this segment. DEFINITY is an advanced technology, derived from a synthetic lipid based coating, which we believe is superior to the alternatives.

DEFINITY, and other drugs in the same class of agents (including Optison), received a boxed warning from the FDA in October 2007 due to serious cardiopulmonary reactions following the administration of DEFINITY. The label warned that DEFINITY and other similar perflutren-based imaging agents were not suitable in patients who have unstable angina, unstable cardiopulmonary disease or a history of acute heart attacks, and suggested that all patients that use DEFINITY should be monitored for 30 minutes following use. When the boxed warning went into effect, most of DEFINITY's customers placed a hold on new orders to obtain legal approval from the appropriate departments within their hospitals and offices and to update protocols for usage. Sales prior to the issued warning were at a last quarter annualized run-rate of $66.5 million as of September 2007, with an approximate 3% penetration of all echocardiograms. Immediately following the boxed warning in October 2007, sales decreased to an annualized run rate of approximately $11.2 million based on the three months ended January 2008.

Without our requesting them to do so, physicians within the cardiology and echocardiology communities campaigned in support of DEFINITY and sent a letter signed by 161 cardiologists to the FDA stating that the benefits of the product outweighed the risks and urged that the boxed warning be

removed. The FDA subsequently revised the boxed warning in May 2008 to state that only at-risk patients should be monitored for 30 minutes after use, and in July 2008 the FDA posted the update to the warning label on its website. Along with the revised boxed warning, numerous clinical studies have been published on the clinical effectiveness and safety of DEFINITY. For example, the American College of Cardiology published a paper supporting the use of contrast echocardiography ("CE"). The paper stated that the utilization of CE in technically difficult cases improves endocardial visualization and impacted cardiac diagnosis, resource utilization and patient management. Furthermore, the study reported that after using CE, the percentage of un-interpretable cases decreased from approximately 12% to under 0.5% and technically difficult cases decreased from approximately 87% to under approximately 10%.

We initially launched DEFINITY in 2001, with market exclusivity through the end of 2016. In June 2008, we relaunched DEFINITY. Since the product's relaunch, U.S. sales of DEFINITY have continued to increase, reflecting a compound annual growth rate of approximately 46% through September 30, 2010. Annualized revenues from worldwide sales of DEFINITY improved to $58.9 million (based on revenue from sales of DEFINITY of $44.1 million for the nine months ended September 30, 2010). We are actively engaged in driving consensus on the clinical utility of DEFINITY and the favorable benefit/risk profile through multiple publications and aligning ourself with key societies such as the American Society of Echocardiography (ASE), International Contrast Ultrasound Society (ICUS) and Intersocietal Commission for the Accreditation of Echocardiography Laboratories (ICAEL). Nearly 2.9 million patients have been administered DEFINITY through September 2010. With the steps outlined above and increased acceptance by sonographers and cardiologists, we believe that penetration should continue to increase significantly.

Cardiolite

Cardiolite (Kit for Preparation of Technetium Tc99m Sestamibi for Injection), also known as "sestamibi", is the leading technetium-based radiopharmaceutical used in MPI procedures. Cardiolite is primarily used for detecting coronary artery disease. As of September 30, 2010, Cardiolite has been used to image more than 40 million patients. Cardiolite is sold as a lyophilized vial that is administered by intravenous injection for diagnostic use after reconstitution with radioactive saline in conjunction with our TechneLite generator. Compared to some alternatives, Cardiolite offers a non-invasive, more efficacious diagnostic approach with potentially less radiation exposure. Cardiolite was approved by the FDA in 1990 and its market exclusivity expired in July 2008. In September 2008, the first of several competing generic products was launched, and while we have faced significant pricing pressure, we continue to price Cardiolite at a modest premium and have been able to maintain a leading share because of strong brand awareness and loyalty within the cardiology community, as well as our strong relationships with various distribution partners.

Of total MPI injections in the period from January 2010 to September 2010, management believes we had approximately one third share of the segment ahead of Myoview (a GE Healthcare product), the Covidien generic and Thallium. Cardiolite is currently priced at a modest premium to the generic, which was launched at a substantial discount to Cardiolite. While we expect the introduction of additional generics in the future, we believe that due to the complexity of both the product and the production process, there is a heightened awareness of product safety and focus on reliability. We have a strong distribution network and long-term relationships with two major distributors, Cardinal and UPPI, who together accounted for approximately three quarters of all nuclear medicine doses sold by radiopharmacies in the United States, as of December 31, 2009.

Cardiolite has grown exponentially since its launch in the United States in 1991 to peak year sales of over $400 million in the years ended December 31, 2005 through 2007. Cardiolite was a revolutionary diagnostic imaging agent at the time of its launch and required significant education of the cardiology and physician community. Adoption in the early years was dependent on informing

practitioners about the enhanced images that nuclear imaging could provide and its ability to better diagnose potential disease. Over the past two decades, more than 11,000 articles have been published naming Cardiolite. New imaging agents introduced and commercialized must go through a similar education process of the benefits to healthcare professionals and their patients. We intend to apply the internal experience and expertise we developed with the launch of Cardiolite and the resulting transformation of the cardiac diagnostic imaging field to the launch of Ablavar and our other clinical and preclinical candidates.

TechneLite

TechneLite is a technetium-based generator used by radiopharmacies to radiolabel Cardiolite and other Tc-99m radiopharmaceuticals used in nuclear medicine procedures. The generator consists of a glass column with fission-produced Moly adsorbed on alumina powder within the column. The terminally sterilized and sealed column is enclosed in a lead shield which is further sealed in a cylindrical plastic container. Cardiolite and other radiopharmaceuticals are activated by combining them with technetium, a daughter product of radio-decaying Moly which has been eluted from the generator.

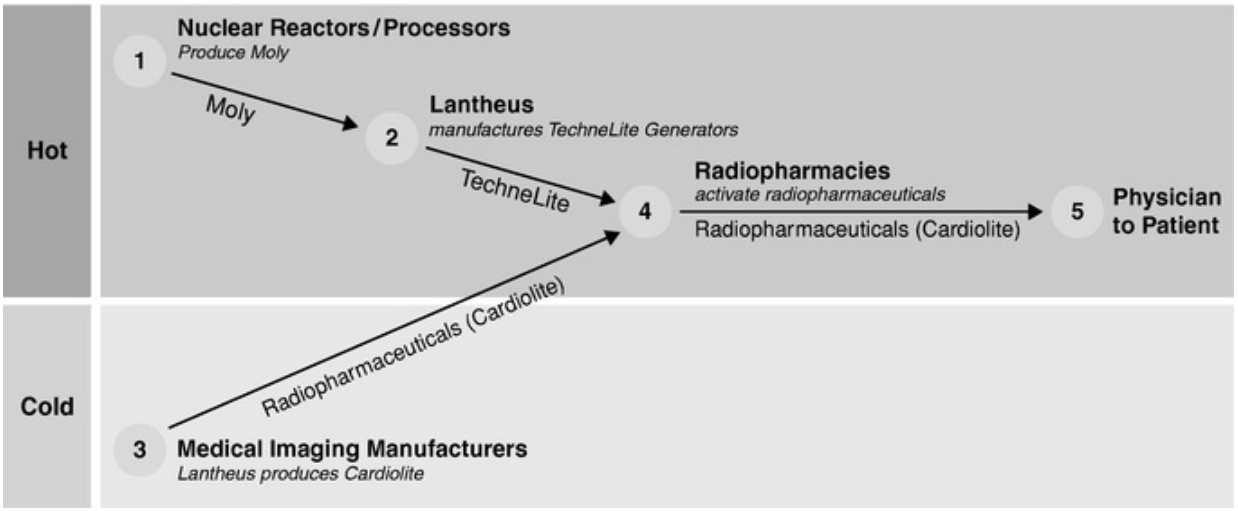
We produce 13 different sized generators under the name TechneLite. Most are sold to radiopharmacies that prepare and ship unit-doses of Cardiolite and other radiolabeled pharmaceuticals directly to hospitals. We have multi-year supply arrangements in place with the significant radiopharmacies, including GE Healthcare, Cardinal and UPPI.

In the United States, we currently compete primarily with Covidien for the sale of technetium-based generators. We believe we have a share of approximately 50% of this segment in the United States. Where TechneLite is sold outside of the United States, our other major competitors currently include GE Healthcare in Europe, ANSTO in Australia and other regional manufacturers. Generally, competitors outside of North America face an economic disadvantage when shipping technetium-based generators into North America for use because of high transport costs (due to weight) and the short half-life of Moly.

From 2005 to 2008, Covidien experienced manufacturing issues with the Tc-99m product, including safety and regulatory warning letters from the FDA and temporary shutdowns of its manufacturing facilities. As a result, we benefited from increased sales during this time. Our share returned to pre-2006 levels in 2009 prior to the May 2009 shutdown of the NRU reactor in Canada, from which we receive a majority of our supply of Moly. The NRU reactor returned to service in August 2010.

TechneLite and Cardiolite both are dependent on Moly, the initial radioactive isotope created by nuclear reactors. Nuclear reactors run Uranium-235 targets through a nuclear fission process, and the fission products after further processing and finishing become medical isotope-grade Moly. Moly is then shipped to our manufacturing facilities, where we insert the Moly into our TechneLite generator. After TechneLite and Cardiolite are separately sent to radiopharmacies, "cold" Cardiolite is activated by combining it with the nuclear material technetium, thereby making it "hot." The activated radiopharmaceuticals are generally injected intravenously into the patient's body by a healthcare professional and bind to specific tissues and organs for a period of time. While certain other imaging modalities may result in anatomical outlines, nuclear imaging illustrates the functional health of imaged organs, tissues, cells and receptors within cells.

The following diagram illustrates the nuclear medicine production process:



Moly, with a half-life of about 66 hours, requires quick processing and delivery to us so that TechneLite generators can be built and shipped to our customers. We utilize our just-in-time business model, via dedicated charter aircraft and ground courier services, to ensure products are delivered to radiopharmacies and hospitals in a timely manner. Moly that is produced further away from our facilities decays or "melts" in transit. For instance, approximately one-third of Moly that is produced outside of North America decays before it reaches our facilities. We have historically received a majority of our supply of Moly from the NRU reactor in Chalk River, Canada, allowing for less decay and lower costs to us.

There are six major reactors located around the world which produce large-scale amounts of Moly: NRU located in Canada; HFR located in The Netherlands; BR2 located in Belgium; OSIRIS located in France; SAFARI located in South Africa; and OPAL located in Australia. Moly produced at these reactors is then finished at one of five finishing sites: Nordion in Canada; Covidien in The Netherlands; IRE in Belgium, which also processes raw Moly for several other smaller European reactors; NTP in South Africa; and ANSTO in Australia.

Historically, our largest supplier of Moly has been Nordion which relies on the NRU reactor, owned and operated by AECL, a Crown corporation of the Government of Canada, located in Chalk River, Ontario. From May 2009 until August 2010, this reactor was off-line due to a "heavy water" leak in the reactor vessel. Additionally, from February 2010 through September 2010, the HFR main reactor, another reactor that produces a large scale amount of Moly and the primary provider of Moly for Covidien, a competitor in North America, was shut down.

We have taken several steps in response to the Moly supply challenges, including significantly expanding sourcing from South Africa and Belgium, and pursuing global solutions. Last year, we entered into an agreement with NTP to supply us with Moly manufactured from the SAFARI reactor in South Africa. NTP, in turn, has partnered with IRE to co-supply us from the Belgian Reactor 2 (BR2). While this supply allowed us to manufacture and sell reduced numbers of technetium generators during the NRU reactor shutdown, this replacement capacity was not sufficient to replace the quantity of supply that we otherwise receive from Nordion. We are also pursuing additional sources of Moly from potential new producers around the world to further augment our current supply. In addition, we are exploring a number of alternative Moly projects with existing reactors and technologies as well as new technologies. The Moly produced from these projects will likely not become available until 2013, or thereafter. Barring another unforeseen reactor shutdown, we currently believe that we have sufficient Moly to serve our customers needs.

Ablavar

In April 2009, we purchased from EPIX its U.S., Canadian and Australian rights to Ablavar, an MRA agent recently approved by the FDA to evaluate aortoiliac disease in adult patients with known or suspected peripheral vascular disease. In June 2010, we purchased the rest of the world rights. Peripheral vascular disease of the lower extremities affects 8 to 12 million people in the United States. We paid an aggregate purchase price of $32.8 million for the rights, which included existing drug product and active pharmaceutical ingredients inventory. We launched the product in January 2010. A portion of these rights are in-licensed, including from Bayer Schering Pharma AG. Ablavar's market exclusivity expires in 2020.

Ablavar is a gadolinium-based contrast agent and is the first contrast agent approved for an MRA indication in the United States. Compared to other MRA contrast agents, Ablavar binds to human serum albumin, resulting in prolonged blood retention which facilitates imaging of the arteries, produces improved high-resolution images and assists in the identification of blood flow restrictions. Ablavar provides high resolution MRA images without painful and invasive arterial shunting required for conventional x-ray angiography. Although not approved for MRA use in the United States, other similar agents have been used in an off-label manner and often at doses that are significantly higher than specified on their respective labels for other approved indications in order to achieve optimal imaging. All of these agents contain gadolinium to facilitate the magnetic resonance imaging, and extra- cellular gadolinium-based agents have been associated with serious skin and internal organ side effects, including NSF in a limited number of patients. As a result, in May 2007, the FDA requested that manufacturers of all gadolinium- containing contrast agents add a boxed warning and a new warning section that describes the risk of NSF. Ablavar shares the boxed warning but requires a lower dose than other gadolinium-based agents to obtain a high-resolution image. In September 2010, the FDA requested that additional safety-related label changes be implemented for all gadolinium-based contrast agents to highlight the risks of NSF. Of the seven gadolinium-based contrast agents currently approved for use in the U.S., three of them were required by the FDA to include certain new contraindications relating to severe kidney disease. The FDA required no substantial changes to the Ablavar prescribing information. To date, we have had no reported cases of NSF and, to our knowledge, EPIX had no reported cases of NSF with Ablavar's predecessor, Vasovist. Neither we nor EPIX has been named as a party or joined in any litigation relating to NSF. We believe that over 90,000 doses of Ablavar and Vasovist have been sold to date. We believe that the albumin-binding characteristic, which allows substantially less contrast agent to be administered to a patient in comparison to other gadolinium-containing agents, along with the fact that Ablavar remains the only gadolinium-based contrast agent approved by the FDA for an MRA indication, positions the agent favorably for growth in North America and globally.

Other Products

Our remaining product portfolio constituted approximately 16% of our net revenues in 2009. Our other products include:

- *Neurolite*, which is a SPECT brain perfusion agent and used to assist in stroke imaging by accounting for the localization of strokes in patients who have already suffered from a stroke. We launched Neurolite in 1995. In 2009, Neurolite represented 5.2% of our total revenues;

- *Thallium*, which is an injectable and used in MPI studies using either planar or SPECT techniques for the diagnosis and localization of myocardial infarction. Thallium does not need to be activated with Tc-99m. We were the first to commercialize Thallium-201 in 1977 and it is manufactured in-house using cyclotrons. Thallium constituted an estimated 20% share of total U.S. MPI injections in the period from January 2010 to June 2010, which was elevated from historical numbers when demand for Thallium rose due to the Moly shortage. In 2009, Thallium represented 4.1% of our total revenues;

- *Xenon Xe 133 Gas*, which is inhaled and used to assess pulmonary function and also for imaging blood flow, particularly in the brain. Xenon is manufactured by a third party and packaged in-house. In 2009, Xenon Xe 133 Gas represented 3.9% of our total revenues;

- *Gallium*, which is an injectable and useful in demonstrating the presence of Hodgkins disease, lymphomas and bronchogenic carcinomas. We manufacture Gallium in-house using cyclotrons. In 2009, Gallium represented 1.6% of our total revenues; and

- *Samarium*, which is an injectable and used to treat severe bone pain associated with certain kinds of cancer. We receive Samarium from a third party and finish and package it in-house. In 2009, Samarium represented 1.5% of our total revenues.

Our Competitive Strengths

We believe that our industry position, business model, proven results, reputation for innovation and quality, strong physician relationships and distribution arrangements provide us with a strong platform to reach our strategic goal, which is to provide cost effective, beneficial tools to physicians to improve patient care. Our competitive strengths include:

Established Leader in the Diagnostic Medical Imaging Industry

We are a world pioneer in nuclear cardiology and a leader in the diagnostic medical imaging industry. In addition to being the first company to commercialize Thallium, we believe we are recognized throughout the industry for the development or commercialization of important diagnostic agents including DEFINITY, Cardiolite and TechneLite. We believe we also have a proven track record of on-time delivery and a reputation as a high-quality and reliable provider, which we believe positions our products favorably with customers, key opinion leaders and professional societies. We have established strong sales and market share for each of our leading products and believe that we are well-positioned to meet the changing demands of the industry. From May 2009 until August 2010, the global Moly supply shortage adversely affected our ability to manufacture, distribute and sell TechneLite, currently our largest product by annual revenue. The ongoing Moly supply challenges resulted from aging nuclear reactor infrastructure and the market failure to attract sufficient replacement capacity. As a result, we have dedicated significant resources to obtain Moly from new sources. We have entered into new supply arrangements and are taking a leadership role in working with government officials in the United States and Canada to develop innovative long-term solutions to mitigate future supply constraints, including evaluating proposed new facilities and new technologies that could produce sufficient Moly to meet projected increased global demand. Barring another unforeseen reactor shutdown, we believe we have sufficient Moly to serve our customers' needs.

Leading R&D Expertise and Branded Intellectual Property

We have an experienced R&D team with a wide range of capabilities from discovery through clinical development, including Phase IV post-marketing studies. We believe that our R&D expertise, particularly utilizing radioisotopes and nuclear materials, enables us to continue our track record of innovation and to develop both next-generation and first-in-class products. In addition, the nature of R&D in diagnostic imaging products provides an ability to typically determine proof of concept much earlier in the development process than many other pharmaceutical products. The results of our R&D efforts are evidenced by our development pipeline of three new products. We believe that each of these products represents large market opportunities and has the potential to significantly enhance current imaging methods or to fulfill currently unmet diagnostic medical imaging needs. We own patents for DEFINITY, TechneLite and our three pipeline products, all three of which were discovered and developed in-house. In addition, we own global rights to Ablavar, with market exclusivity expiring in the United States in 2020. Market exclusivity for our pipeline products would not expire until 2026, at the earliest. In aggregate, we have an extensive and valuable portfolio of 420 issued patents and 113 pending patent applications.

Complex Manufacturing Capabilities and Skilled Personnel

Our expertise in the design, development and validation of complex manufacturing systems and processes that our products require, as well as our track record of just-in-time manufacturing, has enabled us to become a leader in the diagnostic medical imaging industry. Regulatory requirements for the handling of nuclear materials are stringent. We have a highly experienced workforce and the technical expertise to reliably manufacture and distribute such products.

Part of the Healthcare Solution

We believe that diagnostic medical imaging should play an important role in the ongoing transformation of the U.S. healthcare system, and that our products should be part of the solution to the dual challenges of improved outcomes and reduced costs. By improving the diagnosis of disease, we believe our products allow healthcare providers to make more informed and better therapeutic decisions for their patients. Consequently, we believe more patients will receive more appropriate levels of care, potentially improving outcomes, reducing patient risk and decreasing costs for payors and the entire healthcare system. We are engaged in extensive outreach and education efforts with political decision-makers and policy experts to advocate this message.

Favorable Industry Trends

The diagnostic medical imaging industry is growing rapidly as a result of favorable demographic trends. According to GIA, sales of diagnostic medical imaging agents in North America were expected to have grown at a compound annual growth rate of 10.2% from 2004 to 2009, and are projected to grow at a compound annual growth rate of 5.2% from 2009 to 2015. Several demographic trends drive an increasing demand for diagnostic medical imaging procedures, including the aging of the population and the increased incidence and prevalence of obesity and cardiovascular disease. Heart disease is currently the leading cause of death for both women and men in the United States, and according to Frost & Sullivan, from 2009 to 2012, the U.S. population with coronary artery disease is expected to grow at a compound annual growth rate of 5.3%. The need for early detection and effective treatment drives the demand for diagnostic services, which we believe will drive volume growth for our products.

Strong Financial Profile

Historically, we have generated strong free cash flow, which is driven primarily by our significant operating margins, minimal maintenance capital expenditure requirements and favorable working capital dynamics. This has allowed us to repay a significant portion of our debt obligations prior to their maturity dates and provided us with the available liquidity to pursue key business development initiatives. On May 10, 2010, we issued the Restricted Notes, and with the proceeds, retired the balance of the loan that was used to finance the Acquisition. Since the Acquisition, we funded our business, including an expansive clinical development program, repaid the $296.5 million acquisition loan, redeemed approximately $160 million of Preferred Stock and paid for the $32.8 million acquisition of Ablavar with a combination of approximately equal amounts of cash from operations and external debt. The strength of our product portfolio, as evidenced by our leading position across most diagnostic modalities in which we participate, has contributed to our strong historical financial performance. In addition to our principal branded products, we expect the recent launch of Ablavar to enable us to capitalize on the growing trends within the diagnostic medical imaging industry. We have historically and will continue to rely on our arrangements with leading distributors of radiopharmaceuticals to maintain or increase sales of our radiopharmaceutical products providing cash flow stability and availability for deleveraging or funding of other future growth initiatives.

Stable, Experienced Management Team

Our senior management team has an average of almost 25 years of healthcare industry experience and consists of industry leaders with significant expertise in product development and

commercialization. Our management team is led by Don Kiepert, Chief Executive Officer and President, who has more than 35 years of healthcare industry experience, and Larry Pickering, Chairman and Avista healthcare industry partner, who spent 32 years at Johnson & Johnson in senior leadership positions. In addition, several top executives have been with us and our predecessors for more than 20 years. We believe that the strength of our management team demonstrates our expertise within the diagnostic medical imaging industry and our ability to operate in a highly regulated environment.

Research and Development; Product Pipeline

For the years ended December 31, 2007, 2008 and 2009, we invested $50.0 million, $34.7 million and $44.6 million, respectively, in research and development to provide our R&D organization with the resources to continue discovering and developing new diagnostic medical imaging agents. We maintain full R&D capabilities from discovery through clinical development, including Phase IV post-marketing studies. Our disciplined approach has created a strong product pipeline of three products which were discovered and developed in-house and are protected by patents we own in the United States and numerous foreign jurisdictions. We believe that each of these products represents large market opportunities and has the potential to significantly enhance current imaging methods or to fulfill currently unmet diagnostic medical imaging needs:

- a PET myocardial perfusion agent, flurpiridaz F18 (formerly known as BMS747158-2), which recently completed Phase II clinical trials and which we believe has the potential to become a leading next-generation myocardial perfusion agent;
- a PET agent, ^{18}F LMI1195, which recently completed Phase I clinical trials to identify patients that would benefit from implantation of an implantable cardioverter defibrillator ("ICD") in order to decrease risk of sudden cardiac death ("SCD"); and
- a vascular remodeling imaging agent, BMS 753951, currently in lead optimization preclinical development for identifying vulnerable plaque located in the cardiovascular system.

Flurpiridaz F18—PPA—Myocardial Perfusion

We are currently developing an internally discovered compound that has the potential to become a leading next-generation myocardial perfusion agent to work with PET technology. The application of PET in MPI represents a broad, emerging application for a technology typically associated with oncology and neurology, and we believe there is great potential for PPA as we believe PET adoption will increase significantly in the future. PPA is a fluorine 18-labeled compound that binds to the mitochondrial complex 1 (MC-1). PET is an important advance because it may potentially be the most accurate method of diagnosing coronary artery disease. MRI and CT scans show the structure of the heart, but PET can detect and measure changes in the metabolic processes of the tissues in or around the heart. Also, unlike echocardiograms or SPECT, PET imaging allows quantification of the flow of blood through the heart.

We have recently completed our Phase II program and our preliminary analysis of Phase II results suggests favorable safety and efficacy. We are having our End-of-Phase II meeting with the FDA in December 2010 and expect to commence the trial in 2011. Market exclusivity for this product currently expires in 2026.

^{18}F LMI1195—Cardiac Neuronal Imaging Agent

We are currently developing an imaging compound which evaluates the status of the sympathetic nervous system in the heart. The sympathetic nervous system is involved in the progression of underlying heart disease and in the development of serious cardiac arrhythmias. We are investigating the possibility that this agent may be able to more accurately identify patients who are at high risk of adverse outcomes and may therefore benefit from devices such as implantable cardiac defibrillators.

Implants of ICDs in heart failure patients have been shown to provide both clinical and financial benefits. Several studies have demonstrated that implants of ICDs in heart failure patients decrease the risk of SCD, which claims as many as 450,000 lives every year in the United States. Myocardial infarction patients have a four to six times higher risk of SCD, while chronic heart failure patients have a six to nine times higher risk of SCD. The cost of an ICD procedure, at $56,000 to $102,000 per procedure, is expensive and approximately 14 implants are needed to save one life over a five-year period. As a result, patients and the healthcare system both serve to dually benefit from the ability to more accurately identify patients who actually need an ICD placement.

BMS 753951—Vascular Remodeling

We are currently developing an agent to identify patients at risk of SCD due to plaque rupture. This method is non-invasive and images the arterial vessel wall (as compared to the current method of coronary Computed Tomography Angiography that images the lumen or open space within the artery). According to the American Heart Association, 309,000 deaths per year occur outside the hospital due to coronary artery disease, and a majority of the deaths occur in people with undiagnosed coronary artery disease because of the limitations of current diagnostic techniques.

Possible Partnering

Given the cost and complexity associated with conducting later stage clinical trials, we are currently considering seeking one or more development and commercialization partners to assist us with our PET perfusion agent. We may also consider outlicensing other pipeline products in the future. Depending upon the terms that we can negotiate with one or more prospective partners, the development of our pipeline candidates could be delayed by the timing of the consummation of such transactions as well as factors specific to the partners involved. To the extent that we enter into a development and commercialization arrangement for one or more of our clinical candidates and are successful obtaining regulatory and reimbursement approval for such candidate or candidates, we will likely have to share some of the economic benefits that those products generate with our partner or partners.

Distribution; Marketing and Sales

We distribute our products in the United States and internationally through radiopharmacies, distributor relationships and our direct sales force. In the United States, the majority of radiopharmacies are controlled by or associated with three entities.

- Cardinal constitutes approximately one half of the aggregate U.S. radiopharmaceutical doses sold in 2009 and its 155 radiopharmacies tend to be located in large, densely populated urban areas.

- UPPI is a cooperative purchasing group of 138 independently-owned or smaller chains of U.S. radiopharmacies. These independents plus an additional 22 unofficial independents represent between 35 and 40% of the aggregate U.S. radiopharmaceutical doses sold in 2009 (after giving effect to the Triad transaction described below). UPPI's pharmacies tend to be located in suburban and rural areas of the country. In June 2010, Triad Isotopes, the largest individual member of UPPI with 26 radiopharmacies then in its specific group, completed the purchase of 37 additional U.S. radiopharmacies from Covidien. Prior to the Triad acquisition, the Covidien pharmacies had approximately 10% of aggregate U.S. radiopharmacy doses, with radiopharmacies located in metropolitan areas through which they distributed Covidien's own generic sestamibi as well as GE Healthcare's Myoview. We believe that this acquisition may create an opportunity to penetrate an incremental distribution channel.

- GE Healthcare had approximately 10% of aggregate U.S. radiopharmacy doses and 31 radiopharmacies that purchase our TechneLite generators but largely distribute Myoview.

Cardiolite, and similar products, can also be sold directly to hospitals and clinics. This is a small portion of our overall sales (approximately 4%), as the majority of hospitals and clinics do not maintain the in-house radiopharmaceutical capabilities and operations that are necessary to activate Cardiolite.

We have a strong distribution network and have long-term relationships with Cardinal and UPPI, who together account for approximately 75% of nuclear medicine doses sold by radiopharmacies in the United States as of December 31, 2009. Cardinal and UPPI distribute Cardiolite and TechneLite and we have a multi-year relationship with GE Healthcare for the distribution of TechneLite. Internationally, we utilize distributor relationships in Europe, Asia and Latin America to distribute our products. We recently announced a new distribution arrangement in India, a market which we believe has strong growth potential. Our distribution arrangements with our major U.S. radiopharmacy customers are pursuant to multi-year contracts.

We currently have two agreements with Cardinal for the distribution of Cardiolite (the "Cardinal Cardiolite Agreement") and TechneLite generators (the "Cardinal TechneLite Agreement"). Both agreements contain minimum purchase requirements and expire on December 31, 2012. The agreements also contain provisions allowing for early termination by either party. Specifically, the Cardinal Cardiolite Agreement allows for termination upon the occurrence of specified events, including a material breach of a material provision of the agreement by either party, Cardinal terminating its business operations in the nuclear medicine industry, Cardinal's failure to submit required reports, Cardinal's failure to follow trademark usage guidelines and force majeure events. The Cardinal TechneLite Agreement allows for termination upon the occurrence of specified events, including a material breach of a provision of the agreement by either party, force majeure events and certain circumstances involving the assignment of the agreement by either party.

We currently have one agreement with UPPI for the distribution of Cardiolite and TechneLite, which expires on December 31, 2010. The agreement contains specified pricing levels based upon specified purchase amounts for UPPI and allows us to terminate the agreement, among other circumstances, upon 90 days written notice to UPPI and if membership in UPPI falls below a minimum. We are currently renegotiating our agreement with UPPI.

We currently have one agreement with GE for the distribution of TechneLite and other products, which expires on December 31, 2014, but automatically renews for successive three-year periods unless either party terminates with three years written notice by us or six months written notice by GE. The agreement provides that GE will purchase TechneLite generators as well as certain other products in the United States or Canada from us. The agreement allows for termination by either party on three years' notice for TechneLite and six months notice for other products. It also allows for termination upon the occurrence of specified events, including a material breach by either party, bankruptcy by the either party and force majeure events.

In Canada, we own five radiopharmacies and have our own sales force, which allows us to control the marketing, distribution and sale of our nuclear products and not rely on large radiopharmacy intermediaries to distribute these products. Similarly, in both Australia and Puerto Rico, we own two radiopharmacies each and have our own sales force, allowing us to control the marketing, distribution and sale of our nuclear products. However, in the rest of the world, we have no additional radiopharmacies or sales force, and therefore rely on distributors to market, distribute and sell our products, either on a country-by-country basis or on a multi-country regional basis.

Marketing and sales efforts by diagnostic medical imaging companies are continually undergoing adjustments to comply with the increasingly restrictive regulatory environment. Increasingly, decision making is shifting to healthcare executives who evaluate treatment approaches from the perspective of treating large populations, attempting to minimize treatment errors and achieve greater predictability of patient outcomes and cost. This shift from the traditional approach, which placed greater emphasis on a physician's preferences, demands a comprehensive understanding of how our products delivers value to the healthcare system. We are currently redesigning our sales and marketing organization to ensure

that we are able to effectively communicate the full value of our products to a more diverse and business oriented set of medical professionals.

Customers

For the year ended December 31, 2009, our largest customers were Cardinal, UPPI and GE Healthcare, accounting for approximately 30%, 16% and 9%, respectively, of our global net sales.

Competition

We compete primarily on the ability of our products to capture market share and generate free cash flow through their proven efficacy, reliability and safety, as well as our efficient manufacturing processes, distribution network, customer service and field sales organization. We believe that these product characteristics and core competencies distinguish us from our competitors.

The market for diagnostic medical imaging agents is highly competitive and continually evolving. Our principal competitors in existing diagnostic modalities include large, global companies with substantial financial, manufacturing, sales and marketing, and logistics resources and that are more diversified than us, such as Covidien, GE Healthcare, Bayer Schering Pharma AG and Bracco, as well as other competitors. We cannot anticipate their competitive actions, such as price reductions on products that are comparable to our own, development of new products that are more cost-effective or have superior performance than our current products, and the introduction of generic versions when our proprietary products lose their patent protection. Our current or future products could be rendered obsolete or uneconomical as a result of this competition.

Generic competition has eroded our share for Cardiolite and may continue to do so. We are currently aware of four separate generic offerings of sestamibi, Cardiolite's generic name. To the extent these generic competitors further reduce their prices, we may be forced to further reduce the price of Cardiolite.

Raw Materials and Supply Relationships

As discussed above, there are six major reactors located around the world which produce large scale amounts of Moly, the critical active pharmaceutical ingredient in our TechneLite generators. Historically, our largest supplier of Moly has been Nordion which has relied on the NRU reactor in Chalk River, Ontario. This reactor was off-line from May 2009 until August 2010 due to a "heavy water" leak in the reactor vessel. We have taken several steps in response to the global Moly shortage, including expanding sourcing from South Africa and Belgium, and pursuing additional global solutions. In 2009, we entered into an agreement with NTP to supply us with Moly from the SAFARI reactor in South Africa. NTP, in turn, has partnered with IRE to co-supply us from the Belgian BR2 reactor. We are also pursuing additional sources of Moly from potential new producers around the world to further augment our current supply. In addition, we are exploring a number of alternative Moly projects with existing reactors and technologies as well as new technologies.

With the general instability in the global supply of Moly and recent supply shortages, we have faced substantial increases in the cost of Moly in comparison to historical costs. We attempt to pass these Moly cost increases on to our customers in our customer contracts. Additionally, the instability in the global supply of Moly has resulted in Moly producers requiring, in exchange for fixed Moly prices, supply minimums in the form of take-or-pay obligations. The Moly supply shortage also had an incremental negative effect on the use of other technetium generator-based diagnostic imaging agents, including Cardiolite. With less Moly, we could manufacture fewer generators for radiopharmacies and hospitals to make up unit doses of Cardiolite, resulting in decreased share of Cardiolite in favor of Thallium, an older medical isotope that does not require Moly, and other diagnostic modalities. However, with the return to service of the NRU reactor, we believe that Cardiolite sales will incrementally benefit. In addition, since the NRU reactor restart, Thallium demand has decreased but

not yet to pre-shortage levels, and TechneLite demand has increased, but also not to its pre-shortage levels. We believe that eventually the relative demand for Thallium and TechneLite will return to pre-shortage levels. See "Risk Factors—Our dependence upon third parties for the manufacture and supply of a substantial portion of our products could prevent us from delivering our products to our customers in the required quantities, within the required timeframe, or at all, which could result in order cancellations and decreased revenues."

We currently have agreements with Nordion (the "Nordion Agreement") and NTP (the "NTP Agreement") for the supply of Moly. The Nordion Agreement expires on July 31, 2011 andcontains minimum purchase requirements. It allows for termination upon the occurrence of certain events, including failure to comply with material obligations by either party, failure by us to purchase the minimum amount of Moly per week, bankruptcy by the either party and force majeure events. The NTP Agreement expires on December 31, 2013 and contains minimum purchase requirements. It allows for termination upon the occurrence of certain events, including failure by NTP to provide our required amount of Moly, material breach of any provision by either party, bankruptcy by the either party and force majeure events. Additionally, we have the ability to terminate the NTP Agreement with six months written notice prior to the expiration of the term of the agreement.

We have additional supply arrangements for active pharmaceutical ingredients, excipients, packaging materials and other materials and components, none of which are exclusive (but a number of which are sole source) and all of which we believe are in good standing.

For the year ended December 31, 2009, our largest suppliers were Nordion and NTP, accounting for 14% and 12% of our total purchases, respectively.

Manufacturing

We maintain third party manufacturing relationships. In order to ensure the quality of the products that are manufactured by third parties, all raw materials are sent to our facilities in North Billerica, Massachusetts and tested by us prior to use. Furthermore, the final product is sent back to us for final quality control testing prior to shipment. We have expertise in the design, development and validation of complex manufacturing systems and processes, and our strong execution and quality control culture supports our just-in-time manufacturing model.

We obtain a substantial portion of our products from third party suppliers. We rely on sole source manufacturing for DEFINITY at BVL and Ablavar at Covidien PLC. We also rely on BVL for a majority of our Cardiolite supply and certain TechneLite accessories. In addition, for reasons of quality assurance or cost effectiveness, we purchase certain components and raw materials from sole suppliers. At our North Billerica, Massachusetts facility, we manufacture TechneLite on a relatively new, highly automated production line as well as Thallium and Gallium using our older cyclotron technology. We have had a long standing relationship with our primary third party manufacturer BVL. We executed an agreement with BVL on August 1, 2008 for the manufacturing of DEFINITY, Cardiolite and Neurolite, which expires in August 2013, with automatic renewals for successive five-year terms unless either party terminates with 24 months notice. The agreement requires us to purchase from BVL and BVL to supply to us minimum percentages of our requirements for DEFINITY, Cardiolite and Neurolite. The agreement can be terminated by either party without cause with 24 months notice. It also allows for termination upon the occurrence of certain events such as a material breach or default by either party, bankruptcy by the either party and force majeure events. BVL is the sole source for manufacturing DEFINITY and provides a majority of our Cardiolite supply and certain TechneLite accessories.

In July 2010, BVL temporarily shut down the facility where they manufacture DEFINITY, Cardiolite and other products in order to upgrade the facility to meet certain EMEA requirements. BVL has planned for the shutdown to run through March 2011. In anticipation, BVL manufactured additional inventory of these products to meet our expected needs during this period. We do not believe the planned BVL shutdown will have any material impact on our financial statements, as we

expect to be able to acquire the inventory in sufficient quantities to meet our expected demand. In addition, we do not anticipate any obsolescence issues related to this inventory as the shelf life of this inventory ranges from 15 to 24 months and, in light of the sales trend, the product will be utilized prior to expiry. There can be no assurance that BVL's facility will return to service in March 2011 or that the inventory supplied will be sufficient to meet demand for our products during the shutdown period.

For Ablavar, if we do not ultimately meet our sales expectations for that product or we cannot sell the quantity of that product we are committed to purchase from Covidien prior to product expiration, we would incur inventory losses and/or losses on our purchase commitments. We currently have an agreement with Covidien to manufacture and supply Ablavar, which expires on September 30, 2012. The agreement requires us to purchase from Covidien a minimum amount of Ablavar. The agreement can be terminated by mutual written agreement at any time. It also allows for termination upon the occurrence of certain events such as a material breach or default by either party, or bankruptcy by either party.

We have initiated technology transfer activities to establish and secure a second source of supply for DEFINITY and Ablavar. See "Risk Factors —Our dependence upon third parties for the manufacture and supply of a substantial portion of our products could prevent us from delivering our products to our customers in the required quantities, within the required timeframe, or at all, which could result in order cancellations and decreased revenues."

Intellectual Property

Patents, trademarks and other intellectual property rights are very important to our business. We also rely upon trade secrets, manufacturing know-how, technological innovations and licensing agreements to maintain and improve our competitive position. We review third party proprietary rights, including patents and patent applications, as available, in an effort to develop an effective intellectual property strategy, avoid infringement of third party proprietary rights, identify licensing opportunities and monitor the intellectual property owned by others. Our ability to enforce and protect our intellectual property rights may be limited in certain countries outside the United States, which could make it easier for competitors to capture market position in such countries by utilizing technologies that are similar to those developed or licensed by us. Competitors also may harm our sales by designing products that mirror the capabilities of our products or technology without infringing our intellectual property rights. If we do not obtain sufficient protection for our intellectual property, or if we are unable to effectively enforce our intellectual property rights, our competitiveness could be impaired, which would limit our growth and future revenue.

Trademarks, Service Marks and Trade Names

We own various trademarks, service marks and trade names, including DEFINITY, Cardiolite, TechneLite, Ablavar, Neurolite and Lantheus Medical Imaging. We have registered these six trademarks, as well as others, in the United States and numerous foreign jurisdictions.

Patents

We actively seek to protect the proprietary technology that we consider important to our business, including chemical species, compositions and formulations, their methods of use and processes for their manufacture, as new intellectual property is developed. In addition to seeking patent protection in the United States, we file patent applications in numerous foreign countries in order to further protect the inventions that we consider important to the development of our foreign business. We also rely upon trade secrets and contracts to protect our proprietary information. As of September 30, 2010, our patent portfolio included a total of approximately 82 issued U.S. patents, 338 issued foreign patents, 23 pending patent applications in the United States and 90 pending foreign applications with claims covering the composition of matter and methods of use for all of our preclinical and clinical-stage candidates.

Our patents cover most of our commercial products, and our patent protection is generally in the United States, Canada, Mexico, most of Western Europe and Scandinavia (including Austria, Belgium, Denmark, Finland, France, Germany, Great Britain, Italy, Luxembourg, Netherlands, Norway, Spain, Switzerland and Sweden), and markets in Asia (including China, Hong Kong, Japan, Singapore and South Korea) and Latin America (including Argentina and Brazil). For DEFINITY, we hold a number of different composition of matter, use, formulation and manufacturing patents which currently expire as late as 2016 as well as regulatory extensions in Europe until 2019. For Ablavar, we hold a number of different composition of matter, use, formulation and manufacturing patents which expire as late at 2017, and, assuming we are granted our U.S. request for regulatory extension, in the United States until 2020. Cardiolite is no longer covered by patent protection in either the United States or the rest of the world, and Neurolite has limited patent protection in the United States until 2012. TechneLite has limited patent protection on certain component technology outside of the United States which expires in 2011, and we are pursuing additional patent protection in the United States and other countries on component technology, which, if granted, will expire in 2029. Thallium, Gallium and Xenon are all generic radiopharmaceuticals. For our pipeline products, we have worldwide patents and patent applications covering composition, use, formulation and manufacturing of flurpiridaz F-18 with a composition patent in the United States expiring in 2026 in the absence of any regulatory extension. We also have worldwide patent applications covering composition, use, and synthesis of our CNA candidate, some of which, if granted, will expire in 2027 and some in 2031 in the absence of any patent term adjustment or regulatory extensions. Additionally, we have worldwide patent applications covering composition, use and synthesis of our vascular remodeling compound, which if granted, will expire in 2029 in the absence of any patent term adjustment or regulatory extensions.

In addition to patents, we rely where necessary upon unpatented trade secrets and know-how, proprietary information, and continuing technological innovation to develop and maintain our competitive position. We seek to protect our proprietary information, in part, using confidentiality agreements with our collaborators, employees, consultants and other third parties and invention assignment agreements with our employees. These confidentiality agreements may not prevent unauthorized disclosure of trade secrets and other proprietary information, and we cannot assure you that an employee or an outside party will not make an unauthorized disclosure of our trade secrets, other technical know-how or proprietary information. We may not have adequate remedies for any unauthorized disclosure. This might happen intentionally or inadvertently. It is possible that a competitor will make use of such information, and that our competitive position will be compromised, in spite of any legal action we might take against persons making such unauthorized disclosures. In addition, our trade secrets may otherwise become known or be independently discovered by competitors. To the extent that our collaborators, employees and consultants use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions.

In addition, we license a limited number of third party technologies and other intellectual property rights that are incorporated into some elements of our drug discovery and development efforts. These licenses are not material to our business, and the technologies can be obtained from multiple sources. We are currently party to separate royalty-free, non-exclusive, cross-licenses with each of Bracco, GE Healthcare and Imcor Pharmaceutical Company which give us freedom to operate in connection with contrast-enhanced ultrasound imaging technology. We also in-license certain freedom to operate rights for Ablavar from, among others, Bayer Schering Pharma AG.

Regulatory Matters

Food and Drug Laws

The development, manufacture, sale and distribution of our products are subject to comprehensive governmental regulation both within and outside the United States. A number of factors substantially increase the time, difficulty and costs incurred in obtaining and maintaining the approval to market newly developed and existing products. These factors include governmental regulation, such as detailed inspection of and controls over research and laboratory procedures, clinical investigations, manufacturing, narcotic licensing, marketing, sampling, distribution, import and export, record keeping and storage and disposal practices, together with various post-marketing requirements. Governmental regulatory actions can result in the seizure or recall of products, suspension or revocation of the authority necessary for their production and sale as well as other civil or criminal sanctions.

Our activities in the development, manufacture, packaging or repackaging of our pharmaceutical and medical device products subjects us to a wide variety of laws and regulations. We are required to register for permits and/or licenses with, seek approvals from and comply with operating and security standards of the FDA, the NRC, the DEA, the HHS, Health Canada, the EMEA and various state and provincial boards of pharmacy, state and provincial controlled substance agencies, state and provincial health departments and/or comparable state and provincial agencies as well as foreign agencies, and certain accrediting bodies depending upon the type of operations and location of product distribution, manufacturing and sale.

The FDA and various state regulatory authorities regulate the research, testing, manufacture, safety, labeling, storage, recordkeeping, premarket approval, marketing and promotion, import and export and sales and distribution of pharmaceutical products in the United States. Prior to marketing a pharmaceutical product, we must first receive FDA approval. Specifically, in the United States, the FDA regulates drugs under the Federal Food, Drug, and Cosmetic Act ("FDCA") and the Public Health Service Act, and implementing regulations. The process of obtaining regulatory approvals and compliance with appropriate federal, state, local, and foreign statutes and regulations require the expenditure of substantial time and financial resources. The process required by the FDA before a drug product may be marketed in the United States generally involves the following:

- completion of preclinical laboratory tests, animal studies and formulation studies according to Good Laboratory Practices regulations;
- submission to the FDA of an Investigational New Drug Application ("IND"), which must become effective before human clinical studies may begin;
- performance of adequate and well-controlled human clinical studies according to Good Clinical Practices and other requirements, to establish the safety and efficacy of the proposed drug product for its intended use;
- submission to the FDA of an NDA for a new drug;
- satisfactory completion of an FDA inspection of the manufacturing facility or facilities at which the drug product is produced to assess compliance with cGMP; and

- FDA review and approval of the NDA.

The testing and approval process requires substantial time, effort, and financial resources, and we cannot be certain that any approvals for our product candidates will be granted on a timely basis, if at all. Once a pharmaceutical product candidate is identified for development, it enters the preclinical testing stage. Preclinical tests include laboratory evaluations of product chemistry, toxicity, formulation, and stability, as well as animal studies to assess its potential safety and efficacy. This testing culminates in the submission of the IND to the FDA. Once the IND becomes effective, the clinical trial program may begin. Human clinical studies are typically conducted in three sequential phases that may overlap or be combined:

- *Phase 1.* The product is initially introduced into healthy human subjects and tested for safety, dosage tolerance, absorption, metabolism, distribution and excretion. In the case of some products for severe or life-threatening diseases, especially when the product may be too inherently toxic to ethically administer to healthy volunteers, the initial human testing is often conducted in patients.

- *Phase 2.* Involves studies in a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance and optimal dosage and schedule.

- *Phase 3.* Clinical studies are undertaken to further evaluate dosage, clinical efficacy and safety in an expanded patient population at geographically dispersed clinical study sites. These studies are intended to collect sufficient safety and effectiveness data to support the NDA for FDA approval.

Progress reports detailing the results of the clinical studies must be submitted at least annually to the FDA and safety reports must be submitted to the FDA and the investigators for serious and unexpected adverse events. Submissions must also be made to inform the FDA of certain changes to the clinical trial protocol. Federal law also requires the sponsor to register the trials on public databases when they are initiated, and to disclose the results of the trials on public databases upon completion. Phase 1, Phase 2 and Phase 3 testing may not be completed successfully within any specified period, if at all. The FDA or the sponsor may suspend or terminate a clinical study at any time on various grounds, including a finding that the research subjects or patients are being exposed to an unacceptable health risk. Similarly, an institutional review board ("IRB"), can suspend or terminate approval of a clinical study at its institution if the clinical study is not being conducted in accordance with the IRB's requirements or if the drug product has been associated with unexpected serious harm to patients.

Concurrent with clinical studies, companies usually complete additional animal studies and must also develop additional information about the chemistry and physical characteristics of the product and finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, the manufacturer must develop methods for testing the identity, strength, quality, and purity of the final product. Additionally, appropriate packaging must be selected and tested and stability studies must be conducted to demonstrate that the product candidate does not undergo unacceptable deterioration over its shelf life.

The results of product development, preclinical studies, and clinical studies, along with descriptions of the manufacturing process, analytical tests conducted on the drug product, proposed labeling, and other relevant information, are submitted to the FDA as part of an NDA for a new drug, requesting approval to market the product. The submission of an NDA is subject to the payment of a substantial user fee; a waiver of such fee may be obtained under certain limited circumstances. The approval process is lengthy and difficult and the FDA may refuse to approve an NDA if the applicable

regulatory criteria are not satisfied or may require additional clinical data or other data and information. Even if such data and information is submitted, the FDA may ultimately decide that the NDA does not satisfy the criteria for approval. Data obtained from clinical studies are not always conclusive, and the FDA may interpret data differently than we interpret the same data.

If a product receives regulatory approval, the approval may be significantly limited to specific diseases and dosages or the indications for use may otherwise be limited, which could restrict the commercial value of the product. Further, the FDA may require that certain contraindications, warnings or precautions be included in the product labeling. In addition, the FDA may require Phase 4 testing which involves clinical studies designed to further assess a drug product's safety and effectiveness after NDA approval and may require testing and surveillance programs or other risk management measures to monitor the safety of approved products that have been commercialized.

Any drug products for which we receive FDA approvals are subject to continuing regulation by the FDA, including, among other things, record-keeping requirements, reporting of adverse experiences with the product, providing the FDA with updated safety and efficacy information, product sampling and distribution requirements, complying with certain electronic records and signature requirements, and complying with FDA promotion and advertising requirements. The FDA strictly regulates labeling, advertising, promotion, and other types of information on products that are placed on the market. Drugs may be promoted only for the approved indications and in accordance with the provisions of the approved label and promotional claims must be appropriately balanced with important safety information and otherwise be adequately substantiated. Further, manufacturers of drugs must continue to comply with cGMP requirements, which are extensive and require considerable time, resources, and ongoing investment to ensure compliance. In addition, changes to the manufacturing process generally require prior FDA approval before being implemented, and other types of changes to the approved product, such as adding new indications and additional labeling claims, are also subject to further FDA review and approval.

Drug product manufacturers and other entities involved in the manufacturing and distribution of approved drugs products are required to register their establishments with the FDA and certain state agencies, and are subject to periodic unannounced inspections by the FDA and certain other agencies for compliance with cGMP and other laws. The cGMP requirements apply to all stages of the manufacturing process, including the production, processing, sterilization, packaging, labeling, storage and shipment of the drug product. Manufacturers must establish validated systems to ensure that products meet specifications and regulatory standards, and test each product batch or lot prior to its release.

The FDA also regulates the preclinical and clinical testing, design, manufacture, safety, efficacy, labeling, storage, record keeping, sales and distribution, postmarket adverse event reporting, import/export and advertising and promotion of any medical devices that we distribute pursuant to the FDCA and FDA's implementing regulations. The Federal Trade Commission shares jurisdiction with the FDA over the promotion and advertising of certain medical devices. The FDA can also impose restrictions on the sale, distribution or use of devices at the time of their clearance or approval, or subsequent to marketing. Currently, two medical devices, both of which are manufactured by third parties who hold the product clearances, comprise only a small portion of our total revenue.

The FDA may withdraw a pharmaceutical or medical device product approval if compliance with regulatory standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product may result in restrictions on the product or even complete withdrawal of the product from the market. Further, the failure to maintain compliance with regulatory requirements may result in administrative or judicial actions, such as fines, warning letters, holds on clinical studies, product recalls or seizures, product detention or refusal to permit the

import or export of products, refusal to approve pending applications or supplements, restrictions on marketing or manufacturing, injunctions, or civil or criminal penalties.

Because our operations include nuclear pharmacies and related businesses, such as cyclotron facilities used to produce PET products used in diagnostic medical imaging, we are subject to regulation by the NRC or the departments of health of each state in which we operate and the applicable state boards of pharmacy. In addition, the FDA is also involved in the regulation of cyclotron facilities where PET products are produced.

Drug laws also are in effect in many of the non-U.S. markets in which we conduct business. These laws range from comprehensive drug approval requirements to requests for product data or certifications. In addition, inspection of and controls over manufacturing, as well as monitoring of adverse events, are components of most of these regulatory systems. Most of our business is subject to varying degrees of governmental regulation in the countries in which we operate, and the general trend is toward increasingly stringent regulation. The exercise of broad regulatory powers by the FDA continues to result in increases in the amount of testing and documentation required for approval or clearance of new drugs and devices, all of which add to the expense of product introduction. Similar trends also are evident in major non-U.S. markets, including Canada, the European Union, Australia and Japan.

To assess and facilitate compliance with applicable FDA, NRC and other state, federal and foreign regulatory requirements, we regularly review our quality systems to assess their effectiveness and identify areas for improvement. As part of our quality review, we perform assessments of our suppliers of the raw materials that are incorporated into products and conduct quality management reviews designed to inform management of key issues that may affect the quality of our products. From time to time, we may determine that products we manufactured or marketed do not meet our specifications, published standards, such as those issued by the International Standards Organization, or regulatory requirements. When a quality or regulatory issue is identified, we investigate the issue and take appropriate corrective action, such as withdrawal of the product from the market, correction of the product at the customer location, notice to the customer of revised labeling and other actions.

Healthcare Reform Act

In March 2010, the President signed one of the most significant healthcare reform measures in decades. The Healthcare Reform Act substantially changes the way healthcare will be financed by both governmental and private insurers, and significantly impacts the pharmaceutical industry. The comprehensive $940 billion dollar overhaul is expected to extend coverage to approximately 32 million previously uninsured Americans.

A significant portion of our patient volume is derived from U.S. government healthcare programs, principally Medicare, which are highly regulated and subject to frequent and substantial changes. We anticipate the Healthcare Reform Act will significantly affect how the healthcare industry operates in relation to Medicare, Medicaid and the insurance industry. The Healthcare Reform Act contains a number of provisions, including those governing enrollment in federal healthcare programs, reimbursement changes and fraud and abuse, which will impact existing government healthcare programs and will result in the development of new programs, including Medicare payment for performance initiatives and improvements to the physician quality reporting system and feedback program.

Under the Healthcare Reform Act, referring physicians under the federal self-referral law must inform patients that they may obtain certain diagnostic imaging services from a provider other than that physician, his or her group practice, or another physician in his or her group practice. The referring physician must provide each patient with a written list of other suppliers who furnish such services in

the area in which the patient resides. This new information provision could have the effect of shifting where certain diagnostic medical imaging procedures are performed.

For 2010, CMS reduced the per procedure medical imaging reimbursement in the physician office and free-standing imaging facility setting by increasing imaging equipment utilization rate assumptions from 50% to 90% for diagnostic services using imaging equipment that cost in excess of $1 million, excluding radiation therapy and other therapeutic equipment. CMS transitioned this change over four years, such that for 2010, 75% of the practice expense calculation is based on the prior 50% utilization rate, and 25% is based on the newly implemented 90% utilization rate. The Healthcare Reform Act superseded CMS's 90% utilization rate for dates of service on or after January 1, 2011, to a presumed utilization rate of 75%.

The Healthcare Reform Act also establishes an Independent Payment Advisory Board ("IPAB") to reduce the per capita rate of growth in Medicare spending. Beginning in 2014, IPAB is mandated to propose changes in Medicare payments if it is determined that the rate of growth of Medicare expenditures exceeds target growth rates. The IPAB has broad discretion to propose policies to reduce expenditures, which may have a negative impact on payment rates for services, including imaging services. A proposal made by the IPAB is required to be implemented by CMS unless Congress adopts a proposal with savings greater than those proposed by the IPAB. IPAB proposals may impact payments for physician and free-standing services beginning in 2015 and for hospital services beginning in 2020.

Additionally, the Healthcare Reform Act:

- mandates a further shift in the burden of Medicaid payments to the states;
- increases the level of Medicaid rebates payable by manufacturers of brand-name drugs from 15.1% to 23.1%;
- requires collection of rebates for drugs paid by Medicaid managed care organizations; and
- imposes a non-deductible excise tax on pharmaceutical manufacturers or importers who sell "branded prescription drugs."

Healthcare Fraud and Abuse Laws

We are subject to various federal, state and local laws targeting fraud and abuse in the healthcare industry, including anti-kickback and false claims laws. The Federal Anti-Kickback Statute prohibits persons from knowingly and willfully soliciting, offering, receiving or providing remuneration, directly or indirectly, in exchange for or to induce either the referral of an individual, or the furnishing or arranging for a good or service, for which payment may be made under a federal healthcare program, such as Medicare or Medicaid. The definition of "remuneration" has been broadly interpreted to include anything of value, including, for example, gifts, discounts, the furnishing of free supplies, equipment or services, credit arrangements, payments of cash and waivers of payment. The recently enacted Healthcare Reform Act, among other things, amends the intent requirement of the Federal Anti-Kickback Statute and criminal healthcare fraud statutes. A person or entity no longer needs to have actual knowledge of this statute or specific intent to violate it. In addition, the Healthcare Reform Act provides that the government may assert that a claim including items or services resulting from a violation of the Federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the false claims statutes.

The Federal Anti-Kickback Statute is broad and prohibits many arrangements and practices that are lawful in businesses outside of the healthcare industry. Recognizing that the Federal Anti-Kickback Statute is broad and may technically prohibit many innocuous or beneficial arrangements, Congress authorized the Office of Inspector General ("OIG") to issue a series of regulations, known as "safe harbors." These safe harbors set forth requirements that, if met in their entirety, will assure healthcare

providers and other parties that they will not be prosecuted under the Federal Anti-Kickback Statute. The failure of a transaction or arrangement to fit precisely within one or more safe harbors does not necessarily mean that it is illegal, or that prosecution will be pursued. However, conduct and business arrangements that do not fully satisfy each applicable safe harbor may result in increased scrutiny by government enforcement authorities, such as the OIG. Many states have adopted laws similar to the Federal Anti-Kickback Statute. Some of these state prohibitions apply to referral of patients for healthcare items or services reimbursed by any payor, not only the Medicare and Medicaid programs, and do not contain identical safe harbors. Government officials have focused their enforcement efforts on marketing of healthcare services and products, among other activities, and have brought cases against numerous pharmaceutical and medical device companies, and certain sales and marketing personnel for allegedly offering unlawful inducements to potential or existing customers in an attempt to procure their business.

Another development affecting the healthcare industry is the increased use of the federal civil False Claims Act and, in particular, actions brought pursuant to the False Claims Act's "whistleblower" or "qui tam" provisions. The False Claims Act imposes liability on any person or entity who, among other things, knowingly presents, or causes to be presented, a false or fraudulent claim for payment by a federal healthcare program. The qui tam provisions of the False Claims Act allow a private individual to bring actions on behalf of the federal government alleging that the defendant has submitted a false claim to the federal government, and to share in any monetary recovery. In recent years, the number of suits brought by private individuals has increased dramatically. In addition, various states have enacted false claim laws analogous to the False Claims Act. Many of these state laws apply where a claim is submitted to any third party payor and not merely a federal healthcare program. When an entity is determined to have violated the False Claims Act, it may be required to pay up to three times the actual damages sustained by the government, plus civil penalties of $5,500 to $11,000 for each separate false claim. There are many potential bases for liability under the False Claims Act. Liability arises, primarily, when an entity knowingly submits, or causes another to submit, a false claim for reimbursement to the federal government. The False Claims Act has been used to assert liability on the basis of inadequate care, kickbacks and other improper referrals, improper use of Medicare numbers when detailing the provider of services, improper promotion of off-label uses (i.e., uses not expressly approved by FDA in a drug's label), and allegations as to misrepresentations with respect to the services rendered. Our future activities relating to the reporting of discount and rebate information and other information affecting federal, state and third party reimbursement of our products, and the sale and marketing of our products, may be subject to scrutiny under these laws. We are unable to predict whether we would be subject to actions under the False Claims Act or a similar state law, or the impact of such actions. However, the costs of defending such claims, as well as any sanctions imposed, could adversely affect our financial performance.

State requirements, such as the Massachusetts Pharmaceutical and Medical Device Manufacturer Conduct regulations, impose additional obligations with respect to fraud and abuse compliance. Specifically, we are required to comply with a state code of conduct, disclose marketing payments made to healthcare practitioners, and report compliance information to the state authorities. In addition, the Healthcare Reform Act also imposes new reporting and disclosure requirements on device and drug manufacturers for any "transfer of value" made or distributed to prescribers and other healthcare providers, effective March 30, 2013. Such information will be made publicly available in a searchable format beginning September 30, 2013. In addition, device and drug manufacturers will also be required to report and disclose any investment interests held by physicians and their immediate family members during the preceding calendar year. Failure to submit required information may result in civil monetary penalties of up to $150,000 per year (and up to $1 million per year for "knowing failures"), for all payments, transfers of value or ownership or investment interests not reported in an annual submission. Finally, under the Healthcare Reform Act, effective April 1, 2012, pharmaceutical manufacturers and distributors must provide the HHS with an annual report on the drug samples they provide to

physicians. Violations of these federal and state frauds and abuse-related laws are punishable by criminal or civil sanctions, including substantial fines, imprisonment and exclusion from participation in healthcare programs such as Medicare and Medicaid. Violation of international fraud and abuse laws could result in similar penalties, including exclusion from participation in health programs outside the United States.

Other Healthcare Laws

We may be subject to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and its implementing regulations, which established uniform standards for certain "covered entities" (healthcare providers, health plans and healthcare clearinghouses) governing the conduct of certain electronic healthcare transactions and protecting the security and privacy of protected health information. The American Recovery and Reinvestment Act of 2009, commonly referred to as the economic stimulus package, included sweeping expansion of HIPAA's privacy and security standards. The legislation included the Health Information Technology for Economic and Clinical Health Act ("HITECH"), which became effective on February 17, 2010. Among other things, the new law makes HIPAA's privacy and security standards directly applicable to "business associates", independent contractors of covered entities that receive or obtain protected health information in connection with providing a service on their behalf. HITECH also increased the civil and criminal penalties that may be imposed and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorney fees and costs associated with pursuing federal civil actions. Although we believe that we are neither a "covered entity" nor a "business associate" under the new legislation, we cannot assure you that regulatory authorities would agree with our assessment.

Laws Relating to Foreign Trade

We are also subject to the U.S. Foreign Corrupt Practices Act and similar worldwide anti-bribery laws in non-U.S. jurisdictions which generally prohibit companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Because of the predominance of government-sponsored healthcare systems around the world, most of our customer relationships outside of the United States are with governmental entities and are therefore subject to such anti-bribery laws. Our policies mandate compliance with these anti-bribery laws. Our operations reach many parts of the world that have experienced governmental corruption to some degree, and in certain circumstances strict compliance with anti-bribery laws may conflict with local customs and practices. Despite our training and compliance programs, our internal control policies and procedures may not always protect us from reckless or criminal acts committed by our employees or agents.

Health and Safety Laws

We are also subject to various federal, state and local laws, regulations and recommendations, both in the United States and abroad, relating to safe working conditions, laboratory and manufacturing practices and the use, transportation and disposal of hazardous or potentially hazardous substances.

Environmental Matters

We are subject to various federal, state and local environmental protection and health and safety laws and regulations both within and outside the United States. Our operations, like those of other medical product companies, involve the transport, use, handling, storage, and disposal of, and limiting exposure to, materials and wastes regulated under environmental laws, including various radioactive materials and wastes. We cannot assure you that we have been or will be in compliance with environmental and health and safety laws at all times. If we violate these laws and regulations, we

could be fined, criminally charged or otherwise sanctioned by regulators. We believe that our operations currently comply in all material respects with applicable environmental laws and regulations.

Certain environmental laws and regulations assess liability on current or previous owners or operators of real property for the cost of investigation, removal or remediation of hazardous materials or wastes at such formerly owned or operated properties or at properties at which they have disposed of hazardous materials or wastes. In addition to cleanup actions brought by governmental authorities, private parties could bring personal injury or other claims due to the presence of, or exposure to, hazardous materials or wastes.

We are required to maintain a number of environmental and nuclear permits for our North Billerica facility, which is our primary manufacturing, packaging and distribution facility. In particular, we must maintain a nuclear materials license issued by the Commonwealth of Massachusetts. This license requires that we provide financial assurance demonstrating our ability to cover the cost of decommissioning and decontaminating ("D&D") the Billerica site at the end of its use as a nuclear facility. We currently estimate the D&D cost at the Billerica site to be approximately $28 million. We currently provide this financial assurance in the form of surety bonds. We generally contract with third parties for the disposal of wastes generated by our operations, and, prior to disposal, store any low level radioactive waste at our facilities until the materials are no longer considered radioactive.

Environmental laws and regulations are complex, change frequently and have become more stringent over time. While we have budgeted for future capital and operating expenditures to maintain compliance with these laws and regulations, we cannot assure you that our costs of complying with current or future environmental protection, health and safety laws and regulations will not exceed our estimates or adversely affect our results of operations and financial condition. Further, we cannot assure you that we will not be subject to additional environmental claims for personal injury or cleanup in the future based on our past, present or future business activities. While it is not feasible to predict the outcome of all pending environmental matters, it is reasonably probable that there will be a need for future provisions for environmental costs that, in management's opinion, are not likely to have a material effect on our financial condition, but could be material to the results of operations in any one accounting period.

Ratings

As of September 30, 2010, the ratings of the notes with Standard & Poor's Ratings Services and Moody's Investors Service were B+ (14th highest of 22 classifications), positive outlook, and B2 (15th highest of 21 classifications), stable outlook, respectively.

Legal Proceedings

From time to time, we are a party to various legal proceedings arising in the ordinary course of our business. In addition, we have in the past been, and may in the future be, subject to investigations by regulatory authorities which expose us to greater risks associated with litigation, regulatory or other proceedings, as a result of which we could be required to pay significant fines or penalties. The outcome of litigation, regulatory or other proceedings cannot be predicted with certainty and some lawsuits, claims, actions or proceedings may be disposed of unfavorably to us. In addition, intellectual property disputes often have a risk of injunctive relief which, if imposed against us, could materially and adversely affect our financial condition or results of operations.

In December 2010, we filed suit against one of our insurance carriers seeking to recover business interruption losses associated with the NRU reactor shutdown and the ensuing global Moly supply challenge. The claim is the result of the shut-down of the NRU reactor in Chalk River, Ontario. The NRU reactor was off-line from May 2009 until August 2010 due to a "heavy water" leak in the reactor vessel. Historically, our largest supplier of Moly has been Nordion which has relied on the NRU

reactor. The business interruption claim is based on an estimate of losses of, in the aggregate, up to $70 million, including increases in the cost of obtaining limited amounts of Moly from alternate, more distant, suppliers, and substantial decreases in sales revenue as a result of significantly curtailed manufacturing of Technelite generators and our decreased ability to sell other Moly-based medical imaging products, including Cardiolite, in comparison to our forecasted results. We can not be certain what amount, if any, or when, if ever, we will be able to recover business interruption losses related to this matter.

Except as noted above, as of December 23, 2010, we had no material ongoing litigation, regulatory or other proceeding and had no knowledge of any investigations by governmental or regulatory authorities in which we are a target that could have a material adverse effect on our current business.

Employees

As of September 30, 2010, we had approximately 670 employees, of which 538 were located in the United States and 132 were located internationally, and an additional approximately 83 contractors. None of our employees are represented by a collective bargaining unit, and we believe that our relationship with our employees is excellent.

Properties

Our executive offices and primary manufacturing facilities are located at our North Billerica, Massachusetts facility, which we own. As of September 30, 2010, we leased an additional 7 facilities in Canada, 2 in Australia and 2 in Puerto Rico. Our owned facilities consist of approximately 578,000 square feet of manufacturing, laboratory, mixed use and office space, and our leased facilities consist of approximately 67,436 square feet. We believe all of these facilities are well-maintained and suitable for the office, radiopharmacy, manufacturing or warehouse operations conducted in them.

The following table summarizes information regarding our significant leased and owned properties, as of September 30, 2010:

Location	Square footage	Owned/Leased
United States		
North Billerica, Massachusetts	578,000	Owned
Canada		
Montreal	8,729	Leased
Mississauga	13,747	Leased
Dorval	13,079	Leased
Quebec	6,261	Leased
Hamilton	5,300	Leased
Vancouver	3,000	Leased
Australia		
Melbourne	2,911	Leased
Adelaide	3,929	Leased
Puerto Rico		
San Juan	9,200	Leased
Ponce	1,280	Leased

INDUSTRY

Overview of the U.S. Healthcare Industry

According to CMS, spending on healthcare in the United States was estimated to be $2.5 trillion in 2009, or approximately 17.3% of U.S. GDP in 2009, and is projected to grow at a rate of 6.1% per year, to almost $4.4 trillion by 2018, or approximately 18.9% of U.S. GDP in 2018.

Growth in the U.S. healthcare industry is expected to be driven by several factors, including:

- Increased utilization of prescription drugs and medical technologies as the population grows, especially as these products and services become more commonplace;
- continued development and adoption of new technologies, including the expanded scope of care;
- increased prevalence of chronic diseases due to longer life spans and unhealthy lifestyles, requiring treatment of ongoing illnesses and long-term care services such as nursing homes, which are estimated to account for over 75% of total national healthcare expenditures;
- escalating labor costs driven by a healthcare labor shortage and an increase in the number and sophistication of skilled positions; and
- aging of the U.S. population.

U.S. Healthcare Industry Trends

Greater Incidence and Prevalence of Heart Disease

Heart disease is currently the leading cause of death for both women and men in the United States. According to the American Heart Association:

- In every year since 1900, except 1918, cardiovascular disease accounted for more deaths than any other major cause of death in the United States.
- An aging population and an increase in the number of people considered overweight or obese have lead to an increased incidence and prevalence of heart disease. An estimated 81.1 million American adults (more than one in three) have one or more types of cardiovascular disease. Of these, 38.1 million, or 47%, are estimated to be age 60 or older.
- Coronary artery disease and myocardial infarction are the principal types of heart disease, comprising approximately 68.2% of all heart disease deaths in 2006.
- 309,000 deaths per year occur outside the hospital or emergency department due to coronary artery disease, and a majority of the deaths occur in people with undiagnosed coronary artery disease. Studies suggest that only 7.6% of victims survive an out-of-hospital cardiac arrest.

Over the period from 2009 to 2012, the U.S. population with coronary artery disease is expected to grow from 18.1 million to 21.1 million, a compound annual growth rate of 5.3%, according to Frost & Sullivan.

Demographic Trends

The current growth in the number and proportion of older adults is unprecedented in the history of the United States. According to the CDC, two factors—longer life spans and aging baby boomers—will combine to almost double the population of Americans age 65 and older during the next 25 years as estimated by the U.S. Census Bureau. In addition, the cost of providing healthcare for an older American is estimated by the CDC to be three-to-five times greater than the cost for someone younger than age 65. As a result, by 2030, the nation's healthcare spending is projected by the CDC to increase by approximately 25% due to these demographic shifts. Due to advances in healthcare, life expectancy

in the United States as estimated by the CDC has increased from an approximate 47.3 years for Americans born in 1900 to an estimated 78.3 years for those born in 2010—an additional 31 years of expected life, or an approximate 60% longer life expectancy. In conjunction with longer life spans, baby boomers will begin to reach age 65 in 2011. Hence, by 2030, the number of older Americans is expected to reach approximately 72.1 million, or roughly 19.3% of the U.S. population according to the U.S. Census Bureau. More importantly, from 2010 to 2020, the population age 65 years and older is expected to grow by a compound annual growth rate of 3.1% according to the U.S. Census Bureau, more than three times the national growth rate of approximately 1.0% according to the Central Intelligence Agency. The elderly population requires a greater amount of treatment than other population segments, and we believe the demand for diagnostic medical imaging agents will increase as the population ages.

Obesity

The percentage of adults in the United States that are obese has increased significantly over the past 30 years. Data from the CDC's National Health and Nutrition Examination Survey shows that obesity levels of adults have increased dramatically—from 15.0% of the adult U.S. population in the late 1970s to 35.1% in 2005 to 2006. Additionally, the percentage of the adult U.S. population considered overweight has remained fairly constant at approximately 33% over the same time period, indicating the total population at risk for obesity-related diseases is increasing. In 2005-2006, over 67% of the adult U.S. population was considered overweight or obese. According to Frost & Sullivan, the number of Americans who were considered obese increased from 66 million in 2004 to 80 million in 2009, a compound annual growth rate of 3.9%, and is projected to increase to 93 million Americans in 2014, a compound annual growth rate of 3.0% from 2009 to 2014. We believe that the increase in the overweight and obese population is particularly important for diagnostic medical imaging agent sales, as a number of these products improve visualization and impact diagnosis for patients that would often otherwise have suboptimal images.

Healthcare Reform

We believe that diagnostic medical imaging should play an important role in the on-going transformation of the American healthcare system and that our products should be part of the solution to the dual challenges of improved outcomes and reduced costs. Given the substantial reimbursement and utilization pressures our industry expects in the future, we are increasing our advocacy efforts substantially on the importance of diagnostic medical imaging. As a result of more accurate diagnosis of disease, we believe our products allow healthcare providers to make more informed and better therapeutic decisions for their patients. Consequently, more patients should receive more appropriate levels of care, potentially improving outcomes, reducing patient risk and decreasing costs for payors and the entire healthcare system.

Overview of the Diagnostic Medical Imaging Industry

Diagnostic medical imaging agents are often used during medical imaging examinations to highlight specific tissues and organs, or physiological or pathological processes, thereby assisting physicians in diagnosing medical conditions. These are pharmaceutical products that are administered *in vivo* (typically injected intravenously) that help enhance the quality of images generated by diagnostic imaging equipment.

According to GIA, diagnostic medical imaging agents were estimated to be a $4.2 billion segment of the diagnostic medical imaging industry in North America in 2009. Sales of diagnostic medical imaging agents in North America were estimated to have grown at a compound annual growth rate of 10.2% from 2004 to 2009 and are projected to grow at a compound annual growth rate of 5.2% from 2009 to 2015.

Diagnostic medical imaging agents can be used with many types of imaging examinations, including the following key imaging modalities:

- Radiography (CT, x-ray and fluoroscopy);
- Nuclear imaging, including SPECT and PET;
- MRI and MRA; and
- Ultrasound imaging.

The following table illustrates the North American revenues projected by GIA for 2009 and 2015, as well as the compound annual growth rate for such period, for each of these key imaging modalities (dollars in millions):

Modality	2009 Revenue	2015 Revenue	Compound Annual Growth Rate	Use	Lantheus Product
Nuclear (SPECT/PET)	$ 1,480	$ 2,164	6.5%	Utilizes radioisotopes to enable clearer visualization of organ functions, and cellular level analysis of diseases	Cardiolite, TechneLite, Flurpirdaz F18 (Phase II), ^{18}F LMI1195 (Phase I)
MRI/MRA	$ 740	$ 975	4.7%	Increases the magnetic signal leading to clearer and brighter images of different body tissues	Ablavar
Ultrasound(1)	$ 49	$ 217	28.4%	Enhances reflection of ultrasonic waves, thereby enhancing the quality of ultrasound images	DEFINITY
Radiography	$ 1,865	$ 2,343	3.9%	Absorbs X-rays for a clearer visualization of the images	Not a current focus of Lantheus
Total	**$ 4,134**	**$ 5,699**	**5.5%**		

(1) Based on GIA projections, as well as more recent management estimates of the ultrasound imaging segment.

Diagnostic Medical Imaging Modalities

Nuclear Imaging Agents

Nuclear medicine refers to the use of small amounts of radioactive materials (radiopharmaceuticals) taken by injection, swallowing or inhalation to diagnose and treat disease. Radiopharmaceuticals are radioactive isotopes paired with molecular agents and, in combination with molecular imaging techniques, are used primarily for diagnostic clinical applications. Diagnostic radiopharmaceutical agents are used to primarily illuminate the functioning of internal organs and characterization of certain tissues. They are detected by specialized cameras (PET or SPECT) designed to capture images of the agent after patient injections and computers are then used to process this data and provide precise pictures of the area being imaged. The imaging provides information on both structure and function.

Diagnostic radiopharmaceuticals provide the largest growth opportunity among diagnostic medical imaging consumables. According to GIA, diagnostic radiopharmaceutical agents were projected to generate sales in North America of approximately $1.5 billion in 2009. Cardiology diagnostic radiopharmaceutical agents represent the majority of diagnostic radiopharmaceutical revenues, contributing more than 50% of total diagnostic radiopharmaceutical revenues. Based on the expected introduction of new products and the increasing application of PET technology as a mainstream diagnostic tool, GIA forecasts revenue from diagnostic radiopharmaceutical agents in North America will grow at a compound annual growth rate of 6.5% from 2009 to 2015, reaching $2.2 billion by 2015.

MRA Agents

MRA agents generate images of the flow of blood in vessels during MRI in order to evaluate them for abnormal narrowing, occlusion or aneurysms. They are often used to evaluate the thoracic and abdominal aorta, the renal arteries and the arteries of the legs, neck and brain. Traditional contrast agents are not FDA approved for an MRA indication and leave the body shortly after administration, which causes low quality imaging and may require repeat dosing. Management estimates that there are 3 to 4 million MRA procedures performed each year of which 1 to 1.5 million use a contrast agent. GIA forecasts revenue from MR contrast agents in North America will grow at a compound annual growth rate of 4.7% from 2009 to 2015. MRA with contrast agents has been shown to provide significant improvement in effectiveness over unenhanced MRA.

Ultrasound

Ultrasound contrast agents are gas-filled micro-bubbles that are administered intravenously into the circulatory system. Micro-bubbles create a stronger echo when bombarded with ultrasound waves, which is captured by ultrasound receivers. Micro-bubbles within the left ventricle of the heart, the main pump to the rest of the body, allow the diagnostician to better view the wall motion of the left ventricle in comparison to the surrounding body tissue. This results in a contrast enhanced image.

Ultrasound imaging is recognized as a painless and non-invasive medical procedure and yields several benefits, including real-time capabilities, high resolution images, improved visualization of blood flow, patient comfort and relative affordability. The ultrasound contrast media segment was a fast growing sub-segment of the North American contrast segment prior to the initiation of the FDA's boxed warning on ultrasound contrast agents in October 2007. Physicians within the medical community felt the warning was unwarranted and campaigned for its removal. In May 2008, the FDA approved a revised label which is expected to substantially mitigate the negative effects of the initial boxed warning. According to management estimates, we believe the ultrasound contrast media segment was approximately $23 million in 2008, was projected to rebound to approximately $49 million in 2009 and has the potential to be $217 million in 2015, which is expected to be driven largely by an increase in cardiac ultrasound procedures. We believe that ultrasound contrast agents are particularly effective in echocardiography. As incidences of cardiovascular diseases grow, the increased visual acuity offered by ultrasound contrast agents is expected to result in its clinical validation and increased usage by clinical practitioners.

MANAGEMENT

Executive Officers and Directors

The following table sets forth the names, ages and positions of the executive officers and directors of Holdings and other key employees of Lantheus, as of December 23, 2010. Holdings is our ultimate parent company, and the Board of Directors of Holdings is the primary board that takes action with respect to our business and strategic planning.

Name	Age	Position
Larry Pickering	67	Director and Chairman
Donald R. Kiepert	62	Director, President and Chief Executive Officer
Peter Card	61	Vice President, Strategy and Corporate Development
William Dawes	39	Vice President, Manufacturing and Supply Chain
Michael Duffy	50	Vice President, General Counsel and Secretary
Robert P. Gaffey	63	Vice President, Finance and Information Technology, and Treasurer
Phillip Lockwood	61	Vice President, Human Resources
Simon Robinson	51	Vice President, Research and Pharmaceutical Development
Robert Spurr	48	Vice President, Sales & Marketing
Mary Taylor	51	Vice President, Global Regulatory Affairs
Cyrille Villeneuve	59	Vice President and General Manager, International
Dana Washburn	48	Vice President, Clinical Development & Medical Affairs
David Burgstahler	42	Director
Patrick O'Neill	61	Director
Sriram Venkataraman	38	Director

Set forth below is a description of the business experience of the foregoing persons.

Larry Pickering is the Chairman of Holdings' and our Board of Directors, a position he has held since January 2008. He is also a founding Partner of Avista, a position he has held since 2005. Previously, he served as Chairman of DLJMB Global Healthcare Partners. He began his career in healthcare with Johnson & Johnson where he served as President of Ortho Dermatology, President of Janssen Pharmaceuticals and Chairman of Janssen North America, Company Group Chairman, Worldwide OTC, Chairman of Johnson & Johnson Development corporation and a Corporate Officer. Mr. Pickering retired from Johnson & Johnson in 2005, after serving 32 years. He holds a Bachelor of Business Administration from the University of Missouri. He currently serves as Director of Navilyst Medical, Inc. and Chairman of OptiNose, Inc. He previously served on the boards of BioReliance Holdings, Inc., Accellent Inc., BioPartners GmbH and Point Therapeutics Inc. (now known as Dara BioSciences Inc.).

Don Kiepert is our President and Chief Executive Officer, a position he has held since January 2008. He is also our Director and a Director of Holdings, serving since January 2008. Previously, Mr. Kiepert was a consultant for Avista and Point Therapeutics Inc. (now known as Dara BioSciences Inc.) from July 2007 to January 2008, the founder and former Chairman, President and Chief Executive Officer of Point Therapeutics, from 1996 to July 2007, and the President and Chief Executive Officer of Chartwell Home Therapies from 1989 to 1996. Prior to 1989, he held various management positions at Baxter Travenol, Inc. He holds a Master of Science in Clinical Pharmacy and a Bachelor of Science in Pharmacy from Purdue University. He previously served on the board of Point Therapeutics Inc.

Peter Card is our Vice President, Corporate Development, a position he has held since January 2008. Prior to that, Mr. Card has held multiple positions with us in the past 24 years, including Vice President, U.S. Marketing and Business Development, and most recently, Vice President, Strategy and Business Development. Mr. Card holds a Ph.D. in Organic Chemistry from Ohio State University and completed additional post-doctoral work at Harvard University.

William Dawes is our Vice President, Manufacturing and Supply Chain, a position he has held since January 2008. From 2005 to 2008, Mr. Dawes served as General Manager, Medical Imaging Technical Operations, Interim General Manager, Medical Imaging Technical Operations, and Director, Engineering and Maintenance for BMSMI. Mr. Dawes began his career with DuPont Merck Pharmaceuticals. He holds a bachelor's degree in Engineering from Hofstra University.

Michael Duffy is our Vice President, General Counsel and Secretary, a position he has held since January 2008. From 2002 to 2008, he served as Senior Vice President, General Counsel and Secretary of Point Therapeutics, Inc., a Boston-based biopharmaceutical company. Mr. Duffy began his legal career with the law firm Ropes & Gray and holds law degrees from the University of Pennsylvania and Oxford University and a bachelor's degree from Harvard College.

Robert Gaffey is our Vice President, Finance and Information Technology, and Treasurer, a position he has held since January 2008. Prior to that, Mr. Gaffey held multiple positions with us since 1987, including Vice President Finance, Operations and General Manager Billerica Site, and most recently, Vice President Finance and Operations. He began his career with E.I. DuPont de Nemours. Mr. Gaffey holds a Bachelor of Science in Accounting from Bentley College and a Master of Business Administration from Widener University.

Philip Lockwood is our Vice President, Human Resources, a position he has held since February 2008. Prior to that, he served as Vice President, HR, for Indevus Pharmaceuticals, Inc. and from 2003 through 2007, he held a senior HR position at EMD Serono and its predecessor, Serono Inc. Mr. Lockwood holds a Bachelor of Arts from Siena College.

Simon Robinson is our Vice President, Research and Pharmaceutical Development, a position he has held since February 2010. Dr. Robinson was our Senior Director Discovery Research from 2008 to 2010 and our Director Discovery Biology and Veterinary Sciences from 2001 to 2008. Prior to joining us, he held research positions at BMS, Sphinx Pharmaceuticals, BASF and Dupont Pharmaceuticals. He holds a Ph.D. and B.Sc. in Pharmacology from the University of Leeds, England and did post-doctoral training at the University of Wisconsin Clinical Cancer Center.

Robert Spurr is our Vice President, Sales and Marketing, a position he has held since January 2010. From 2003 to 2010, he served as Vice President Sales and Marketing, Institutional Franchise and Vice President Strategic Business Group, North America, at Ortho-McNeil, a pharmaceuticals division of Johnson and Johnson, and previously held multiple positions at Aventis Pharmaceuticals and Novartis Pharmaceuticals. Mr. Spurr holds a Bachelor of Science degree from Keene State College and a Master of Business Administration from Rutgers.

Mary Taylor is our Vice President, Global Regulatory Affairs, a position she has held since January 2009. From February 2008 to December 2008, she was a vice president at Tolerx. From December 2003 to January 2008, she was a senior vice president at Curagen. She holds a Bachelor of Science in Biochemistry from Michigan State University and a Master of Public Health from the University of Michigan.

Cyrille Villeneuve is our Vice President and General Manager, International, a position he has held since November 2008. Prior to joining us in 1985, Mr. Villeneuve held positions at the Montreal Heart Institute and Hospital Hotel-Dieu Montreal. He holds a Bachelor of Arts from Montreal University and a Master of Public Administration from the Ecole Nationale Administration Publique.

Dana Washburn is our Vice President, Clinical Development & Medical Affairs, a position he has held since April 2010. From 2002 to 2010, Dr. Washburn held positions of increasing responsibility at Boston Scientific Corporation, most recently as Vice President, Clinical Trials and Safety, Medical Safety Officer. A board-certified nuclear cardiologist, Dr. Washburn practiced medicine in both an academic and private setting prior to joining us. Dr. Washburn holds a Bachelor of Arts from Dartmouth College and a Doctor of Medicine from the University of Massachusetts Medical School.

David Burgstahler is a Director and the Chairman of our Audit Committee and Compensation Committee, serving on our and Holdings' board of directors since January 2008. He is a founding partner of Avista since 2005 and since 2009, has been President of Avista. Prior to forming Avista, he was a partner of DLJ Merchant Banking Partners. He was at DLJ Investment Banking from 1995 to 1997 and at DLJ Merchant Banking Partners from 1997 through 2005. Prior to that, he worked at Anderson Consulting (now known as Accenture) and McDonnell Douglas (now known as Boeing). He holds a Bachelor of Science in Aerospace Engineering from the University of Kansas and a Master of Business Administration from Harvard Business School. He currently serves as a Director of Armored AutoGroup Inc., BioReliance Holdings, Inc., Cidron Healthcare Limited (ConvaTec), INC Research, Inc., Navilyst Medical, Inc., Visant Corporation and WideOpenWest, LLC. He previously served as a Director of Haights Cross Communications, Inc., Warner Chilcott plc and WRC Media Inc.

Sriram Venkataraman is a Director, serving on Holdings' board of directors since November 2010. He is also a Principal of Avista, having joined in May 2007. Prior to joining Avista, Mr. Venkataraman was a Vice President in the Healthcare Investment Banking group at Credit Suisse Group AG from 2001 to 2007. Previously, he worked at GE Healthcare (formerly known as GE Medical Systems) from 1996 to 1999. Mr. Venkataraman holds a Master of Science in Electrical Engineering from the University of Illinois, Urbana-Champaign and a Master of Business Administration with Honors from The Wharton School. He currently serves as a Director of Navilyst Medical, Inc. and OptiNose Inc.

Dr. Patrick O'Neill is a Director, serving on Holdings' board of directors since February 2008. He is also an industry advisor for Avista, a position he has held since 2008. Prior to joining Avista, he was at Johnson & Johnson from 1976 to 2006, holding Research and Development and New Business Development leadership positions in Johnson & Johnson's pharmaceutical business, their Medical Devices and Diagnostics Group, and the surgical and interventional cardiology/radiology business units until he retired in February 2006. He served as Executive in Residence at New Enterprise Associates from March 2006 through 2007. He holds a Bachelor of Science in Pharmacy and Ph.D. in Pharmacology from The Ohio State University. He currently serves as Director of Navilyst Medical, Inc., BioReliance Holdings, Inc. and Optinose, Inc.

Board of Directors

The Board of Directors of Holdings is responsible for the management of our business. The Board of Directors of Holdings is comprised of five directors. Directors who are elected to an annual meeting of stockholders serve in their position until the next annual meeting and until their successors are elected and qualified. Pursuant to the management and employee shareholders agreements described in "Certain Relationships and Related Party Transactions—Shareholders Agreement," Avista has designation rights with respect to the composition of the Holdings board of directors and Avista is entitled to majority representation on any committee that the board creates. Messrs. Pickering, Kiepert, Burgstahler, O'Neill and Venkataraman were appointed pursuant to these agreements.

Although not formally considered by the Board of Directors of Holdings because our securities are not registered or traded on any national securities exchange, we do not believe that any of our directors would be considered independent for either Board of Directors or Audit Committee purposes based upon the listing standards of the New York Stock Exchange. We believe none of our directors would be considered independent because of their relationships with Avista, which, through certain entities, owns approximately 99.5% of Holdings' issued and outstanding capital stock, as described further under "Principal Stockholders," and other relationships with us, as described further under "Certain Relationships and Related Party Transactions."

Board Committees

The Audit Committee of Holdings is composed of Messrs. Burgstahler and Venkataraman. The Compensation Committee of Holdings is composed of Messrs. Burgstahler and Pickering.

Compensation Committee Interlocks and Insider Participation

During 2009, the members of our compensation committee were Messrs. Burgstahler and Pickering. Mr. Burgstahler is the President of Avista. Mr. Pickering is a Partner of Avista. Avista provides us with advisory services pursuant to an advisory services and monitoring agreement and has entered into other transactions with us. See "Certain Relationships and Related Person Transactions—Advisory and Monitoring Services Agreement."

EXECUTIVE AND DIRECTOR COMPENSATION

Compensation Discussion and Analysis

The Compensation Committee is generally charged with the oversight of our executive compensation program. The Compensation Committee is composed of Messrs. Burgstahler and Pickering. Responsibilities of the Compensation Committee include the review and approval of the following items:

- executive compensation strategy and philosophy;
- compensation arrangements for executive management;
- design and administration of the annual incentive plan;
- design and administration of our equity incentive plans;
- executive benefits; and
- any other compensation or benefits related items deemed appropriate by the Compensation Committee.

In addition, the Compensation Committee considers the proper alignment of executive pay with our values and strategy by overseeing executive compensation policies, measuring and assessing corporate performance and taking into account our Chief Executive Officer's performance assessment of our company. While the Compensation Committee has not historically used the services of independent compensation consultants, it may retain such services in the future to assist in the strategic review of programs and arrangements relating to executive compensation and performance.

The following executive compensation discussion and analysis describes the principles underlying our executive compensation policies and decisions including material elements of compensation for our named executive officers. Our named executive officers for 2009 were:

- Larry Pickering, Executive Chairman;
- Donald Kiepert, President and Chief Executive Officer;
- Robert Gaffey, Vice President, Finance and Information Technology and Treasurer;
- Mary Taylor, Vice President, Regulatory Affairs; and
- Cyrille Villeneuve, Vice President and General Manager, International.

Effective January 8, 2010, Mr. Pickering relinquished his executive role of direct oversight of our Research and Development organizations to Mr. Kiepert. Mr. Pickering continues to serve as the non-executive Chairman of the Board of Directors.

As discussed in more detail below, the material elements and structure of our executive compensation program were negotiated and determined in connection with the Acquisition.

Compensation Philosophy and Objectives

The core philosophy of our executive compensation program is to support our primary objective of providing innovative medical imaging solutions to improve the treatment of human disease while enhancing our long-term value to our stockholders.

Specifically, the Compensation Committee believes the most effective executive compensation program for all executives, including named executive officers:

- reinforces our strategic initiatives;

- aligns the economic interests of our executives with those of our stockholders; and
- encourages attraction and long-term retention of key contributors.

The Compensation Committee considers the following factors when determining compensation for our executive officers, including our named executive officers:

- the requirements of any applicable employment agreements;
- the executive's individual performance during the year;
- his or her projected role and responsibilities for the coming year;
- his or her actual and potential impact on the successful execution of our strategy;
- recommendations from our Chief Executive Officer and any independent compensation consultants, if used;
- an officer's prior compensation, experience, and professional status;
- internal pay equity considerations; and
- employment market conditions and compensation practices within our peer group.

The weighting of these and other relevant factors is determined on an individual basis for each executive upon consideration of the relevant facts and circumstances.

The Compensation Committee is committed to a strong, positive link between our objectives and our compensation practices. Our compensation philosophy also allows for flexibility in establishing executive compensation based on an evaluation of information prepared by management or other advisors and other objective and subjective considerations deemed appropriate by the Compensation Committee, subject to any contractual agreements with our executives. This flexibility is important to ensure our compensation programs are competitive and that our compensation decisions appropriately reflect the unique contributions and characteristics of our executive officers.

Compensation Benchmarking

The Compensation Committee ensures executives' pay levels are materially consistent with our compensation philosophy and objectives described above by conducting annual assessments of competitive executive compensation. We utilize data from publicly traded, similarly-sized pharmaceutical, biopharmaceutical and other life science companies as our primary source for competitive pay levels. However, the Compensation Committee does not support rigid adherence to benchmarks or compensatory formulas and strives to make compensation decisions which effectively support our compensation objectives and reflect the unique attributes of our company and each executive.

For 2009 compensation for our executive officers, including our named executive officers, the Compensation Committee reviewed executive compensation data provided by Radford Life Sciences Survey, a nationally recognized survey source. The Compensation Committee looked at compensation data for life sciences companies with 500 or fewer employees, the closest approximation to our size, and, to the extent possible, comparable position matches and compensation components.

For 2009 compensation for our Chief Executive Officer, data were also collected from a review of the following industry peers: Abaxis Inc., Akorn Incorporated, Alexion Pharmaceuticals, Inc., Alkermes, Inc., AMAG Pharmaceutical, Inc., Auxilium Pharmaceuticals, Inc., Cepheid, Cubist Pharmaceuticals, Inc., Enzon Pharmaceuticals, Inc., Gen-Probe Incorporated, Genomic Health, Inc., IDEXX Laboratories, Inc., Immucor, Inc., Inverness Medical Innovations, Inc. (now known as Alere Inc.), The Medicines Company, Meridian Bioscience, Inc., Molecular Insight Pharmaceuticals, Inc., Myriad Genetics, Inc., Nektar Therapeutics, OSI Pharmaceuticals, Inc., Quidel Corporation and TECHNE Corporation. In 2008, this peer group had a mean revenue of $211.3 million and headcount of 383. This peer group selection included 22 life science and specialty pharmaceutical companies. It was selected to best reflect similar sized companies in our industry with mature products, full field sales operations and a balance of both private and public companies.

Employment Agreements

In connection with the Acquisition, we entered into employment agreements with Messrs. Pickering and Kiepert. Our other named executive officers are not subject to employment agreements.

Among other things, these agreements set the executives' compensation terms, their rights upon a termination of employment and restrictive covenants relating to non-competition, non-solicitation, and confidentiality. See "—Potential Payments Upon Termination or Change of Control —Employment Agreements."

Elements of Compensation

Our compensation program is heavily weighted towards performance based compensation, reflecting our philosophy of increasing our long-term value and supporting strategic imperatives, as discussed above. Total compensation and other benefits consist of the following elements:

- base salary;
- annual non-equity incentive compensation; and
- long-term equity incentives in the form of stock options.

We do not offer a defined benefit pension plan. The Compensation Committee supports a competitive employee benefit package, but does not support executive perquisites or other supplemental programs targeted to executives.

Base Salary

Base salaries are intended to provide reasonable and competitive fixed compensation for regular job duties. In light of both the external labor market and the loss of revenue associated with the loss of marketing exclusivity on Cardiolite, we did not increase the base salaries of any named executive officer in 2009.

Following a successful first year after the Acquisition, in 2009, Mr. Pickering's base salary was reduced from $500,000 to $400,000 as part of his agreement with the Board of Directors to reduce his direct oversight responsibilities.

Ms. Taylor joined us on January 6, 2009. Her salary, cash incentive compensation and stock options granted are the result of negotiations in which the Compensation Committee was actively involved. The Compensation Committee believes what was offered was externally competitive and necessary to attract the caliber of talent required for the position.

Our general practice with respect to cash compensation is that executive base salaries and annual cash incentive compensation values should generally position total annual cash compensation between the 25th and 75th percentiles of similarly-sized life science companies. See "—Compensatio Discussion and Analysis—Compensation Benchmarking." Cash compensation is generally below the median for those who were awarded larger option awards and more competitively aligned for recent hires.

In 2009, the base salaries of Messrs. Pickering, Kiepert, Gaffey and Villeneuve and Ms. Taylor were $400,000, $400,000, $250,000, CAD $245,000 and $275,000, respectively.

Annual Cash Incentive Compensation

Our 2009 Executive Leadership Team Incentive Bonus Plan (the "Bonus Plan") is intended to reward executive officers, including our named executive officers, for annual financial performance, performance of other corporate goals that may be long-term in nature and meeting or exceeding certain short-term objectives.

Cash incentive compensation under the Bonus Plan is subject to the achievement of a certain EBITDA target. EBITDA is defined in the Bonus Plan as earnings before interest, taxes, depreciation and amortization. The Bonus Plan provides for adjustments to the EBITDA targets by the Compensation Committee for extraordinary and unforeseen events.

The Compensation Committee chose to structure annual incentives on EBITDA for a number of reasons:

- it effectively measures our overall performance;
- it can be considered an important surrogate for cash flow, a critical metric related to servicing our outstanding debt;
- it is a key metric driving our valuation, consistent with the valuation approach used by industry analysts; and
- it is consistent with the metric used for the vesting of the financial performance portion of our option grants.

These EBITDA targets should not be understood as management's predictions of future performance or other guidance and investors should not apply these in any other context. EBITDA targets were linked to our short-term and long-term business objectives to ensure incentives are provided for appropriate performance. The Compensation Committee believes our cash incentive compensation structure is consistent with competitive practice.

The potential bonus payouts under various scenarios in 2009 for our named executive officers were as follows:

Named Executive Officer	Threshold Bonus(1) (as % of Base Salary)	Target Bonus (as % of Base Salary)	Above Target Bonus (as % of Base Salary)
Larry Pickering	50.0%	100.0%	200.0%
Don Kiepert	50.0%	100.0%	200.0%
Robert Gaffey	15.0%	30.0%	60.0%
Mary Taylor	15.0%	30.0%	60.0%
Cyrille Villeneuve	15.0%	30.0%	60.0%

(1) Assuming that named executive achieved his/her department and individual performance goals.

For Messrs. Pickering and Kiepert, pursuant to their respective employment agreements, payout of the target level bonus is tied to the achievement of the EBITDA target and other corporate performance goals established by the Compensation Committee within the first three months of a given year. Pursuant to the Bonus Plan, for our other named executive officers, payout of the target level bonus is tied to the achievement of the EBITDA target and the achievement of certain department performance and individual performance goals. The achievement of the EBITDA target accounts for 50% of the total bonus award, while the achievement of department performance and individual performance goals accounts for 30% and 20%, respectively. Department performance goals are recommended and approved by our Chief Executive Officer at the start of each year. Achievement of individual performance goals are assessed by our Chief Executive Officer at the end of each year. These targets were intended to provide a meaningful incentive for executives to achieve or exceed performance goals.

If we did not meet the EBITDA target, but we met a level equal to at least 90% of the EBITDA target, then pursuant to the Bonus Plan, the Compensation Committee has discretion to award any percentage of the target bonus, calculated relative to the achievement of the named executive officer's performance goals, including department, individual and corporate performance goals. For example, if we did meet 90% of the EBITDA target and the executive achieved his/her department and individual

performance goals, the executive would receive a threshold bonus equal to 50% of his/her bonus target. If we did not meet at least 90% of the EBITDA target, then no bonus is awarded.

If our EBITDA is above the EBITDA target, the Bonus Plan specifies a formula that would create a pool (the "Bonus Pool") not to exceed $500,000 for discretionary allocation among the participants of the Bonus Plan, including our named executive officers. The Bonus Pool amount is set at 4.548% of our incremental EBITDA for such year in excess of the EBITDA target. The maximum potential payout from the Bonus Pool for each participant, including our named executive officers, is 100% of their respective target bonus amount. As such, total bonus awarded for above EBITDA target achievement would be double the target bonus amount of each participant, including our named executive officers.

Our EBITDA target for the fiscal year ended December 31, 2009 was established at $110 million. In the fiscal year ended December 31, 2009, our EBITDA was $98.6 million. Because we did not meet our EBITDA target but achieved at least 90% of the EBITDA target, the bonus for 2009 was subject to the determination of the Compensation Committee relative to the achievement of performance goals, including department, individual and corporate performance goals.

For Messrs. Pickering and Kiepert in 2009, these performance goals included, in addition to attaining our EBITDA goal: acquiring or in-licensing an external product to enhance future revenues; enhancing the existing product and candidate portfolio through further licensing opportunities of the PPA program and TechneLite program outside of the United States; driving clinical development programs of our PET perfusion agent and cardiac neuronal imaging agent to IND filing; optimizing the supply chain for Moly, including a new agreement with Nordion; establishing and implementing mission, vision and values programs; and developing a multiyear strategic plan. For Mr. Gaffey, performance goals included delivering established 2009 financial plans with a focus on managing expenses, implementing increases in specific organizational capabilities within assigned functions, improving the time-to-close after the end of the reporting period and the timeliness of the audit completion and improved compliance and controls, including a formal Sarbanes-Oxley Act assessment and delivery of a business resilience plan. For Ms. Taylor, performance goals included ensuring timely filings with the appropriate government agencies and implementing proper compliance procedures including executing a strategy to enhance DEFINITY labeling with the FDA relative to the boxed warning and other potential indications, an IND for our cardiac neuronal imaging agent, updating all drug listings to the required electronic format, implementing labeling process revisions and changes-being-effected-in-30 days for a new Moly source. For Mr. Villeneuve, performance goals included attaining international EBITDA goals, executing on at least one new business development initiative in a foreign jurisdiction, completing construction of a new lab facility in Mississauga, Ontario, completing regulatory filings with Puerto Rico for an oncology diagnostic agent and launching DEFINITY in India.

The Compensation Committee set 50% of the target bonus as a threshold bonus amount for 2009. In assessing the performance of Messrs. Pickering and Kiepert, the Compensation Committee focused primarily on the EBITDA attainment. The Compensation Committee gave some consideration to management's response in managing the supply challenges where the unexpected global Moly supply shortage significantly affected revenues of TechneLite and Cardiolite. The Compensation Committee noted that further progress was required in partnering PPA in Europe and in development of the strategic plan. The bonus awards to Messrs. Pickering and Kiepert at 62.5% of target reflect the Compensation Committee's desire to maintain accountability for achieving EBITDA targets.

The Compenation Committee accepted our Chief Executive Officer's assessment of Messrs. Gaffey's and Villeneuve's and Ms. Taylor's performance relative to their specific 2009 goals as 100%, 80% and 100%, respectively. Our Chief Executive Officer's assessment was based on the achievement of all the individuals' goals with the exception of Mr. Villeneuve who did not yet achieve an international business development goal.

After consulting with our Chief Executive Officer on the performance of his direct reports and the achievements of each named executive officer's established performance goals, the Compensation Committee awarded bonuses to the named executive officers above the threshold amount, as reflected in the Summary Compensation Table under "Non-Equity Incentive Compensation" and "Bonus." While discretion was used to award bonuses above the threshold amount pursuant to the Bonus Plan, no awards were granted in excess of each named executive officer's target bonus award, as reflected in the table below:

Named Executive Officer	Actual Bonus (% of Base Salary)
Larry Pickering	62.5%
Don Kiepert	62.5%
Robert Gaffey	30.0%
Mary Taylor(1)	18.0%
Cyrille Villeneuve	28.0%

(1) In addition to her bonus awarded pursuant to the Bonus Plan, Ms. Taylor was awarded a $25,000 discretionary bonus for her contributions as interim head of Clinical Development.

For 2010, the Compensation Committee adopted a new bonus plan (the "2010 Bonus Plan") that kept the same structure as the Bonus Plan and updated financial and other performance objectives to be consistent with our financial plans.

Long-Term Equity Incentive Awards

In connection with the Acquisition, the Board of Directors approved and adopted the 2008 Lantheus MI Holdings, Inc. 2008 Equity Incentive Plan (the "2008 Equity Plan"). The purpose of the 2008 Equity Plan is to:

- promote our long-term financial interests and growth by attracting and retaining management and other personnel and key service providers with the training, experience and abilities to enable them to make substantial contributions to the success of our business;
- motivate management personnel by means of growth-related incentives to achieve long range goals; and
- further the alignment of interests of participants with those of our stockholders through opportunities for increased stock or stock-based ownership in us.

Although we look at competitive long-term equity incentive award values when assessing our compensation programs, as described above under "—Compensation Discussion and Analysis—Compensation Benchmarking," we do not make annual executive option grants because, following the Acquisition, we issued large upfront stock option grants that vest over time and with the achievement of certain performance goals in lieu of annual grants. The Compensation Committee believes these stock option grants establish performance objectives and incentives and helps align our executives' interests with the interests of the stockholders in fostering long-term value. They also motivate sustained increases in our financial performance and help ensure that the investors have received an appropriate return on their invested capital before executive officers receive significant value from these options.

In 2008, the Compensation Committee approved long-term stock option grants to Messrs. Pickering, Kiepert, Gaffey and Villeneuve under the 2008 Equity Plan. The terms of these stock option grants were consistent with the stock option grants granted after the Acquisition. During 2009, the Committee approved a grant of options to Ms. Taylor in conjunction with an offer of employment and a supplemental grant of options to Mr. Villenueve in recognition of his contribution in

2008 towards launching our international operations, including exceeding first-year EBITDA targets, and to improve the internal equity among our executive officers

The options have an exercise price equivalent to fair market value on the date of grant. Since our common stock is not currently traded on a national securities exchange, fair market value is determined reasonably and in good faith by the Board of Directors.

These options have a ten-year term and are allocated so that 50% are time vested options (the "Time Vesting Options") and 50% are EBITDA-based performance vested options (the "Performance Vesting Options"). The combination of time and performance based vesting of these awards is designed to compensate our executive officers, including our named executive officers, for their long-term commitment to us. They are also designed to motivate sustained increases in our financial performance and help ensure that the investors have received an appropriate return on their invested capital before executive officers receive significant value from these options.

EBITDA is defined in the award agreements as the sum of net income (or loss) of the business or entity for such period; plus interest expense, income taxes, depreciation expenses, amortization expenses, all fees paid by us or any of our subsidiaries pursuant to the Advisory Services Agreements with Avista, dated as of January 8, 2008, non-recurring expenses for executive severance, relocation, recruiting and one-time compensation, the aggregate amount of all other non-cash charges reducing net income including stock-based compensation expense, retention bonuses paid in fiscal year 2008; all extraordinary losses; less all extraordinary gains in each case determined in accordance with generally accepted accounting principles in the United States.

The Time Vesting Options are granted to aid in retention. Consistent with this goal, the Time Vesting Options granted to Messrs. Kiepert, Gaffey and Villeneuve in 2008, and to Ms. Taylor and Mr. Villeneuve in 2009, vest ratably on the grant date over the following five years. To recognize Mr. Pickering's role with Avista Capital in leading the acquisition options granted to Mr. Pickering in 2008 vest 40% on the first year and ratably on the grant date over the following three years.

The Performance Vesting Options are intended to motivate financial performance in line with investors' outlook for performance during our first five years. We chose EBITDA as the performance metric since it is a key driver of our valuation and for the reasons described above in "Annual Cash Incentive Compensation." The Performance Vesting Options granted to Messrs. Kiepert, Gaffey and Villeneuve in 2008, and to Ms. Taylor and Mr. Villeneuve in 2009, are eligible to vest ratably in five equal installments if certain annual EBITDA targets are achieved. To recognize Mr. Pickering's role with Avista Capital in leading the acquisition options granted to Mr. Pickering in 2008 vest 40% in the first year and ratably in three equal installments if certain annual EBITDA targets are achieved. The EBITDA targets were established at the time of the Acquisition and can be adjusted by the Board of Directors in consultation with our Chief Executive Officer as described below.

On April 8, 2009, Mr. Pickering received a supplemental grant of 50,000 options in recognition of his contributions in connection with the Acquisition, pursuing an extension of the marketing exclusivity of Cardiolite and exceeding the EBITDA targets established for 2008. Anticipating Mr. Pickering's current executive role to evolve to a non-employee director in the future, Mr. Pickering's award was granted in the form of 100% time-based options, vesting ratably in four equal installments.

Due to the number of events that can occur within our industry in any given year that are beyond the control of management but may significantly impact EBITDA and our financial performance, such as significant fluctuations in the cost of raw materials and unit sales volume, and regulatory and reimbursement changes, we have incorporated certain vesting provisions into each stock option grant agreement that allow such Performance Vesting Options to vest later than the date specified. Performance Vesting Options that were eligible to vest but failed to vest due to our failure to achieve an EBITDA target in any given year may vest if we exceed the annual EBITDA target in a subsequent year.

Consistent with the EBITDA targets under the Bonus Plan, pursuant to the terms of the 2008 Equity Plan and the individual Stock Option Agreements governing each option grant, the Board of Directors, in consultation with our Chief Executive Officer, has the ability to adjust the EBITDA targets for significant events, changes in accounting rules and other customary adjustment events. We believe these adjustments may be necessary in order to effectuate the intents and purposes of our compensation plans and to avoid unintended consequences that are inconsistent with these intents and purposes.

If our EBITDA is below the EBITDA target but is equal to at least 90% of the EBITDA target, then a percentage of the Performance Vesting Options vests in that year, calculated as follows:

$$\text{(10\% of possible vested Performance Vesting Options)} \times \frac{\text{(Incremental EBITDA over 90\% of EBITDA target)}}{\text{(EBITDA target—90\% of EBITDA target)}} + \text{(90\% of possible vested Performance Vesting Options)}$$

Our EBITDA target in 2009 was $114.0 million. The EBITDA target was adjusted to $109.8 million to reflect anticipated additional pre-market expenses associated with the launch of Ablavar. In the fiscal year ended December 31, 2009, our actual EBITDA was $98.6 million. Pursuant to each individual Stock Option Agreement, a carry forward of $3.6 million in EBITDA from 2008 was added in determining 2009 vesting. As such, our EBITDA for purposes of determining 2009 vesting was equal to $102.2 million. As a result, using the formula described above, 18.62% of the Performance Vesting Options vested in 2009 out of a possible 20%.

We set our future EBITDA targets to reflect our expected annual EBITDA which progressively increases as we approach the expected launch dates of pipeline products. Thus, while designed to be attainable, EBITDA targets for these years require strong performance with our existing and acquired marketed products, as well as the execution of our clinical pipeline program and cost control.

For additional information concerning the options awarded in 2008 and 2009, see "2009 Grants of Plan-Based Awards" and "Outstanding Equity Awards at 2009 Fiscal Year-End."

Other Benefits

Retirement Plans

We offer a 401(k) qualified defined contribution retirement plan for U.S.-based employees, including named executive officers, with a 4.5% company match. Because he is based in Canada, Mr. Villeneuve participates in a Registered Retirement Saving Plan and a Deferred Profit Sharing Plan, both of which are available to all Canadian employees.

Personal Benefits

Mr. Pickering's employment agreement specifies a per diem allowance of $200 per day while in Billerica, Massachusetts, in lieu of lodging expense reimbursement. Mr. Villeneuve is provided with a travel allowance consistent with his role in Canada leading a network of radiopharmacies. Except as otherwise discussed herein, other welfare and employee-benefit programs are the same for all of our eligible employees, including our named executive officers. Our other named executive officers do not receive additional benefits outside of those offered to our other employees.

Ownership Guidelines

In the event of exercise of an option grant, the resulting shares are subject to the provisions of the Employee Shareholder Agreement which restricts transfer and voting rights to ensure alignment with the initial investors. We do not maintain formal ownership guidelines.

Severance and Change in Control Benefits

As noted above, Messrs. Pickering and Kiepert have entered into employment agreements which detail, among other things, each executive's rights upon a termination of employment in exchange for non-competition, non-solicitation and confidentiality covenants. See "—Potential Payments Upon Termination or Change in Control."

We believe that reasonable severance benefits are appropriate in order to be competitive in our executive retention efforts. These benefits reflect the fact that it may be difficult for such executives to find comparable employment within a short period of time. We also believe formalized severance arrangements are at times a competitive requirement to attract the required talent for the role.

Recoupment of Compensation

Information regarding our policy with respect to the recovery of incentive compensation is provided under "Elements of Compensation—Annual Cash Incentive Compensation."

Tax and Accounting Implications

We were not subject to Section 162(m) of the Internal Revenue Code, as amended in 2009. For 2010 and beyond, the Compensation Committee will consider the impact of Section 162(m) in the design of its compensation strategies. Under Section 162(m), compensation paid to executive officers in excess of $1,000,000 cannot be taken by us as a tax deduction unless the compensation qualifies as performance-based compensation. We have determined, however, that we will not necessarily seek to limit executive compensation to amounts deductible under Section 162(m) if such limitation is not in the best interests of our stockholders. While considering the tax implications of its compensation decisions, the Compensation Committee believes its primary focus should be to attract, retain and motivate executives and to align the executives' interests with those of our stockholders.

The Compensation Committee operates its compensation programs with the good faith intention of complying with Section 409A of the Internal Revenue Code. We account for stock based payments with respect to our long-term equity incentive award programs in accordance with the requirements of ASC 718.

Compensation Risk Assessment

In consultation with the Compensation Committee, members of Human Resources, Legal and Finance groups conducted an annual assessment of whether our compensation policies and practices encourage excessive or inappropriate risk taking by our employees, including employees other than our named executive officers. This assessment included a review of the risk characteristics of our business and the design of our incentive plans and policies. Although a significant portion of our executive compensation program is performance-based, the Compensation Committee has focused on aligning our compensation policies with our long-term interests and avoiding rewards or incentive structures that could create unnecessary risks to us.

Management reported its findings to the Compensation Committee, which agreed with management's assessment that our plans and policies do not encourage excessive or inappropriate risk taking and determined such policies or practices are not reasonably likely to have a material adverse effect on us.

2009 Summary Compensation Table

The following table sets forth certain information with respect to compensation for the year ended December 31, 2009 earned by or paid to our named executive officers.

Name and Principal Position	Year	Salary ($)	Bonus ($)(5)	Option Awards ($)(6)	Non-Equity Incentive Plan Compensation ($)(7)	All Other Compensation ($)(8)	Total ($)
Larry Pickering(1) *Chairman*	2009	$401,154	$50,000	$155,000	$ 200,000	$ 1,950	$808,104
Donald Kiepert *President and Chief Executive Officer*	2009	$400,000	$50,000	—	$ 200,000	$ 12,346	$662,346
Robert Gaffey(2) *Vice President, Finance, Information Technology and Treasurer*	2009	$250,000	$37,500	—	$ 37,500	$ 9,361	$334,361
Mary Taylor(3) *Vice President, Global Regulatory Affairs*	2009	$268,654	$33,750	$155,500	$ 41,250	—	$499,154
Cyrille Villeneuve(4) *Vice President and General Manager, International*	2009	$214,963	$31,702	$ 31,100	$ 35,960	$ 34,299	$348,024

(1) Mr. Pickering served as Executive Chairman until January 8, 2010, at which time he relinquished his executive duties to our Chief Executive Officer and retained his role of non-executive Chairman of the Board. In 2009, Mr. Pickering did not receive any additional compensation for his position as a director. In connection with his change of role in 2010, Mr. Pickering's salary was renegotiated to $200,000 per year.

(2) Mr. Gaffey held the position of Vice President, Finance, IT and Operations until January 18, 2010, when his responsibilities for Operations were reassigned in a reorganization of our executive officers.

(3) Ms. Taylor joined us on January 6, 2009. The amounts shown in "Salary" reflect the pro-rated amount of her base salary.

(4) Mr. Villeneuve is based in Canada and paid in Canadian dollars. The amounts shown in "Salary" and "All Other Compensation" reflect an average exchange rate of 0.8774 Canadian dollars per each U.S. Dollar, as reported by Oanda for the 2009 calendar year. Mr. Villeneuve's salary in 2009 was CAD $245,000. Mr. Villeneuve's bonus, as disclosed in "Non-Equity Incentive Plan Compensation," reflects the spot rate of 0.9785 Canadian dollars per each U.S. Dollar for March 31, 2010 to align with the distribution of the award.

(5) The amounts reflect the cash incentive compensation awarded above the threshold bonus target by the Compensation Committee. See "—Compensation Discussion and Analysis—Elements of Compensation—Annual Cash Incentive Compensation." In addition, for Ms. Taylor, the amount also reflects a discretionary bonus of $25,000 that the Compensation Committee awarded for her contributions as the interim head of Clinical Development.

(6) Includes the grant date fair value of the stock option awards granted during the fiscal year ended December 31, 2009, in accordance with ASC 718 with respect to options to purchase shares of our common stock awarded to the named executive officers in 2009 under our 2008 Equity Plan. See

"—Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies —Accounting for Stock-Based Compensation."

(7) The amounts reflect the cash incentive compensation earned for the year ended December 31, 2009 under the Bonus Plan which were paid in the first quarter of 2010.

(8) For Messrs. Kiepert, Gaffey and Villeneuve, the amounts reflect matching contributions to our defined contribution retirement plans of $12,346, $9,361 and CAD $23,465, respectively. Mr. Villeneuve also received a car allowance of CAD $15,633. Mr. Pickering and Ms. Taylor did not participate in our 401(k) plan during 2009. For Mr. Pickering, the amount reflects the total per diem allowance he received for lodging.

2009 Grants of Plan-Based Awards

The following table sets forth certain information with respect to grants of plan-based awards for the year ended December 31, 2009 with respect to the named executive officers.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards
Name	Grant Date	Threshold ($)(1)	Target ($)(2)	Maximum ($)(3)	Threshold (#)	Target (#)	Maximum (#)	(#)	($/Sh)
Larry Pickering	—	$200,000	$400,000	$800,000	—	—	—	—	—
	4/20/09	—	—	—	—	—	—	50,000(4)	$ 6.84
Donald Kiepert	—	$200,000	$400,000	$800,000	—	—	—	—	—
Robert Gaffey	—	$ 37,500	$ 75,000	$150,000	—	—	—	—	—
Mary Taylor	—	$ 41,250	$ 82,500	$165,000	—	—	—	—	—
	4/8/09	—	—	—	4,500	25,000(3)	25,000	25,000(5)	$ 6.84
Cyrille Villeneuve(6)	—	$ 35,960	$ 71,920	$143,840	—	—	—	—	—
	4/8/09	—	—	—	900	5,000(4)	5,000	5,000(7)	$ 6.84

(1) The amounts shown in the "Threshold" column reflect the threshold payment, which is 50% of the amount shown in the "Target" column. See "—Compensation Discussion and Analysis—Elements of Compensation—Annual Cash Incentive Compensati

(2) The amount show in the "Target" column is the potential cash incentive award given to our named executive officers if the EBITDA target is hit in 2009. For Messrs. Pickering and Kiepert, that amount is 100% of their respective 2009 base salaries. For Ms. Taylor and Messrs. Gaffey and Villeneuve, that amount is 30% of their respective 2009 base salaries. See "—Compensatio Discussion and Analysis—Elements of Compensation—Annual Cash Incentive Compensation."

(3) The amount shown in the "Maximum" column is the target amount plus 60% of the named executive officer's base salary. Pursuant to the Bonus Plan, if we achieve an EBITDA that is greater than the EBITDA target, the Bonus Plan specified a formula that would create a pool not to exceed $500,000 in the aggregate for discretionary allocation among the eligible participants of the Bonus Plan. The maximum payment from the Bonus Pool for each participant, including our named executive officers, is 60% of their respective base salary. See "—Compensation Discussion and Analysis—Elements of Compensation —Annual Cash Incentive Compensation."

(4) Mr. Pickering received a supplemental grant of 50,000 options in recognition of his contributions in connection with the Acquisition, pursuing an extension of the marketing exclusivity of Cardiolite and exceeding the EBITDA targets established for 2008. Anticipating Mr. Pickering's current executive role to evolve to a non-employee director in the future, Mr. Pickering's award was granted in the form of 100% time-based options vesting 25% on each anniversary of the grant.

(5) Ms. Taylor was granted 50,000 stock options with a ten-year term in conjunction with an offer of employment. 25,000 of these options are Time Vesting Options and 25,000 are Performance Vesting Options. See "—Compensation Discussion and Analysis —Elements of Compensation—Long-Term Equity Incentive Awards."

(6) Mr. Villeneuve is based in Canada and paid in Canadian dollars. The U.S. Dollar amounts reflects the spot rate of 0.9785 Canadian dollars per each U.S. Dollar for March 31, 2010 to align with the distribution of the award in 2009.

(7) Mr. Villeneuve received a supplemental grant of 10,000 options with a ten-year term. This supplemental grant was made by the Compensation Committee in recognition of Mr. Villeneuve's contribution in 2008 towards launching our international operations, including exceeding first-year EBITDA targets, and to improve the internal equity among our executive officers. 5,000 of these options are Time Vesting Options and 5,000 are Performance Vesting Options. See "—Compensation Discussion and Analysis —Elements of Compensation—Long-Term Equity Incentive Awards."

Outstanding Equity Awards at 2009 Fiscal Year-End

The following table includes certain information with respect to options held by the named executive officers as of December 31, 2009.

	Option Awards				
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Securities of Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date
Larry Pickering:					
Stock Options(1)	300,480	225,360	225,360	$ 2.00	3/3/18
Stock Options(2)	—	50,000	—	$ 6.84	4/19/19
Don Kiepert:					
Stock Options(3)	250,400	500,800	500,800	$ 2.00	2/24/18
Robert Gaffey:					
Stock Options(3)	70,000	140,000	140,000	$ 2.00	4/3/18
Mary Taylor:					
Stock Options(4)	—	25,000	25,000	$ 6.84	4/7/19
Cyrille Villeneuve:					
Stock Options(3)	8,000	16,000	16,000	$ 2.00	4/3/18
Stock Options(4)	—	5,000	5,000	$ 6.84	4/7/19

(1) 40% of the shares subject to the Time Vesting Options vested on January 1, 2009 and 40% of the Performance Vesting Options vested on April 16, 2009 upon the Compensation Committee's determination that we achieved the 2008 EBITDA performance targets. The remaining shares subject to the Time Vesting Options will vest ratably over the next three years and will vest in full as of January 1, 2012. Assuming the EBITDA targets are met in each applicable fiscal year, the remaining shares subject to the Performance Vesting Options will vest ratably over the next three years.

(2) The remaining shares subject to the Time Vesting Options will vest ratably over the next four years and will vest in full as of April 20, 2013.

(3) 20% of the shares subject to the Time Vesting Options vested on January 1, 2009 and 20% of the Performance Vesting Options vested on April 16, 2009 upon the Compensation Committee's determination that we achieved the 2008 EBITDA performance targets. The remaining shares

subject to the Time Vesting Options will vest ratably over the next four years and will vest in full as of January 1, 2013. Assuming the EBITDA targets are met in each applicable fiscal year, the remaining shares subject to the Performance Vesting Options will vest ratably over the next four years.

(4) The remaining shares subject to the Time Vesting Options will vest ratably over the next five years and will vest in full as of April 8, 2014. Assuming the EBITDA targets are met in each applicable fiscal year, the remaining shares subject to the Performance Vesting Options will vest ratably over the next five.

Option Exercises and Stock Vested in 2009

The named executive officers did not exercise any options during 2009. We do not offer any stock awards, other than stock options, from which vesting would occur.

2009 Pension Benefits

We do not offer our executives or others a pension plan. Retirement benefits are limited to participation in our 401(k) plan with a 4.5% employer match and a corresponding international plan. Because he is based in Canada, Mr. Villeneuve participates in a Registered Retirement Saving Plan and a Deferred Profit Sharing Plan, both of which are available to all Canadian employees.

Potential Payment Upon Termination or Change in Control

The information below describes and quantifies certain compensation that would become payable under certain named executive officer's employment agreements if, as of December 31, 2009, his employment had terminated or there was a change in control. Due to the number of factors that affect the nature and amount of any benefits provided upon the events discussed below, any actual amounts paid or distributed may be different. Factors that could affect these amounts include the timing during the year of any such event.

Employment Agreements and Arrangements

The only named executive officers for which we have employment agreements are Messrs. Pickering and Kiepert.

Larry Pickering

On March 4, 2008, we entered into an employment agreement with Mr. Pickering, our chairman of the Board of Directors, which was subsequently amended on October 19, 2008 and effective as of January 1, 2009, and also amended on January 4, 2010. Pursuant to the terms of his amended employment agreement, Mr. Pickering currently receives $200,000 in annual base salary. Mr. Pickering's employment can be terminated at any time and for any reason, and he shall not be entitled to any severance or termination benefits.

Don Kiepert

On January 8, 2008, we entered into an employment agreement with Don Kiepert, our President and Chief Executive Officer. Pursuant to his employment agreement, Mr. Kiepert currently receives $412,000 in annual base salary, subject to any increases in base salary as may be determined from time to time in the sole discretion of our Board of Directors. In addition, the employment agreement allows Mr. Kiepert to be eligible to receive an annual bonus award of up to 100% of his base salary based upon the achievement of certain performance targets. Mr. Kiepert is also eligible to participate in our

health, life and disability insurance, and retirement and fringe employee benefit plans on the same basis as those benefits are generally made available to our other executives.

If we terminate Mr. Kiepert with cause or Mr. Kiepert resigns without good reason, then he is entitled to receive his base salary through the date of termination and reimbursement for any unreimbursed business expenses properly incurred by Mr. Kiepert prior to his termination or resignation, provided that these claims are submitted within 30 days of termination. In the event of Mr. Kiepert's resignation without good reason, he is also entitled to such vested or accrued employee benefits as to which he is entitled under our employee benefit plans.

If Mr. Kiepert's employment terminates as a result of his death or if we terminate Mr. Kiepert due to his physical or mental illness, injury or infirmity which is reasonably like to prevent or prevents him from performing his essential job functions for 90 consecutive calendar days or an aggregate of 120 calendar days out of any consecutive twelve month period, then Mr. Kiepert or his estate is entitled to receive: (a) his base salary through the date of termination; (b) reimbursement for any unreimbursed business expenses properly incurred; (c) any vested or accrued employee benefits as to which he is entitled under our employee benefit plans; and (d) a pro rata portion of his target annual bonus amount in the year he was terminated, based upon the percentage of the fiscal year that has elapsed through the date of his termination, contingent upon an effective release of claims against us and payable at such time as the annual bonus would have otherwise been payable had he not been terminated.

If we terminate Mr. Kiepert without cause or Mr. Kiepert resigns with good reason, then he is entitled to receive: (a) his base salary through the date of termination; (b) reimbursement for any unreimbursed business expenses properly incurred; (c) any vested or accrued employee benefits as to which he is entitled under our employee benefit plans; (d) a pro rata portion of his target annual bonus amount in the year he was terminated, based upon the percentage of the fiscal year that has elapsed through the date of his termination, contingent upon an effective release of claims against us and payable at such time as the annual bonus would have otherwise been payable had he not been terminated; (e) subject to Mr. Kiepert's continued compliance with the non-competition and confidentiality clauses within his employment agreement and his effective release of claims against us, continued payment of his base salary in accordance with our normal payroll practices for twelve months after the date of termination, provided that any such payment is reduced by the present value of any other cash severance or termination benefits payable to Mr. Kiepert under any other plans, arrangements or programs; and (f) for twelve months after the date of termination, continued life insurance and group medical coverage for Mr. Kiepert and his eligible dependents upon the same terms as provided to our other senior executive officers and at the same coverage levels, provided that such coverage shall cease upon Mr. Kiepert becoming employed by another employer and eligible for life insurance and/or medical coverage with such other employer.

If we terminated Mr. Kiepert without cause or Mr. Kiepert resigned with good reason on December 31, 2009, he would have been entitled to receive an aggregate of $849,247 ($400,000 for salary, $400,000 for bonus, $21,555 for benefits and $27,692 for accrued vacation), payable as described above, plus any accrued and unpaid base salary and bonus and unreimbursed business expenses.

2008 Equity Plan

The 2008 Equity Plan and each individual Stock Option Agreement provides for accelerated vesting of both Time Vesting Options and Performance Vesting Options granted under the 2008 Equity Plan upon a change of control if net cumulative cash proceeds received by our investors exceed certain multiples of their initial investment. If such a change in control occurred on December 31, 2009, each named executive officer's unvested Time Vesting Options and Performance Vesting Options would

immediately vest and become exercisable. The aggregate dollar value of unvested stock options held by such named executive officer on December 31, 2009 is as follows:

Name	Aggregate Dollar Value(1)
Larry Pickering	$ 2,832,421
Don Kiepert	$ 6,149,824
Robert Gaffey	$ 1,719,200
Mary Taylor	$ 65,000
Cyrille Villeneuve	$ 209,480

(1) The aggregate dollar value is the difference between the fair market value of shares of common stock on December 31, 2009 based upon an internal valuation model and the per share exercise price of each option, multiplied by the number of shares subject to the unvested option.

Director Compensation

The compensation paid to Messrs. Pickering and Kiepert, the Chairman of our Board of Directors and a Director, respectively, is reported in the Summary Plan Compensation Table as they were paid only as named executive officers in their capacities as Executive Chairman and President and Chief Executive Officer, respectively, during 2009. We do not compensate our board members with per meeting fees. Our directors are reimbursed for any expenses incurred in connection with their service.

Mr. Burgstahler is a Principal of Avista and does not receive any direct compensation for his service as a Director. We pay Avista a management fee of $1,000,000 annually pursuant to the Advisory Services and Management Agreement, dated as of January 8, 2008. See "Certain Relationships and Related Party Transactions—Advisory and Monitoring Services Agreement."

PRINCIPAL STOCKHOLDERS

Holdings indirectly owns all of our issued and outstanding capital stock through its direct subsidiary and our direct parent, Lantheus Intermediate. Avista Capital Partners, L.P., Avista Capital Partners (Offshore), L.P. and ACP-Lantern Co-Invest, LLC (together, the "Avista Entities")collectively own approximately 99.5% of Holdings' issued and outstanding capital stock. Avista Capital Partners GP, LLC ultimately exercises voting and dispositive power over the shares held by Avista Capital Partners, L.P., Avista Capital Partners (Offshore), L.P. and ACP-Lantern Co-Invest, LLC. Voting and disposition decisions at Avista Capital Partners GP, LLC with respect to such shares are made by an investment committee, the members of which are Thompson Dean, Steve Webster, David Burgstahler, David Durkin, Ohsang Kwon and Robert Cabes. In connection with the Acquisition, certain members of management purchased shares of Holdings' common stock equaling approximately 0.5% of Holdings' issued and outstanding capital stock.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The Board of Directors has the responsibility to review and approve all transactions or series of related financial transactions, arrangements or relationships between us and any related party if the amount involved exceeds $120,000. We do not otherwise have any policies or procedures for the review, approval or ratification of such transactions.

Shareholders Agreements

In connection with the Acquisition, Holdings entered into (i) a Shareholders Agreement with the Avista Entities and Don Kiepert, as Management Shareholder, dated January 8, 2008 and subsequently amended on February 26, 2008 (the "Management Shareholders Agreement") and (ii) an Employee Shareholders Agreement with the Avista Entities and certain employee shareholders named therein, dated as of May 30, 2008 (the "Employee Shareholders Agreement" and, collectively with the Management Shareholders Agreement, the "Shareholders Agreements"). The Shareholders Agreements governs the parties' respective rights, duties and obligations with respect to the ownership of the Holdings securities. Pursuant to the Shareholders Agreements, Avista has designation rights with respect to the composition of the Holdings board of directors and Avista is entitled to majority representation on any committee that the board creates. In addition, the Management Shareholder and the employee shareholders must vote their shares in such a manner that is consistent with the composition of the board designed by the Avista Entities.

Advisory and Monitoring Services Agreement

In connection with the closing of the Acquisition, we entered into an advisory services and monitoring agreement with Avista Capital Holdings, L.P. ("Avista Capital Holdings"), dated as of January 8, 2007 (the "Advisory Services and Monitoring Agreement"), pursuant to which ACP Lantern Acquisition, Inc. (a corporation which was merged into us as part of the Acquisition), paid Avista Capital Holdings a one time fee equal to $10 million for the consulting and advisory and monitoring services to us, our subsidiaries and our parent companies, in connection with the Acquisition. In addition, the agreement provides for the payment of an annual fee equal to $1 million as consideration for ongoing advisory services. To the extent of any future transaction entered into by us or our affiliates, Avista Capital Holdings will receive an additional fee that is reasonable and customary for the services it provides in connection with such future transaction. In addition, we will pay directly, or reimburse Avista Capital Holdings for, its out-of-pocket expenses in connection with its performance of services under the Advisory Services and Monitoring Agreement.

Quintiles Master Services Agreement

Effective as of June 30, 2009, we entered into a Master Services Agreement with Quintiles Commercial US, Inc. ("Quintiles") (formerly known as Innovex Inc.) to provide a contract sales force in connection with the launch and promotion of Ablavar. As of September 30, 2010, we have incurred costs associated with this contract of approximately $3.8 million. The Statement of Work under the Master Services Agreement relating to the contract sales force was extended on June 11, 2010and will terminate on December 31, 2010. John Pickering, a son of Larry Pickering, our Chairman of the Board, was a Director of Business Development for Quintiles during part of the term of the agreement. He left Quintiles in June 2010 prior to the Statement of Work extension.

McGladrey Engagement

In March 2010, we engaged RSM McGladrey, Inc. ("McGladrey") (formerly known as Caturano & Company), a tax and financial services consulting firm, to advise us about compliance requirements under the Sarbanes-Oxley Act. As of September 30, 2010, we have incurred costs associated with this engagement of approximately $150,000. Dan Gaffey, a son of Robert Gaffey, our Vice President of Finance and Information Technology and Treasurer, is a Vice President of McGladrey but has no other relationship with us and will not be working on the engagement in any capacity.

DESCRIPTION OF OTHER INDEBTEDNESS

The following is a summary of provisions relating to our indebtedness other than the notes offered hereby.

Revolving Credit Facility

We have a revolving credit facility (the "Revolving Credit Facility") with Bank of Montreal, as administrative agent (in such capacity, the "Administrative Agent"), Harris N.A., as collateral agent, each of the lenders party thereto (in such capacity, the "Lenders") and Lantheus Intermediate and Lantheus Real Estate, each as guarantors in respect thereto.

Under the terms of the Revolving Credit Facility, the Lenders have extended credit to us consisting of a revolving credit facility in an aggregate principal amount not to exceed $42.5 million at any time outstanding. The Revolving Credit Facility includes a subfacility for the issuance of letters of credit ("Letters of Credit"). We have a right to request an increase of the Revolving Credit Facility in an aggregate amount of up to $15 million.

The letters of credit and the borrowings under the Revolving Credit Facility are used for working capital and for other general corporate purposes. The Revolving Credit Facility matures on May 10, 2014.

In connection with Revolving Credit Facility, we have entered into several other agreements including, but not limited to, a pledge and security agreement, a guaranty and a mortgage.

Interest Rates and Fees

Borrowings under the Revolving Credit Facility bear interest at a rate per year equal to (a) a base rate determined by reference to the higher of (i) the rate of interest announced by the Administrative Agent as its prime commercial rate or similar rate, and (ii) the federal funds rate plus 0.50%, plus the applicable margin of 3.00%, or (b) a LIBOR rate plus the applicable margin of 4.00% in the case of LIBOR Rate loans. The LIBOR rate is subject to a minimum or "floor" of 1.50% and the Reference Rate is subject to a minimum or "floor" of 2.50%.

We paid certain fees to Bank of Montreal and Natixis (each in its capacity as lead arranger), the Administrative Agent and the Lenders in connection with the Revolving Credit Facility. In addition, under the Revolving Credit Facility, we are required to pay a commitment fee on the unused portion of the Revolving Credit Facility, which shall accrue at a rate per year 0.75% on the excess, if any, of the total revolving credit commitment over the sum of the average principal amount of all borrowings outstanding under the Revolving Credit Facility and Letters of Credit, payable quarterly in arrears. We are obligated to pay a fee for each issued Letter of Credit, equal to 4% per year of the daily balance of the undrawn amount of all outstanding Letters of Credit, payable in arrears each quarter.

Optional Prepayments

We are permitted to voluntarily prepay the Revolving Credit Facility, in whole or in part, without premium or penalty.

Mandatory Prepayments

There is no requirement to make prepayments of the Revolving Credit Facility.

Guarantee and Security

The Revolving Credit Facility is guaranteed by Lantheus Intermediate and Lantheus Real Estate, and obligations under the Revolving Credit Facility are secured by all the property and assets and all

interests of the loan parties, then owned or thereafter acquired, as provided for under the pledge and security agreement and the mortgage entered into in connection with the Revolving Credit Facility and subject to express limitations contained therein.

Covenants

The Revolving Credit Facility contains a number of affirmative, negative, reporting and financial covenants, in each case subject to certain exceptions and materiality thresholds. The affirmative covenants include, among other things, and subject to certain exceptions, requirements with respect to compliance with law; payment of taxes; maintenance of insurance; additional guarantees and security and after acquired property; preservation of existence, keeping records and maintaining property. The negative covenants restrict or limit, among other things, and subject to certain exceptions, grants of liens; incurrence of additional debt; changes in the nature of the business; transactions with affiliates; mergers with others; assets sales; certain investments and restricted payments; payment of dividends and other distributions to equity holders; prepayments of certain debt; capital expenditures; and grants of negative pledges. The reporting covenants include, among other things, requirements to provide the Lenders with notice of events of default; delivery of annual and quarterly financial statements; delivery of budgets, forecasts and management reports; providing information with respect to material litigation, breaches of material contracts, and termination events under our Employee Plan. The Revolving Credit Facility requires us to comply with a maximum net total leverage ratio and a minimum interest coverage ratio limits our total annual capital expenditures. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Sources of Liquidity."

Events of Default

The Revolving Credit Facility contains events of default, including, among other things, in each case subject to certain exceptions and materiality thresholds, failure to pay principal, interest and other payments when due; any representation or warranty incorrect in any material respect when made; default in the observance or performance of any other agreement or security document related to the Revolving Credit Facility beyond the applicable grace period; default in payment of an aggregate amount in excess of $10 million of principal or interest on any debt other than under the Revolving Credit Facility; commencement by or against us, Holdings or any of its subsidiaries seeking to adjudicate it bankrupt or insolvent, or seeking liquidation, winding up, reorganization, relief of it or its debt under any law relating to bankruptcy, insolvency or reorganization of relief of debtors, that remains undismissed, or unstayed for a period of 60 days; final payment judgments rendered against us or any of our Parent or our subsidiaries in excess of $10 million in aggregate principal amount and either (i) an enforcement proceeding shall have been commenced with respect thereto or (ii) there shall be a period of 45 consecutive days after entry thereof during which a stay of enforcement of such judgment shall not be in effect, or (iii) at any time during a stay of enforcement of such judgment, such judgment is not bonded in the full amount, unless the amount of such judgment is covered by a valid insurance and the claim thereunder has not been disputed; certain events leading to an Employee Retirement Income Security Act ("ERISA") withdrawal liability or termination event in excess of $10 million; and a change of control as defined under the Revolving Credit Facility.

Upon an event of default, the Administrative Agent has the right to declare the loans and other obligations outstanding immediately due and payable, and the Administrative Agent may, after such events of default, require us to make deposits with respect to any outstanding Letters of Credit in an amount equal to 105% of the greatest amount for which such Letter of Credit may be drawn.

DESCRIPTION OF THE EXCHANGE NOTES

General

The Restricted Notes were issued and the Exchange Notes will be issued under an indenture (the "Indenture"), dated as of May 10, 2010, among Lantheus Medical Imaging, Inc., as Issuer, Lantheus MI Intermediate, Inc. ("Parent") and all of the Issuer's direct and indirect wholly-owned Domestic Subsidiaries existing on the Issue Date, as Guarantors, and Wilmington Trust FSB, as Trustee (the "Trustee"). The term "notes" refers to the Restricted Notes, the Exchange Notes and any other notes issued under the Indenture. To the extent provided therein, the Indenture is subject to and governed by the Trust Indenture Act. The terms of the notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act. The following is a summary of the material terms and provisions of the notes, the Indenture and the registration rights agreement. The following summary does not purport to be a complete description of the notes or such agreements and is subject to the detailed provisions of, and qualified in its entirety by reference to, the Indenture and the registration rights agreement. You can find definitions of certain terms used in this description under the heading "—Certain Definitions." For purposes of this summary, the term "Issuer"refers only to Lantheus Medical Imaging, Inc., and not to any of its Subsidiaries.

Brief Description of the Notes and the Guarantees

The Notes

The notes are:

- general senior unsecured obligations of the Issuer;
- *pari passu* in right of payment with any existing and future senior unsecured Indebtedness of the Issuer;
- senior in right of payment to any future Subordinated Indebtedness of the Issuer;
- structurally subordinated to all liabilities and preferred stock of Subsidiaries of the Issuer that are not Guarantors;
- effectively subordinated to the Issuer's existing and future secured Indebtedness, including any Indebtedness under the Credit Agreement, to the extent of the value of the collateral securing such Indebtedness; and
- guaranteed on a senior unsecured basis by each Guarantor.

The Guarantees

The notes are guaranteed by Parent and all wholly-owned Subsidiaries of the Issuer (other than Unrestricted Subsidiaries and Foreign Subsidiaries).

Each Guarantee is:

- a general senior unsecured obligation of the Guarantor;
- *pari passu* in right of payment with any existing and future senior unsecured Indebtedness of the Guarantor;
- senior in right of payment to any future Subordinated Indebtedness of such Guarantor;
- structurally subordinated to all liabilities and preferred stock of any Subsidiaries of such Guarantor that are not Guarantors; and

- effectively subordinated to the guarantee of such Guarantor under any existing and future secured Indebtedness, including any Indebtedness under the Credit Agreement, to the extent of the value of the collateral owned by such Guarantor securing such Indebtedness.

As of the date of the Indenture, all of the Issuer's subsidiaries were "Restricted Subsidiaries." However, under the circumstances described below under the subheading "—Certain Covenants—Limitation on Restricted Payments," the Issuer will be permitted to designate certain of its Subsidiaries "Unrestricted Subsidiaries." The Issuer's Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture. The Issuer's Unrestricted Subsidiaries will not guarantee the notes.

Principal, Maturity and Interest

The Issuer issued $250.0 million aggregate principal amount of Restricted Notes. The notes will mature on May 15, 2017. The Issuer may issue additional notes from time to time under the Indenture ("Additional Notes"). Any offering of Additional Notes is subject to the covenants described below under the caption "Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock." The notes and any Additional Notes subsequently issued under the Indenture are treated as a single class for all purposes under the Indenture. Unless the context requires otherwise, references to "notes" for all purposes of the Indenture and this "Description of the Exchange Notes" include any Additional Notes that are actually issued. The notes were issued in minimum denominations of $2,000 and any integral multiple of $1,000 in excess thereof.

Interest on the notes accrue at the rate of 9.750% per annum and are payable semi-annually in arrears on May 15 and November 15, commencing on November 15, 2010, to Holders of record on the immediately preceding May 1 and November 1. Interest on the notes accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance of the notes. Interest is computed on the basis of a 360-day year comprised of twelve 30-day months.

Payments

Principal of, premium, if any, and interest on the notes will be payable at the office or agency of the Issuer maintained for such purpose or, at the option of the Issuer, payment of interest may be made by check mailed to the Holders of the notes at their respective addresses set forth in the register of Holders; *provided* that all payments of principal, premium, if any, and interest, if any, with respect to notes represented by one or more global notes registered in the name of or held by DTC or its nominee will be made by wire transfer of immediately available funds to the accounts specified by the Holder or Holders thereof. Until otherwise designated by the Issuer, the Issuer's office or agency will be the office of the Trustee maintained for such purpose.

Ranking

The Indebtedness evidenced by the notes and the Guarantees are senior Indebtedness of the Issuer or the applicable Guarantor, as the case may be, and rank *pari passu* in right of payment with all existing and future senior Indebtedness of the Issuer and the Guarantors, as the case may be. The notes are effectively subordinated to all existing and future secured Indebtedness, including any Indebtedness under the Credit Agreement, to the extent of the value of the collateral securing such Indebtedness. The Indebtedness evidenced by the notes and the Guarantees are senior in right of payment to all future Subordinated Indebtedness of the Issuer and the Guarantors, as the case may be.

Not all of our Subsidiaries guaranteed the notes. Unless the Subsidiary is a Guarantor, claims of creditors on such Subsidiaries, including trade creditors, and claims of preferred stockholders (if any) of such Subsidiaries generally will have priority with respect to the assets and earnings of such Subsidiaries over the claims of creditors of the Issuer, including the Holders of the notes. The notes, therefore, are

structurally subordinated to holders of Indebtedness and other creditors (including trade creditors) and preferred stockholders (if any) of Subsidiaries of the Issuer that are not Guarantors.

Although the Indenture contains limitations on the amount of additional Indebtedness that the Issuer and its Restricted Subsidiaries may incur, under certain circumstances the amount of such additional Indebtedness could be substantial. See "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" and "—Certain Covenants—Liens."

Guarantees

The Issuer's obligations under the notes and the Indenture are jointly and severally guaranteed on a senior unsecured basis (the "Guarantees") by each Guarantor, including Parent. Not all of our Subsidiaries guaranteed the notes. Unrestricted Subsidiaries and Foreign Subsidiaries will not be Guarantors. In the event of a bankruptcy, liquidation or reorganization of any of these non-Guarantor Subsidiaries, these non-Guarantor Subsidiaries will pay the holders of their debts and their trade creditors before they will be able to distribute any of their assets to us. For the nine months ended September 30, 2010, our non-Guarantor Subsidiaries accounted for approximately 22.0% of our total revenues. In addition, as of September 30, 2010, our non-Guarantor Subsidiaries held approximately 11.1% of our consolidated assets and had approximately 5.1% of liabilities (including trade payables), to which the notes and Guarantees would have been structurally subordinated.

As of the date of the Indenture, all of our Subsidiaries were "Restricted Subsidiaries." However, under the circumstances described below under the subheading "—Certain Covenants—Limitation on Restricted Payments," the Issuer is permitted to designate some of our Subsidiaries as "Unrestricted Subsidiaries." The effect of designating a Subsidiary as an "Unrestricted Subsidiary" is as follows:

- an Unrestricted Subsidiary will not be subject to any of the restrictive covenants in the Indenture;
- a Subsidiary that has previously been a Guarantor and that is designated an Unrestricted Subsidiary will be released from its Guarantee; and
- the assets, income, cash flow and other financial results of an Unrestricted Subsidiary will not be consolidated with those of the Issuer for purposes of calculating compliance with the restrictive covenants contained in the Indenture.

The obligations of each Guarantor under its Guarantee is limited to the maximum amount as will result in the obligations of such Guarantor under its Guarantee not constituting a fraudulent conveyance or fraudulent transfer under federal or state law. See "Risk Factors—Federal and state statutes allow courts, under specific circumstances, to avoid guarantees and to require noteholders to return payments received from us or the guarantors."

The Note Guarantee of any Guarantor other than Parent is automatically and unconditionally released upon the occurrence of any of the following:

(1) in connection with any sale or other disposition of all or substantially all of the assets of that Guarantor, by way of merger, consolidation or otherwise, to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, if the sale or other disposition does not violate the "Asset Sale" provisions of the Indenture;

(2) in connection with any sale or other disposition of Capital Stock of that Guarantor to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, if the sale or other disposition does not violate the "Asset Sale" provisions of the Indenture and the Guarantor ceases to be a Restricted Subsidiary of the Issuer as a result of the sale or other disposition;

(3) if the Issuer designates any Restricted Subsidiary that is a Guarantor to be an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture; or

(4) upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided below under the captions "—Legal Defeasance and Covenant Defeasance" and "—Satisfaction and Discharge," or

(5) if such Guarantee was created pursuant to the provisions set forth in the second paragraph of the covenant described under "Additional Note Guarantees," upon the release or discharge of the guarantee by such Guarantor of Indebtedness that resulted in the creation of such Guarantee, except a release or discharge by or as a result of payment under such guarantee.

Any direct or indirect parent of the Issuer may guarantee the notes on or after the Issue Date, but no value should be assigned to such guarantee, and such guarantor will not be subject to the covenants of the Indenture and such guarantee may be released at any time. Upon issuance thereof, the notes will be unconditionally guaranteed by Parent. Parent will not be subject to the covenants in the Indenture and you should not assign any value to such guarantee.

Mandatory Redemption; Open Market Purchases

Except to the extent that Issuer may be required to offer to purchase the notes as set forth below under "—Repurchase at the Option of Holders," the Issuer is not required to make mandatory redemption or sinking fund payments with respect to the notes. The Issuer may from time to time purchase notes in the open market or otherwise.

Optional Redemption

Except as described below, the notes are not redeemable at the Issuer's option until May 15, 2014. From and after May 15, 2014 the Issuer may redeem the notes, in whole or in part, upon not less than 30 nor more than 60 days' prior notice by first class mail, postage prepaid, with a copy to the Trustee, to each Holder of notes to the address of such Holder appearing in the security register at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest thereon, if any, to, but not including, the applicable redemption date, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date, if redeemed during the twelve-month period beginning on May 15, 2014 of each of the years indicated below:

Year	Percentage
2014	104.875%
2015	102.438%
2016 and thereafter	100.000%

In addition, prior to May 15, 2013, the Issuer may, at its option, redeem up to 35% of the aggregate principal amount of notes issued under the Indenture at a redemption price equal to 109.750% of the aggregate principal amount thereof, plus accrued and unpaid interest thereon, if any, to, but not including, the redemption date, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date, with the net proceeds of one or more Equity Offerings of the Issuer or any direct or indirect parent of the Issuer to the extent such net proceeds are contributed to the capital of the Issuer; *provided* that at least 65% of the sum of the aggregate principal amount of notes originally issued under the Indenture and any Additional Notes issued under the Indenture after the Issue Date (in each case excluding notes held by the Issuer and its Subsidiaries) remains outstanding immediately after the occurrence of each such redemption; *provided, further,* that each such redemption occurs within 90 days of the date of closing of each such Equity Offering.

At any time prior to May 15, 2014, the Issuer may also redeem all or a part of the notes, upon not less than 30 nor more than 60 days' prior notice mailed by first class mail to each Holder's registered address, with a copy to the Trustee, at a redemption price equal to 100% of the principal amount of notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to, but not including, the redemption date, subject to the rights of Holders of record on the relevant record date to receive interest due on the relevant interest payment date.

The Trustee shall select the notes to be purchased in the manner described under "—Repurchase at the Option of Holders—Selection and Notice

Notice of redemption upon any Equity Offering or in connection with a transaction (or series of related transactions) that constitute a Change of Control may, at the Issuer's option and discretion, be subject to one or more conditions precedent, including, but not limited to, completion of an Equity Offering or Change of Control, as the case may be.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, the Issuer will make an offer to purchase all of the notes pursuant to the offer described below (the "Change of Control Offer") at a price in cash (the "Change of Control Payment") equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest, if any, to, but not including, the date of purchase, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date. Within 30 days following any Change of Control, the Issuer will send notice of such Change of Control Offer by first class mail, with a copy to the Trustee, to each Holder of notes to the address of such Holder appearing in the security register or otherwise in accordance with the procedures of DTC, with the following information:

(1) that a Change of Control Offer is being made pursuant to the covenant entitled "Change of Control," and that all notes properly tendered pursuant to such Change of Control Offer will be accepted for payment;

(2) the purchase price and the purchase date, which will be no earlier than 30 days nor later than 60 days from the date such notice is mailed (the "Change of Control Payment Date");

(3) any note not properly tendered will remain outstanding and continue to accrue interest, if any;

(4) unless the Issuer defaults in the payment of the Change of Control Payment, all notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest on, but not including, the Change of Control Payment Date;

(5) Holders electing to have any notes purchased pursuant to a Change of Control Offer will be required to surrender the notes, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the notes completed, to the paying agent specified in the notice at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(6) Holders will be entitled to withdraw their tendered notes and their election to require the Issuer to purchase such notes; *provided* that the paying agent receives, not later than the close of business on the last day of the offer period, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder of the notes, the principal amount of notes tendered for purchase, and a statement that such Holder is withdrawing his tendered notes and his election to have such notes purchased;

(7) if such notice is mailed prior to the occurrence of a Change of Control, stating the Change of Control Offer is conditional on the occurrence of such Change of Control; and

(8) that Holders whose notes are being purchased only in part will be issued new notes equal in principal amount to the unpurchased portion of the notes surrendered, which unpurchased portion must be equal to $2,000 or an integral multiple of $1,000 in excess thereof.

While the notes are in global form and the Issuer makes an offer to purchase all of the notes pursuant to the Change of Control Offer, a Holder may exercise its option to elect for the purchase of the notes through the facilities of DTC, subject to its rules and regulations.

We will not be required to make a Change of Control Offer following a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by us and purchases all notes validly tendered and not withdrawn under such Change of Control Offer or (2) notice of redemption has been given pursuant to the Indenture as described under the caption "—Optional Redemption," unless and until there is a default in payment of the applicable redemption price. Notwithstanding anything to the contrary herein, a Change of Control Offer may be made in advance of a Change of Control, conditional upon such Change of Control.

The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with the repurchase of the notes pursuant to a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations described in the Indenture by virtue thereof.

On the Change of Control Payment Date, the Issuer will, to the extent permitted by law,

(1) accept for payment all notes or portions thereof properly tendered pursuant to the Change of Control Offer;

(2) deposit with the paying agent an amount equal to the aggregate Change of Control Payment in respect of all notes or portions thereof so tendered; and

(3) deliver, or cause to be delivered, to the Trustee for cancellation the notes so accepted together with an Officers' Certificate stating that such notes or portions thereof have been tendered to and purchased by the Issuer.

The paying agent will promptly deliver to each Holder of the notes the Change of Control Payment for each such Holder's notes, and the Trustee will promptly authenticate and deliver to each Holder a new note equal in principal amount to any unpurchased portion of notes surrendered by each such Holder, if any; *provided* that each such new note will be in a principal amount of $2,000 or an integral multiple of $1,000 in excess thereof. The Issuer will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The Credit Agreement provides (subject to limited exceptions), and future agreements relating to senior Indebtedness to which the Issuer becomes a party may, provide that certain change of control events with respect to the Issuer would constitute a default thereunder. In the event a Change of Control occurs at a time when the Issuer is prohibited from purchasing the notes, the Issuer could seek the consent of its lenders to permit the purchase of the notes or could attempt to refinance the borrowings that contain such prohibition. If the Issuer does not obtain such consent or repay such borrowings, the Issuer will remain prohibited from purchasing the notes and such default could result in amounts outstanding under the Credit Agreement being declared due and payable. In such case, the Issuer's failure to purchase tendered notes would constitute an Event of Default under the Indenture.

The Change of Control purchase feature of the notes may in certain circumstances make more difficult or discourage a sale or takeover of us and, thus, the removal of incumbent management. The Change of Control purchase feature is a result of negotiations between the initial purchasers of the notes and us. After the Issue Date, we have no present intention to engage in a transaction involving a Change of Control, although it is possible that we could decide to do so in the future. Subject to the limitations discussed below, we could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect our capital structure or credit ratings. Restrictions on our ability to incur additional Indebtedness are contained in the covenants described under "Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" and "Certain Covenants—Liens." Such restrictions in the Indenture can be waived only with the consent of the Holders of a majority in principal amount of the notes then outstanding. Except for the limitations contained in such covenants, however, the Indenture will not contain any covenants or provisions that may afford Holders of the notes protection in a highly levered transaction.

The definition of "Change of Control" includes a disposition of all or substantially all of the assets of the Issuer to certain Persons. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of the assets of the Issuer. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder of notes may require the Issuer to make an offer to repurchase the notes as described above.

The existence of a Holder's right to require the Issuer to repurchase such Holder's notes upon the occurrence of a Change of Control may deter a third party from seeking to acquire the Issuer in a transaction that would constitute a Change of Control.

The provisions under the Indenture relative to our obligation to make an offer to repurchase the notes as a result of a Change of Control may be waived or modified with the written consent of the holders of a majority in principal amount of the notes.

Asset Sales

The Indenture provides that the Issuer will not, and will not permit any Restricted Subsidiary to, cause, make or suffer to exist an Asset Sale, unless:

(1) the Issuer or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets sold or otherwise disposed of; and

(2) except in the case of a Permitted Asset Swap, at least 75% of the consideration therefor received by the Issuer or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents.

Within 365 days after the Issuer's or a Restricted Subsidiary's receipt of the Net Proceeds of any Asset Sale, the Issuer or such Restricted Subsidiary, at its option, may apply the Net Proceeds from such Asset Sale:

(1) to repay any Indebtedness of the Issuer or a Guarantor that is secured by a Lien, which Lien is permitted under the Indenture;

(2) to repay any Indebtedness of a Restricted Subsidiary that is not a Guarantor, other than Indebtedness owed to the Issuer or another Restricted Subsidiary;

(3) to make (a) an investment in any one or more businesses; *provided* that such investment in any business is in the form of the acquisition of Capital Stock and results in the Issuer or a Restricted Subsidiary, as the case may be, owning an amount of the Capital Stock of such business such that it constitutes a Restricted Subsidiary, (b) capital expenditures or (c) acquisitions of other assets that are not classified as current assets under GAAP (including assets that replace the businesses, properties and assets that are the subject of such Asset Sale), and in the case of each of clauses (a), (b) and (c), that are used or useful in a Similar Business; or

(4) to make one or more offers to the Holders of the notes (and, at the option of the Issuer, the holders of Other Pari Passu Obligations) to purchase notes (and such Other Pari Passu Obligations) pursuant to and subject to the conditions contained in the following paragraph (each, an "Asset Sale Offer").

Any Net Proceeds from the Asset Sales that are not invested or applied as provided and within the time period set forth in the immediately preceding paragraph will be deemed to constitute "Excess Proceeds." In the case of clause (3) above, a binding commitment shall be treated as a permitted application of the Net Proceeds from the date of such commitment; *provided* that the Issuer, or such other Restricted Subsidiary, enters into such commitment with the good faith expectation that such Net Proceeds will be applied to satisfy such commitment within 180 days of such binding commitment (an "Acceptable Commitment"); *provided, further,* that in the event any Acceptable Commitment is later cancelled or terminated for any reason before the Net Proceeds are applied in connection therewith, then such Net Proceeds will be deemed to be Excess Proceeds. When the aggregate amount of Excess Proceeds exceeds $15.0 million, the Issuer shall make one or more Asset Sale Offers to the Holders of the notes (and, at the option of the Issuer, the holders of Other Pari Passu Obligations) to purchase notes (and such Other Pari Passu Obligations), pursuant to and subject to the conditions and procedures contained in the Indenture, in a minimum denomination of $2,000 or an integral multiple of $1,000 in excess thereof that may be purchased out of the Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but not including, the date fixed for the closing of such offer, in accordance with the procedures set forth in the Indenture. The Issuer will commence an Asset Sale Offer with respect to Excess Proceeds within 30 days after the date that Excess Proceeds exceeds $15.0 million by mailing the notice required pursuant to the terms of the Indenture, with a copy to the Trustee. To the extent that the aggregate amount of notes and such Other Pari Passu Obligations tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Issuer may use any remaining Excess Proceeds for general corporate purposes, subject to other covenants contained in the Indenture. If the aggregate principal amount of notes or the Other Pari Passu Obligations surrendered by such holders thereof exceeds the amount of Excess Proceeds, the notes and such Other Pari Passu Obligations will be purchased on a pro rata basis (with such adjustments as needed so that no notes in unauthorized denominations are purchased in part) based on the accreted value or principal amount of the notes or such Other Pari Passu Obligations tendered. Upon completion of any such Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero.

For purposes of this covenant, the following are deemed to be cash or Cash Equivalents:

(1) any liabilities (as shown on the Issuer's or such Restricted Subsidiary's most recent internally available balance sheet or in the notes thereto) of the Issuer or any Restricted Subsidiary constituting Other Pari Passu Obligations or indebtedness of a non-Guarantor that are assumed by the transferee (or a third party on behalf of such transferee) pursuant to a customary novation or other agreement that releases the Issuer and all Restricted Subsidiaries from further liability;

(2) any securities received by the Issuer, a Guarantor or such Restricted Subsidiary from such transferee that are converted by the Issuer, Guarantor or such Restricted Subsidiary into cash (to the extent of the cash received) within 180 days following the later of the closing of such Asset Sale and the receipt of such securities; and

(3) any Designated Noncash Consideration received by the Issuer or any Restricted Subsidiary in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Noncash Consideration received pursuant to this clause (3) that is at that time outstanding, not to exceed the greater of (x) $10.0 million and (y) 2.5% of Total Assets at the time of the receipt of such Designated Noncash Consideration, with the Fair Market Value of each item of Designated Noncash Consideration being measured at the time received and without giving effect to subsequent changes in value.

Pending the final application of any Net Proceeds pursuant to this covenant, the holder of such Net Proceeds may apply such Net Proceeds temporarily to reduce Indebtedness outstanding under a revolving credit facility or otherwise invest such Net Proceeds in any manner not prohibited by the Indenture.

The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with the repurchase of the notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations described in the Indenture by virtue thereof.

Selection and Notice

If less than all of the notes or such Other Pari Passu Obligations are to be redeemed at any time, selection of such notes for redemption will be made by the Trustee in compliance with the requirements of the principal national securities exchange, if any, on which such notes are listed, or, if such notes are not so listed, on a pro rata basis unless otherwise required by law or depositary requirements; *provided* that no notes of $2,000 or less shall be purchased or redeemed in part.

Notices of purchase or redemption shall be mailed by the Issuer by first class mail, postage prepaid, at least 30 but not more than 60 days before the purchase or redemption date to each Holder of notes to be purchased or redeemed at such Holder's registered address with a copy to the Trustee. If any note is to be purchased or redeemed in part only, any notice of purchase or redemption that relates to such note shall state the portion of the principal amount thereof that has been or is to be purchased or redeemed.

A new note in principal amount equal to the unpurchased or unredeemed portion of any note purchased or redeemed in part will be issued in the name of the Holder thereof upon cancellation of the original note. On and after the purchase or redemption date, unless the Issuer defaults in payment of the purchase or redemption price, interest shall cease to accrue on notes or portions thereof purchased or called for redemption.

Certain Covenants

Limitation on Restricted Payments

The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly:

(1) declare or pay any dividend or make any distribution on account of the Issuer's or any Restricted Subsidiary's Equity Interests, including any dividend or distribution payable in connection with any merger or consolidation other than:

(a) dividends or distributions by the Issuer payable in Equity Interests (other than Disqualified Stock) of the Issuer; or

(b) dividends or distributions by a Restricted Subsidiary so long as, in the case of any dividend or distribution payable on or in respect of any class or series of securities issued by a Restricted Subsidiary other than a Wholly-Owned Subsidiary, the Issuer or a Restricted Subsidiary receives at least its pro rata share of such dividend or distribution in accordance with its Equity Interests in such class or series of securities;

(2) purchase, redeem, defease or otherwise acquire or retire for value any Equity Interests of the Issuer or any direct or indirect parent of the Issuer, including in connection with any merger or consolidation;

(3) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value in each case, prior to any scheduled repayment, sinking fund payment or maturity, any Subordinated Indebtedness, other than (x) the purchase, repurchase or other acquisition of Subordinated Indebtedness purchased in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of purchase, repurchase or acquisition and (y) Indebtedness of the Issuer to a Restricted Subsidiary or a Restricted Subsidiary to the Issuer or another Restricted Subsidiary; or

(4) make any Restricted Investment;

(all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "Restricted Payments"), unless, at the time of such Restricted Payment:

(a) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

(b) immediately after giving effect to such transaction on a pro forma basis, the Issuer could incur $1.00 of additional indebtedness under the provisions of the first paragraph of the covenant described "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock"; and

(c) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Issuer and its Restricted Subsidiaries after the Issue Date (including Restricted Payments permitted by clauses (1) and (7) of the next succeeding paragraph, but excluding all other Restricted Payments permitted by the next succeeding paragraph), is less than the sum of:

(1) 50% of the Consolidated Net Income of the Issuer for the period (taken as one accounting period) from the beginning of the first fiscal quarter commencing immediately prior to the Issue Date to the end of the Issuer's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment, or, in the case such Consolidated Net Income for such period is a deficit, minus 100% of such deficit, plus

(2) 100% of the aggregate net cash proceeds and the Fair Market Value of marketable securities or other property received by the Issuer after the Issue Date (other than net cash proceeds to the extent such net cash proceeds have been used to incur Indebtedness, Disqualified Stock or preferred stock pursuant to clause (13)(b) of the second paragraph of "Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock") from the issue or sale of:

(A) Equity Interests of the Issuer and, to the extent actually contributed to the Issuer, Equity Interests of any direct or indirect parent company, excluding cash proceeds and the Fair Market Value of marketable securities or other property received from the sale of Equity Interests to members of management, directors or consultants of the Issuer, any direct or indirect parent of the Issuer and the Issuer's Subsidiaries after the Issue Date to the extent such amounts have been applied to Restricted Payments made in accordance with clause (4) of the next succeeding paragraph; or

(B) debt securities or Disqualified Stock of the Issuer or any Restricted Subsidiary that have been converted into or exchanged for such Equity Interests of the Issuer or its direct or indirect parents;

provided, however, that this clause (2) shall not include the proceeds from (a) Refunding Capital Stock (as defined below), (b) Equity Interests or converted or exchanged debt securities of the Issuer sold to a Restricted Subsidiary or the Issuer, as the case may be, (c) Disqualified Stock or debt securities that have been converted into or exchanged for Disqualified Stock, (d) Excluded Contributions or (e) Designated Preferred Stock, plus

(3) 100% of the aggregate amount of cash and the Fair Market Value of marketable securities or other property contributed to the capital of the Issuer following the Issue Date (other than net cash proceeds to the extent such net cash proceeds have been used to incur Indebtedness, Disqualified Stock or preferred stock pursuant to clause (13)(b) of the second paragraph of "Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock") (other than by a Restricted Subsidiary and other than any proceeds from Excluded Contributions and Designated Preferred Stock), plus

(4) 100% of the aggregate amount received in cash and the Fair Market Value of marketable securities or other property received by the Issuer or a Restricted Subsidiary by means of:

(A) the sale or other disposition (other than to the Issuer or a Restricted Subsidiary) of Restricted Investments made by the Issuer and its Restricted Subsidiaries and repurchases and redemptions of such Restricted Investments from the Issuer and its Restricted Subsidiaries (other than by the Issuer or a Restricted Subsidiary) and repayments of loans or advances, and any releases of guarantees, which constitute Restricted Investments by the Issuer and its Restricted Subsidiaries in each case after the Issue Date; or

(B) the sale or other disposition (other than to the Issuer or a Restricted Subsidiary) of the stock of an Unrestricted Subsidiary (other than to the extent such Investment constituted a Permitted Investment) or a dividend or distribution from an Unrestricted Subsidiary in each case after the Issue Date; plus

(5) if after the Issue Date an Unrestricted Subsidiary is designated as a Restricted Subsidiary, the Fair Market Value of the Investment in such Unrestricted Subsidiary as of the date of the designation of such Unrestricted Subsidiary as a Restricted Subsidiary, other than to the extent such Investment constituted a Permitted Investment.

The foregoing provisions will not prohibit:

(1) the payment of any dividend or distribution within 60 days after the date of declaration thereof, if at the date of declaration such payment would have complied with the provisions of the Indenture and the redemption of any Indebtedness that is subordinated in right of payment to the notes or the Note Guarantees within 60 days after the date on which notice of such redemption was given, if at said date of the giving of such notice, such redemption would have complied with the provisions of the Indenture;

(2) any Restricted Payment in exchange for, or out of the proceeds of the substantially concurrent sale (other than to the Issuer or a Restricted Subsidiary) of, Equity Interests of the Issuer or of a direct or indirect parent company of the Issuer contributed to the capital of the Issuer (in each case, other than any Disqualified Stock) ("Refunding Capital Stock");

(3) the defeasance, redemption, repurchase or other acquisition or retirement of Subordinated Indebtedness of the Issuer or a Guarantor made by exchange for, or out of the proceeds of the substantially concurrent sale of, new Indebtedness of the Issuer or a Guarantor, as the case may be, which is incurred in compliance with "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" so long as:

(a) the principal amount (or accreted value) of such new Indebtedness does not exceed the principal amount, plus any accrued and unpaid interest of the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired for value, plus the amount of any premium and any reasonable tender premiums, defeasance costs or other fees and expenses incurred in connection with the issuance of such new Indebtedness,

(b) such new Indebtedness is subordinated to the notes or the applicable Guarantee at least to the same extent as such Subordinated Indebtedness so redeemed, repurchased, acquired or retired,

(c) such new Indebtedness has a final scheduled maturity date equal to or later than the final scheduled maturity date of the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired, and

(d) such new Indebtedness has a Weighted Average Life to Maturity which is not less than the remaining Weighted Average Life to Maturity of the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired;

(4) a Restricted Payment to pay for the repurchase, retirement or other acquisition or retirement for value of common Equity Interests of the Issuer or any of its direct or indirect parents held by any future, present or former employee, officer, director or consultant of the Issuer, any of its Subsidiaries or any of its direct or indirect parents (or any spouses, successors, executors, administrators, heirs or legatees of any of the foregoing) pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or other agreement or arrangement; *provided*, *however*, that the aggregate Restricted Payments made under this clause (4) in any calendar year may not exceed the sum of (x) $2.0 million and (y) the aggregate amount of Restricted Payments permitted (but not made) pursuant to this clause (4) in the immediately preceding calendar year; *provided, further,* that such amount in any calendar year may be increased by an amount not to exceed:

(a) the cash proceeds from the sale of Equity Interests (other than Disqualified Stock) of the Issuer and, to the extent contributed to the Issuer, Equity Interests of any of the Issuer's direct or indirect parents, in each case to employees, directors, officers or consultants of the Issuer, any of its Subsidiaries or any of its direct or indirect parents that occurred after the Issue Date, to the extent the cash proceeds from the sale of such Equity

Interests have not otherwise been applied to the payment of Restricted Payments by virtue of clause (c) of the preceding paragraph, plus

(b) the cash proceeds of key man life insurance policies received by the Issuer and its Restricted Subsidiaries after the Issue Date; less

(c) the amount of any Restricted Payments previously made pursuant to clauses (a) and (b) of this clause (4);

provided that the Issuer may elect to apply all or any portion of the aggregate increase contemplated by subclauses (a) and (b) above in any calendar year; *provided*, *further* that cancellation of Indebtedness owing to the Issuer or any of its Restricted Subsidiaries from employees, officers, directors or consultants of the Issuer, any of its Subsidiaries or its direct or indirect parent companies in connection with a repurchase of Equity Interests of the Issuer or any direct or indirect parent company will not be deemed to constitute a Restricted Payment for purposes of this covenant or any other provisions of the Indenture;

(5) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Issuer or any other Restricted Subsidiary issued in accordance with the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" to the extent such dividends are included in the definition of Fixed Charges;

(6) repurchases of Equity Interests of the Issuer or any of its direct or indirect parents deemed to occur upon exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price of such options or warrants and repurchases of Equity Interests or options to purchase Equity Interests deemed to occur in connection with the exercise of stock options to the extent necessary to pay applicable withholding taxes;

(7) the declaration and payment of dividends on the Issuer's common stock (or the payment of dividends to any direct or indirect parent entity to fund a payment of dividends on such entity's common stock), following the first public offering of the Issuer's common stock or the common stock of any of its direct or indirect parent companies after the Issue Date, of up to 6% per annum of the net cash proceeds received by or contributed to the Issuer from any such public offering, other than public offerings with respect to the Issuer's or such direct or indirect parent company's common stock registered on Form S-8 and other than any public sale constituting an Excluded Contribution;

(8) Restricted Payments that are made with Excluded Contributions;

(9) other Restricted Payments in an aggregate amount taken together with all other Restricted Payments made pursuant to this clause (9) not to exceed $5.0 million;

(10) the declaration and payment of dividends by the Issuer to, or the making of loans to, its direct or indirect parent in amounts required for either of their respective direct or indirect parents to pay:

(a) franchise taxes and other fees, taxes and expenses required to maintain their corporate existence;

(b) federal, foreign, state and local income taxes of a consolidated or combined tax group of which the direct or indirect parent is the common parent (within 30 days of receipt of such proceeds from the Issuer), to the extent such income taxes are solely attributable to the income of the Issuer and the Restricted Subsidiaries and not directly payable by the Issuer or the Restricted Subsidiaries; *provided*, that in each case the amount of such payments in any fiscal year does not exceed the amount that the Issuer and its Restricted

Subsidiaries would be required to pay in respect of federal, foreign, state and local income taxes for such fiscal year were the Issuer and its Restricted Subsidiaries required to pay such taxes separately from any parent entity; *provided*, *further*, that, to the extent such proceeds from the Issuer are not used to pay such taxes within such 30-day period, such unused proceeds shall be promptly returned to the Issuer;

(c) general corporate overhead expenses of any direct or indirect parent of the Issuer, to the extent such expenses are attributable to the ownership or operation of the Issuer and the Restricted Subsidiaries;

(d) fees, indemnities and expenses incurred in connection with the issuance and sale of the notes and the use of proceeds therefrom or amounts payable to the Sponsor or its Affiliates pursuant to the management agreement to the extent permitted pursuant to clause (3) of the covenant described under "—Transactions with Affiliates";

(e) indemnification obligations of any direct or indirect parent of the Issuer owing to directors, officers, employees or other Affiliates of the Issuer under its charter or by-laws or pursuant to written agreements with such Person, or obligations in respect of director and officer insurance (including any premiums therefor);

(f) customary salary, bonus, contributions to pension and 401(k) plans, deferred compensation and other benefits payable to directors, officers and employees of any direct of indirect parent of the Issuer to the extent such amounts are attributable to the ownership or operation of the Issuer and its Subsidiaries (other than pursuant to clause (4) above); and

(g) any amounts required for any direct or indirect parent of the Issuer to pay reasonable fees and expenses, other than to Affiliates of the Issuer, related to any equity or debt offering of such parent (whether or not successful);

(11) Restricted Payments by the Issuer or any Restricted Subsidiary to allow the payment of cash in lieu of the issuance of fractional shares upon the exercise of options or warrants or upon the conversion or exchange of Capital Stock of any such Person;

(12) the purchase by the Issuer of fractional shares arising out of stock dividends, splits or combinations or business combinations;

(13) payments or distributions to dissenting stockholders pursuant to applicable law, pursuant to or in connection with a consolidation, merger or transfer of all or substantially all of the assets of the Issuer and its Restricted Subsidiaries, taken as a whole, that complies with the covenant described under "—Merger, Consolidation or Sale of All or Substantially All Assets";

(14) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness required pursuant to the provisions similar to those described under the captions "—Repurchase at the Option of Holders—Change of Control" and "—Repurchase at the Option of Holders—Asset Sales"; *provided* that there is a concurrent or prior Change of Control Offer or Asset Sale Offer, as applicable, and all notes tendered by holders of the notes in connection with such Change of Control Offer or Asset Sale Offer, as applicable, have been repurchased, redeemed or acquired for value;

(15) at any time prior to the date that is the second annual anniversary of the Issue Date, the declaration and payment of a dividend to the direct parent of the Issuer out of the net cash proceeds of the substantially concurrent sale (other than to the Issuer or a Restricted Subsidiary) of unsecured debt securities of the Issuer after the date of the Indenture; *provided*, *however* that (i) at the time of such incurrence of such unsecured debt securities and after giving pro forma effect thereto, the Consolidated Annualized Leverage Ratio for the Issuer's

most recently ended two fiscal quarters for which internal financial statements are available immediately preceding the date on which such debt is incurred would have been no greater than 2.75 to 1.0 and (ii) the aggregate amount of Restricted Payments made pursuant to this clause (16) may not exceed $150.0 million;

provided, *however*, that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (9), (14) and (16), no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof.

As of the time of issuance of the notes, all of the Issuer's Subsidiaries were Restricted Subsidiaries. The Issuer will not permit any Unrestricted Subsidiary to become a Restricted Subsidiary except pursuant to the last sentence of the definition of "Unrestricted Subsidiary." For purposes of designating any Restricted Subsidiary as an Unrestricted Subsidiary, all outstanding Investments by the Issuer and its Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated will be deemed to be Restricted Payments in an amount determined as set forth in the last sentence of the definition of "Investment." Such designation will be permitted only if a Restricted Payment in such amount would be permitted at such time, whether pursuant to the first paragraph of this covenant or under clause (8) or (9) of the second paragraph of this covenant, or pursuant to the definition of "Permitted Investments," and if such Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. Unrestricted Subsidiaries are not subject to any of the restrictive covenants set forth in the Indenture.

Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock.

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise (collectively, "incur" and collectively, an "incurrence") with respect to any Indebtedness (including Acquired Indebtedness) and the Issuer will not issue any shares of Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of Disqualified Stock or preferred stock; *provided*, *however*, that the Issuer may incur Indebtedness (including Acquired Indebtedness) or issue shares of Disqualified Stock, and any Guarantor may incur Indebtedness (including Acquired Indebtedness), issue shares of Disqualified Stock or issue shares of preferred stock, if the Fixed Charge Coverage Ratio for the Issuer and its Restricted Subsidiaries for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or preferred stock is issued would have been at least 2.0 to 1.0, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred, or the Disqualified Stock or preferred stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.

The foregoing limitations will not apply to:

(1) the incurrence of Indebtedness of the Issuer or any of its Restricted Subsidiaries under Credit Facilities in an aggregate amount at any time outstanding not to exceed $42.5 million;

(2) the incurrence by the Issuer and any Guarantor of Indebtedness represented by the notes (including any Guarantee) (other than any Additional Notes);

(3) Existing Indebtedness (other than Indebtedness described in clauses (1) and (2));

(4) Indebtedness (including Capitalized Lease Obligations) incurred, or Disqualified Stock and preferred stock issued, by the Issuer or any of its Restricted Subsidiaries to finance the purchase, lease or improvement of property (real or personal) or equipment that is used or useful in a Similar Business, whether through the direct purchase of assets or the Capital Stock of any Person owning such assets, in an aggregate principal amount which, when aggregated with the principal amount of all other Indebtedness, Disqualified Stock and

preferred stock then outstanding and incurred pursuant to this clause (4) and including all Refinancing Indebtedness incurred to refund, refinance or replace any other Indebtedness, Disqualified Stock and preferred stock incurred pursuant to this clause (4), does not exceed the greater of (x) $15.0 million and (y) 2.75% of Total Assets as of the date of such incurrence;

(5) Indebtedness incurred by the Issuer or any of its Restricted Subsidiaries constituting reimbursement obligations with respect to letters of credit and bank guarantees issued in the ordinary course of business, including without limitation letters of credit in respect of workers' compensation claims, health, disability or other benefits to employees or former employees or their families or property, casualty or liability insurance or self-insurance, or other Indebtedness with respect to reimbursement type obligations regarding workers' compensation claims; *provided*, *however*, that upon the drawing of such letters of credit or the incurrence of such Indebtedness, such obligations are reimbursed within 30 days following such drawing or incurrence;

(6) Indebtedness arising from agreements of the Issuer or any of its Restricted Subsidiaries providing for indemnification, adjustment of purchase price or similar obligations, in each case, incurred or assumed in connection with the disposition of any business, assets or a Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or a Subsidiary for the purpose of financing such acquisition; *provided*, *however*, that the maximum assumable liability in respect of all such Indebtedness shall at no time exceed the gross proceeds including non-cash proceeds (the Fair Market Value of such non-cash proceeds being measured at the time received and without giving effect to any subsequent changes in value) actually received by the Issuer and its Restricted Subsidiaries in connection with such disposition;

(7) Indebtedness of the Issuer to a Restricted Subsidiary; *provided* that, other than in the case of intercompany current liabilities incurred in the ordinary course of business in connection with the cash management operations of the Issuer and its Restricted Subsidiaries to finance working capital needs of the Restricted Subsidiaries, any such Indebtedness owing to a non-Guarantor is expressly subordinated in right of payment to the notes; *provided, further,* that any subsequent issuance or transfer of any Equity Interests or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to the Issuer or another Restricted Subsidiary) shall be deemed, in each case, to be an incurrence of such Indebtedness not permitted by this clause (7);

(8) Indebtedness of a Restricted Subsidiary to the Issuer or another Restricted Subsidiary; *provided* that, other than in the case of intercompany current liabilities incurred in the ordinary course of business in connection with the cash management operations of the Issuer and its Restricted Subsidiaries to finance working capital needs of the Restricted Subsidiaries, if a Guarantor owes such Indebtedness to a Restricted Subsidiary that is not the Issuer or a Guarantor such Indebtedness is expressly subordinated in right of payment to the Guarantee of such Guarantor; *provided, further,* that, in the case of Indebtedness to another Restricted Subsidiary, any subsequent issuance or transfer of any Equity Interests or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary, or any other subsequent transfer of any such Indebtedness (except to the Issuer or another Restricted Subsidiary) shall be deemed, in each case, to be an incurrence of such Indebtedness not permitted by this clause (8);

(9) shares of preferred stock of a Restricted Subsidiary issued to the Issuer or another Restricted Subsidiary; *provided* that any subsequent issuance or transfer of any Capital Stock or any other

event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such shares of preferred stock (except to the Issuer or another Restricted Subsidiary) shall be deemed, in each case, to be an issuance of such shares of preferred stock not permitted by this clause (9);

(10) Hedging Obligations (excluding Hedging Obligations entered into for speculative purposes) incurred in the ordinary course of business;

(11) Indebtedness and other obligations in respect of performance, bid, appeal and surety bonds and completion guarantees and other obligations of a like nature provided by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business, including, but not limited to, Indebtedness with respect to a guarantee, surety bond or other Contingent Obligation, in form and substance sufficient to satisfy the requirements set forth at 10 CFR 30.35 or comparable state regulations, as applicable, the face amount of which shall be adjusted from time to time in accordance with applicable regulations to reflect adjustments to the decommissioning funding plan for any of the facilities of the Issuer or any of its Restricted Subsidiaries;

(12) Indebtedness of any Guarantor in respect of such Guarantor's Guarantee;

(13) Indebtedness, Disqualified Stock and preferred stock of the Issuer or any of the Guarantors not otherwise permitted hereunder in an aggregate principal amount or liquidation preference which when aggregated with the principal amount and liquidation preference of all other Indebtedness, Disqualified Stock and preferred stock then outstanding and incurred pursuant to this clause (13), including all Refinancing Indebtedness incurred to refund, refinance or replace any other Indebtedness, Disqualified Stock or preferred stock incurred pursuant to this clause (13), does not at any one time outstanding exceed the sum of (a) $15.0 million and (b) up to 100.0% of the net cash proceeds received by the Issuer since after the Issue Date from the issue or sale of Equity Interests of the Issuer or cash contributed to the capital of the Issuer (in each case, other than proceeds of Disqualified Stock or sale of Equity Interests to the Issuer or any of its Subsidiaries) to the extent that such net proceeds or cash have not been applied pursuant to clause (4) of the first paragraph of the covenant described under "—Limitation on Restricted Payments" or to make other Investments, payments or exchanges pursuant to the second paragraph of the covenant "Limitation on Restricted Payments" or to make Permitted Investments (other than Permitted Investments specified in clauses (1) and (3) of the definition thereof);

(14) (a) any guarantee by the Issuer or a Guarantor of Indebtedness or other obligations of any of its Restricted Subsidiaries so long as the incurrence of such Indebtedness incurred by such Restricted Subsidiary is permitted under the terms of the Indenture, or

(b) any guarantee by a Restricted Subsidiary of Indebtedness of the Issuer or another Restricted Subsidiary so long as the incurrence of such Indebtedness incurred by the Issuer or such other Restricted Subsidiary is permitted under the terms of the Indenture;

provided, in each case, that if the Indebtedness being guaranteed is subordinated to or *pari passu* with the notes, then the guarantee shall be subordinated or *pari passu*, as applicable, to the same extent as the Indebtedness guaranteed;

(15) the incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness, Disqualified Stock or preferred stock which serves to refund or refinance any Indebtedness, Disqualified Stock or preferred stock incurred under the first paragraph of this covenant, clauses (2), (3) and (13) above and this clause (15) and clauses (19) and (21) below, including additional Indebtedness, Disqualified Stock or preferred stock incurred to pay premiums (including tender premiums), defeasance costs and fees in connection therewith (the "Refinancing Indebtedness") prior to its respective maturity; *provided*, *however*, that:

(a) such Refinancing Indebtedness has a Weighted Average Life to Maturity at the time such Refinancing Indebtedness is incurred which is not less than the remaining Weighted Average Life to Maturity of the Indebtedness, Disqualified Stock or preferred stock being refunded or refinanced;

(b) to the extent such Refinancing Indebtedness refinances (i) Indebtedness subordinated or *pari passu* in right of payment to the notes or any Guarantee of the notes, such Refinancing Indebtedness is subordinated or *pari passu* in right of payment to the notes or such Guarantee at least to the same extent as the Indebtedness being refinanced or refunded or (ii) Disqualified Stock or preferred stock, such Refinancing Indebtedness must be Disqualified Stock or preferred stock, respectively; and

(c) such Refinancing Indebtedness shall not include

(x) Indebtedness, Disqualified Stock or preferred stock of a non-Guarantor Subsidiary that refinances Indebtedness, Disqualified Stock or preferred stock of the Issuer;

(y) Indebtedness, Disqualified Stock or preferred stock of a non-Guarantor Subsidiary that refinances Indebtedness, Disqualified Stock or preferred stock of a Guarantor; or

(z) Indebtedness, Disqualified Stock or preferred stock of the Issuer or a Restricted Subsidiary that refinances Indebtedness, Disqualified Stock or preferred stock of an Unrestricted Subsidiary;

provided, *further* that subclause (a) of this clause (15) will not apply to any refunding or refinancing of Indebtedness under a Credit Facility that is secured by a Lien that is permitted to be incurred under the Indenture;

(16) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; *provided* that such Indebtedness is extinguished within five Business Days of its incurrence;

(17) Indebtedness of the Issuer or any of its Restricted Subsidiaries supported by a letter of credit issued pursuant to a Credit Facility, in a principal amount not in excess of the stated amount of such letter of credit;

(18) Indebtedness of the Issuer or any of its Restricted Subsidiaries (i) incurred in connection with the financing of insurance premiums or (ii) in the form of take-or-pay obligations contained in supply arrangements, in each case, in the ordinary course of business;

(19) Indebtedness of Foreign Subsidiaries in an aggregate principal amount at any time outstanding, pursuant to this clause (19), including all Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (19), not to exceed the greater of (a) $15.0 million and (b) 10.0% of Total Assets of Foreign Subsidiaries as of the date of such incurrence;

(20) Indebtedness owed on a short-term basis of no longer than 30 days to banks and other financial institutions incurred in the ordinary course of business of the Issuer and the

Restricted Subsidiaries with such banks or financial institutions that arises in connection with ordinary cash management activities of the Issuer and the Restricted Subsidiaries;

(21) Indebtedness, Disqualified Stock or preferred stock of (x) the Issuer or a Guarantor incurred to finance an acquisition or assumed by the Issuer or any Guarantor in connection with any acquisition or (y) Persons that are acquired by the Issuer or any Guarantor or merged into the Issuer or a Guarantor in accordance with the terms of the Indenture; *provided*, that after giving effect to such acquisition or merger, either:

(a) the Issuer would be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first sentence of this covenant; or

(b) the Fixed Charge Coverage Ratio is greater than immediately prior to such acquisition or merger; and

(22) cash management obligations and Indebtedness in respect of netting services, employee credit card programs and similar arrangements in connection with cash management and deposit accounts.

For purposes of determining compliance with this covenant, in the event that an item of Indebtedness, Disqualified Stock or preferred stock meets the criteria of more than one of the categories of permitted Indebtedness, Disqualified Stock or preferred stock described in clauses (1) through (22) above or is entitled to be incurred pursuant to the first paragraph of this covenant, the Issuer, in its sole discretion, may classify or reclassify such item of Indebtedness in any manner that complies with this covenant and the Issuer may divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in the first and second paragraphs above. Notwithstanding the foregoing, Indebtedness under the Credit Agreement outstanding on the Issue Date will initially be deemed to have been incurred on such date in reliance on the exception provided by clause (1) of the second paragraph of this covenant. Accrual of interest, the accretion of accreted value and the payment of interest in the form of additional Indebtedness, Disqualified Stock or preferred stock will not be deemed to be an incurrence of Indebtedness, Disqualified Stock or preferred stock for purposes of this covenant; *provided*, in each such case (other than with respect to the notes), that the amount of such accrual, accretion or payment is included in Fixed Charges of the Issuer as accrued.

For purposes of determining compliance with any U.S. Dollar-denominated restriction on the incurrence of Indebtedness, the U.S. Dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; *provided* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. Dollar denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. Dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced.

The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

The Indenture provides that the Issuer will not, and will not permit any Guarantor to, directly or indirectly, incur any Indebtedness (including Acquired Indebtedness) that is subordinated or junior in right of payment to any Indebtedness of the Issuer or such Guarantor, as the case may be, unless such

Indebtedness is expressly subordinated in right of payment to the notes or such Guarantor's guarantee to the same extent as such Indebtedness is subordinated in right of payment to other Indebtedness of the Issuer or such Guarantor as the case may be.

The Indenture does not treat (1) unsecured Indebtedness as subordinated or junior to secured Indebtedness merely because it is unsecured or (2) Indebtedness as subordinated or junior to any other Indebtedness merely because it has a junior priority with respect to the same collateral.

Liens

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien that secures obligations under any Indebtedness on any asset now owned or hereafter acquired, except Permitted Liens, unless the notes and related Guarantees, as applicable, are equally and ratably secured with the obligations so secured and, if such Lien secures subordinated Indebtedness, the notes are secured by a Lien on the same assets which is senior to such Lien securing such subordinated Indebtedness to the same extent as the notes are senior to such subordinated Indebtedness, in each case, until such time as such obligations are no longer secured by a Lien.

Merger, Consolidation or Sale of All or Substantially All Assets

The Issuer may not consolidate or merge with or into or wind up into (whether or not the Issuer is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions, to any Person unless:

(1) the Issuer is the surviving corporation or the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a Person organized or existing under the laws of the United States, any state thereof, the District of Columbia, or any territory thereof (such Person, as the case may be, being herein called the "Successor Company");

(2) the Successor Company, if other than the Issuer, expressly assumes all the obligations of the Issuer under the Indenture and the notes pursuant to supplemental indentures or other documents or instruments in form reasonably satisfactory to the Trustee;

(3) immediately after such transaction no Default or Event of Default exists;

(4) immediately after giving pro forma effect to such transaction, as if such transaction had occurred at the beginning of the applicable four-quarter period,

  (A) the Successor Company would be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first sentence of the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" or

  (B) the Fixed Charge Coverage Ratio for the Successor Company and the Restricted Subsidiaries would be equal to or greater than such ratio for the Issuer and the Restricted Subsidiaries immediately prior to such transaction;

(5) if the Successor Company is not the Issuer, each Guarantor, unless it is the other party to the transactions described above, in which case clause (2) of the second succeeding paragraph shall apply, shall have by supplemental indenture confirmed that its Guarantee shall apply to such Person's obligations under the Indenture and the notes; and

(6) the Issuer shall have delivered to the Trustee an Officers' Certificate and an opinion of counsel, each stating that such consolidation, merger or transfer and such supplemental indentures, if any, comply with the Indenture.

The Successor Company will succeed to, and be substituted for the Issuer under the Indenture and the notes. Notwithstanding the foregoing clauses (3) and (4),

(1) the Issuer or any Restricted Subsidiary may consolidate with, merge into or transfer all or part of its properties and assets to the Issuer or a Guarantor; and

(2) the Issuer may merge with an Affiliate incorporated solely for the purpose of reincorporating the Issuer in another State of the United States so long as the amount of Indebtedness of the Issuer and the Restricted Subsidiaries is not increased thereby.

Subject to certain limitations described in the Indenture governing release of a Guarantee upon the sale, disposition or transfer of a Guarantor, each Guarantor will not, and the Issuer will not permit any Guarantor to, consolidate or merge with or into or wind up into (whether or not such Guarantor is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions to, any Person unless:

(1) such Guarantor is the surviving Person or the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a Person organized or existing under the laws of the United States, any state thereof, the District of Columbia, or any territory thereof (such Guarantor or such Person, as the case may be, being herein called the "Successor Person");

(2) the Successor Person, if other than such Guarantor, expressly assumes all the obligations of such Guarantor under the Indenture and such Guarantor's Guarantee pursuant to supplemental indentures or other documents or instruments in form reasonably satisfactory to the Trustee;

(3) immediately after such transaction no Default or Event of Default exists;

(4) the Issuer shall have delivered to the Trustee an Officers' Certificate and an opinion of counsel, each stating that such consolidation, merger or transfer and such supplemental indentures, if any, comply with the Indenture; and

(5) the transaction is made in compliance with the covenant described under "—Repurchase at the Option of Holders—Asset Sales."

Subject to certain limitations described in the Indenture, the Successor Person will succeed to, and be substituted for, such Guarantor under the Indenture and such Guarantor's Guarantee. Notwithstanding the foregoing, any Guarantor may merge into or transfer all or part of its properties and assets to another Guarantor or the Issuer.

Transactions with Affiliates

The Issuer will not, and will not permit any Restricted Subsidiary to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Issuer (each of the foregoing, an "Affiliate Transaction") involving aggregate payments or consideration in excess of $1.0 million, unless:

(a) such Affiliate Transaction is on terms that are not materially less favorable to the Issuer or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Issuer or such Restricted Subsidiary with an unrelated Person; and

(b) the Issuer delivers to the Trustee

(1) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate payments or consideration in excess of $10.0 million, a resolution adopted by the majority of the disinterested members of the Board of Directors approving such Affiliate Transaction and set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with this covenant; and

(2) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate payments or consideration in excess of $20.0 million, an opinion as to the fairness to the Issuer or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an Independent Financial Advisor.

The foregoing provisions will not apply to the following:

(1) transactions between or among the Issuer and/or any of the Restricted Subsidiaries;

(2) Restricted Payments permitted by the provisions of the Indenture described above under the covenant "—Limitation on Restricted Payments" and Permitted Investments;

(3) the payment of management, consulting, monitoring and advisory fees and related expenses to Sponsor and its Affiliates pursuant to the management agreement, as in effect on the Issue Date and the termination fees pursuant to the management agreement, or any amendment thereto so long as any such amendment is not materially adverse in the good faith judgment of the Issuer to the Holders, when taken as a whole;

(4) the payment of reasonable and customary fees paid to, and indemnities (including the advancement of legal expenses) provided on behalf of, officers, directors, employees or consultants of the Issuer, any of its direct or indirect parents or any Restricted Subsidiary;

(5) payments or loans (or cancellation of loans) to employees or consultants of the Issuer, any of its direct or indirect parents or any Restricted Subsidiary which are made in the ordinary course of business and approved by a majority of the Board of Directors of the Issuer in good faith;

(6) any agreement (other than the management agreement) as in effect as of the Issue Date, or any amendment thereto (so long as any such amendment, taken as a whole, is not materially less favorable to the Issuer and its Restricted Subsidiaries than the agreement in effect on the date of the Indenture (as determined by the Board of Directors of the Issuer in good faith));

(7) the existence of, or the performance by the Issuer or any of its Restricted Subsidiaries of its obligations under the terms of, any stockholders agreement (including any registration rights agreement or purchase agreement related thereto) to which it is a party as of the Issue Date and any similar agreements which it may enter into thereafter; *provided*, *however*, that the existence of, or the performance by the Issuer or any Restricted Subsidiary of obligations under any future amendment to any such existing agreement or under any similar agreement entered into after the Issue Date shall only be permitted by this clause (7) to the extent that the terms of any such amendment or new agreement, taken as a whole, is not materially less favorable to the Issuer and its Restricted Subsidiaries than the agreement in effect on the date of the Indenture (as determined by the Board of Directors of the Issuer in good faith);

(8) transactions with customers, clients, suppliers, purchasers or sellers of goods or services that are Affiliates, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture which are fair to the Issuer and the Restricted Subsidiaries, in the reasonable determination of the Board of Directors of the Issuer or the senior management thereof, or are on terms at least as favorable as would reasonably have been

obtained at such time from an unaffiliated party (as determined by the Board of Directors of the Issuer in good faith);

(9) the issuance of Equity Interests (other than Disqualified Stock) of the Issuer to any Affiliate of the Issuer;

(10) transactions or payments pursuant to any employee, officer or director compensation or benefit plans, employment agreements, severance agreement, indemnification agreements or any similar arrangements entered into in the ordinary course of business or approved in good faith by the Board of Directors of the Issuer;

(11) transactions in the ordinary course of business with (i) Unrestricted Subsidiaries or (ii) joint ventures in which the Issuer or a Subsidiary of the Issuer holds or acquires an ownership interest (whether by way of Capital Stock or otherwise) so long as the terms of any such transactions are no less favorable to the Issuer or Subsidiary participating in such joint ventures than they are to other joint venture partners;

(12) transactions in which the Issuer or any Restricted Subsidiary, as the case may be, delivers to the Trustee a letter from an Independent Financial Advisor stating that such transaction is fair to the Issuer or such Restricted Subsidiary from a financial point of view or meets the requirements of clause (a) of the preceding paragraph;

(13) investments by the Sponsor or any of its Related Parties in securities of the Issuer or any of its Restricted Subsidiaries (and payment of reasonable out-of-pocket expenses incurred by such investors in connection therewith) so long as the investment is being offered generally to other investors on the same or more favorable terms;

(14) any tax sharing agreement or arrangement and payments pursuant thereto among the Issuer, its direct or indirect parents and its Subsidiaries and any other Person with which the Issuer or its Subsidiaries is required or permitted to file a consolidated, combined or unitary tax return or with which the Issuer or any of its Restricted Subsidiaries is or could be part of a consolidated, combined or unitary group for tax purposes; *provided* that in each case the amount of such payments in any fiscal year does not exceed the amount that the Issuer, its Restricted Subsidiaries and its Unrestricted Subsidiaries (to the extent of amounts received from Unrestricted Subsidiaries) would be required to pay in respect of foreign, federal, state and local taxes for such fiscal year were the Issuer and its Restricted Subsidiaries (to the extent described above) to pay such taxes separately from any such parent entity;

(15) licenses of, or other grants of rights to use, intellectual property granted by the Issuer or any Restricted Subsidiary in the ordinary course of business; and

(16) transactions with a Person (other than an Unrestricted Subsidiary of the Issuer) that is an Affiliate of the Issuer solely because the Issuer owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person.

Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any such Restricted Subsidiary to:

(a) (1) pay dividends or make any other distributions to the Issuer or any Restricted Subsidiary on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits, or

(2) pay any Indebtedness owed to the Issuer or any Restricted Subsidiary;

(b) make loans or advances to the Issuer or any Restricted Subsidiary; or

(c) sell, lease or transfer any of its properties or assets to the Issuer or any Restricted Subsidiary,

except (in each case) for such encumbrances or restrictions existing under or by reason of:

(1) contractual encumbrances or restrictions in effect on the Issue Date, including, without limitation, pursuant to the Credit Agreement and its related documentation;

(2) the Indenture and the notes;

(3) purchase money obligations for property acquired in the ordinary course of business that impose restrictions of the nature discussed in clause (c) above on the property so acquired;

(4) applicable law or any applicable rule, regulation or order;

(5) any agreement or other instrument of a Person acquired by the Issuer or any Restricted Subsidiary in existence at the time of such acquisition (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired;

(6) contracts for the sale of assets, including, without limitation, customary restrictions with respect to a Subsidiary pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock or assets of such Subsidiary that impose restrictions on the assets to be sold;

(7) secured Indebtedness otherwise permitted to be incurred pursuant to the covenants described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" and "—Liens" that limit the right of the debtor to dispose of the assets securing such Indebtedness;

(8) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(9) customary provisions in joint venture agreements and other similar agreements relating solely to such joint venture;

(10) customary provisions contained in leases, licenses or similar agreements, including with respect to intellectual property and other agreements, entered into in the ordinary course of business;

(11) any such encumbrance or restriction pursuant to an agreement governing Indebtedness incurred pursuant to clause (1) of the second paragraph of the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock," which encumbrances or restrictions are, in the good faith judgment of the Issuer's Board of Directors, no more restrictive, taken as a whole, than any such encumbrances or restrictions pursuant to the Credit Agreement on the Issue Date;

(12) other Indebtedness, Disqualified Stock or preferred stock of Foreign Subsidiaries permitted to be incurred subsequent to the Issue Date pursuant to the provisions of the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" that impose restrictions solely on the Foreign Subsidiaries party thereto; and

(13) any encumbrances or restrictions of the type referred to in clauses (a), (b) and (c) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (1) through (12) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Issuer's Board of Directors, no more restrictive, taken as a whole, with respect to such encumbrance and other restrictions than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

Additional Note Guarantees

If the Issuer or any of its Restricted Subsidiaries acquires or creates another Wholly-Owned Domestic Subsidiary after the date of the Indenture, then that newly acquired or created Wholly-Owned Domestic Subsidiary will become a Guarantor and execute a supplemental indenture within 30 days of the date on which it was acquired or created.

The Issuer will not permit any of its Restricted Subsidiaries, directly or indirectly, to guarantee or pledge any assets to secure the payment of any other Indebtedness of the Issuer or any other Guarantor unless such Restricted Subsidiary within 30 days executes and delivers a supplemental indenture providing for the Guarantee of the payment of the notes by such Restricted Subsidiary; *provided*, that if the Indebtedness being guaranteed is subordinated to or *pari passu* with the notes, then the guarantee of such other Indebtedness must be subordinated or *pari passu*, as applicable to the same extent as the Indebtedness guaranteed.

Business Activities

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, engage in any business other than Similar Businesses, except to such extent as would not be material to the Issuer and its Restricted Subsidiaries taken as a whole.

Reports and Other Information

Whether or not required by the rules and regulations of the Commission, so long as any notes are outstanding, the Issuer will furnish to the Holders or cause the Trustee to furnish to the Holders (or file with the Commission for public availability), within the time periods specified in the Commission's rules and regulations:

(1) all quarterly and annual reports that would be required to be filed with the Commission on Forms 10-Q and 10-K if the Issuer were required to file such reports, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report thereon by the Issuer' certified independent accountants; and

(2) all current reports that would be required to be filed with the Commission on Form 8-K if the Issuer were required to file such reports.

Notwithstanding the foregoing, prior to the effectiveness of the exchange offer registration statement or a shelf registration statement contemplated by the registration rights agreement, (i) such requirements, with regard to the applicable periods, shall be deemed satisfied by the filing with the Commission of an exchange offer registration statement or a shelf registration statement, and any amendments thereto, with such financial and other information that satisfies Regulation S-X of the Securities Act, subject to exceptions consistent with the presentation of financial information in this prospectus, and the information requirements of this covenant within the time periods and in

accordance with the other provisions of the registration rights agreement, and (ii) such requirements with respect to quarterly and annual reports, with regard to the applicable periods, shall be deemed satisfied by furnishing to the Holders within 15 days of the date the Issuer would have been required to file annual and interim reports with the Commission, the financial information (including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" section) that would be required to be included in such reports (and with respect to the annual information only, a report thereon by the Issuer's certified independent accountants), subject to exceptions consistent with the presentation of financial information in this prospectus and excluding, for the avoidance of doubt, any certifications required by Sections 302 and 906 of the Sarbanes-Oxley Act.

Except as provided in the immediately preceding paragraph, all such reports will be prepared in all material respects in accordance with all of the rules and regulations applicable to such reports. In addition, following the consummation of the exchange offer contemplated by the registration rights agreement, the Issuer will file a copy of each of the reports referred to in clauses (1) and (2) above with the Commission for public availability within the time periods specified in the rules and regulations applicable to such reports (unless the Commission will not accept such a filing) and will post the reports on its website within those time periods. The Issuer will at all times comply with TIA §314(a).

If, at any time after consummation of the exchange offer contemplated by the registration rights agreement, the Issuer is no longer subject to the periodic reporting requirements of the Exchange Act for any reason, the Issuer will nevertheless continue filing the reports specified in the preceding paragraphs of this covenant with the Commission within the time periods specified above unless the Commission will not accept such a filing. The Issuer will not take any action for the purpose of causing the Commission not to accept any such filings. If, notwithstanding the foregoing, the Commission will not accept the Issuer's filings for any reason, the Issuer will post the reports referred to in the preceding paragraphs on its website within the time periods that would apply if the Issuer were required to file those reports with the Commission.

If the Issuer has designated any of its Subsidiaries as Unrestricted Subsidiaries, then the quarterly and annual financial information required by the preceding paragraphs will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in Management's Discussion and Analysis of Financial Condition and Results of Operations, of the financial condition and results of operations of the Issuer and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Issuer. Notwithstanding the foregoing, (a) so long as Parent, or any direct or indirect parent holding company of the Issuer, is a Guarantor of the notes, the reports, information and other documents required to be filed and provided as described hereunder may, at the Issuer's option, be filed by and be those of Parent or such other direct or indirect parent holding company of the Issuer rather than the Issuer and (b) in the event that Parent or such other direct or indirect parent holding company of the Issuer conducts any business or holds any significant assets other than the capital stock of the Issuer at the time of filing and providing any such report, information or other document containing financial statements of Parent or such other direct or indirect parent holding company of the Issuer, Parent or such other direct or indirect parent holding company of the Issuer shall include in such report, information or other document summarized financial information (as defined in Rule 1-02(bb) of Regulation S-X promulgated by the Commission) with respect to the Issuer.

In addition, the Issuer and the Guarantors agree that, for so long as any notes remain outstanding, if at any time they are not required to file with the Commission the reports required by the preceding paragraphs, they will furnish to the Holders of notes and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Events of Default and Remedies

The following events constitute "Events of Default" under the Indenture:

(1) default in payment when due and payable, upon redemption, acceleration or otherwise, of principal of, or premium, if any, on the notes issued under the Indenture;

(2) default for 30 days or more in the payment when due of interest on or with respect to the notes issued under the Indenture;

(3) failure by the Issuer or any Guarantor for 60 days after receipt of written notice given by the Trustee or the Holders of at least 25% in principal amount of the notes then outstanding and issued under the Indenture to comply with any of its other agreements in the Indenture or the notes;

(4) default under any mortgage, indenture or instrument under which there is issued or by which there is secured or evidenced any Indebtedness for money borrowed by the Issuer or any Restricted Subsidiary or the payment of which is guaranteed by the Issuer or any Restricted Subsidiary, other than Indebtedness owed to the Issuer or a Restricted Subsidiary, whether such Indebtedness or guarantee now exists or is created after the issuance of the notes, if both:

(a) such default either:

(i) results from the failure to pay any principal of such Indebtedness at its stated final maturity (after giving effect to any applicable grace periods); or

(ii) relates to an obligation other than the obligation to pay principal of any such Indebtedness at its stated final maturity and results in the holder or holders of such Indebtedness causing such Indebtedness to become due prior to its stated maturity; and

(b) the principal amount of such Indebtedness, together with the principal amount of any other such Indebtedness in default for failure to pay principal at stated final maturity (after giving effect to any applicable grace periods), or the maturity of which has been so accelerated, aggregates $10.0 million or more at any one time outstanding;

(5) failure by the Issuer or any Significant Subsidiary to pay final judgments aggregating in excess of $10.0 million, which final judgments remain unpaid, undischarged and unstayed for a period of more than 60 days after such judgment becomes final, and in the event such judgment is covered by insurance, an enforcement proceeding has been commenced by any creditor upon such judgment or decree which is not promptly stayed;

(6) certain events of bankruptcy or insolvency with respect to the Issuer or any Significant Subsidiary; or

(7) the Guarantee of any Significant Subsidiary shall for any reason cease to be in full force and effect or be declared null and void or any responsible officer of any Guarantor that is a Significant Subsidiary, as the case may be, denies that it has any further liability under its Guarantee or gives notice to such effect, other than by reason of the termination of the related Indenture or the release of any such Guarantee in accordance with the Indenture.

If any Event of Default (other than of a type specified in clause (6) above) occurs and is continuing under the Indenture, the Trustee or the Holders of at least 25% in principal amount of the then outstanding notes issued under the Indenture may declare the principal, premium, if any, and interest and any other monetary obligations on all the then outstanding notes issued under the Indenture to be due and payable immediately.

Upon the effectiveness of such declaration, such principal and interest will be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default arising under clause (6) of the first paragraph of this section, all outstanding notes will become due and payable without further action or notice. Holders may not enforce the Indenture or the notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in principal amount of the then outstanding notes issued under the Indenture may direct the Trustee in its exercise of any trust or power. The Indenture provides that the Trustee may withhold from Holders notice of any continuing Default or Event of Default, except a Default or Event of Default relating to the payment of principal, premium, if any, or interest if it determines that withholding notice is in their interest. In addition, the Trustee shall have no obligation to accelerate the notes if the Trustee reasonably determines that acceleration is not in the best interest of the Holders of such notes.

The Indenture provides that the Holders of a majority in aggregate principal amount of the then outstanding notes issued thereunder by notice to the Trustee may on behalf of the Holders of all of such notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of interest on, premium, if any, or the principal of any such note held by a non-consenting Holder. In the event of any Event of Default specified in clause (4) above, such Event of Default and all consequences thereof (excluding any resulting payment default, other than as a result of the acceleration of the notes) shall be annulled, waived and rescinded, automatically and without any action by the Trustee or the Holders, if within 20 days after such Event of Default arose:

(x) the Indebtedness or guarantee that is the basis for such Event of Default has been discharged;

(y) the holders thereof have rescinded or waived the acceleration, notice or action (as the case may be) giving rise to such Event of Default; or

(z) the default that is the basis for such Event of Default has been cured.

The Indenture provides that the Issuer is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Issuer is required, within five Business Days, upon becoming aware of any Default or Event of Default or any default under any document, instrument or agreement representing Indebtedness of the Issuer or any Guarantor, to deliver to the Trustee a statement specifying such Default or Event of Default.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Issuer or any Guarantor or any of their parent companies shall have any liability for any obligations of the Issuer or the Guarantors under the notes, the Guarantees or the Indenture or for any claim based on, in respect of, or by reason of such obligations or their creation. Each Holder by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes. Such waiver may not be effective to waive liabilities under the federal securities laws and it is the view of the Commission that such a waiver is against public policy.

Legal Defeasance and Covenant Defeasance

The obligations of the Issuer and the Guarantors under the Indenture will terminate (other than certain obligations) and will be released upon payment in full of all of the notes issued under the Indenture. The Issuer may, at its option and at any time, elect to have all of its obligations discharged with respect to the notes issued under the Indenture and have each Guarantor's obligation discharged

with respect to its Guarantee ("Legal Defeasance") and cure all then existing Events of Default except for:

(1) the rights of Holders of notes issued under the Indenture to receive payments in respect of the principal of, premium, if any, and interest on such notes when such payments are due solely out of the trust created pursuant to the Indenture,

(2) the Issuer's obligations with respect to notes issued under the Indenture concerning issuing temporary notes, registration of such notes, mutilated, destroyed, lost or stolen notes and the maintenance of an office or agency for payment and money for security payments held in trust,

(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer's obligations in connection therewith, and

(4) the Legal Defeasance provisions of the Indenture.

In addition, the Issuer may, at its option and at any time, elect to have its obligations and those of each Guarantor released with respect to certain covenants that are described in the Indenture ("Covenant Defeasance") and thereafter any omission to comply with such obligations shall not constitute a Default or Event of Default with respect to the notes. In the event Covenant Defeasance occurs, certain events (not including bankruptcy, receivership, rehabilitation and insolvency events pertaining to the Issuer) described under "Events of Default and Remedies" will no longer constitute an Event of Default with respect to the notes.

In order to exercise either Legal Defeasance or Covenant Defeasance with respect to the notes issued under the Indenture:

(1) the Issuer must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in U.S. Dollars, Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest due on the notes issued under the Indenture on the stated maturity date or on the redemption date, as the case may be, of such principal, premium, if any, or interest on the notes;

(2) in the case of Legal Defeasance, the Issuer shall have delivered to the Trustee an opinion of counsel in the United States (such counsel to be reasonably acceptable to the Trustee) confirming that, subject to customary assumptions and exclusions,

(a) the Issuer has received from, or there has been published by, the United States Internal Revenue Service a ruling or

(b) since the issuance of the notes, there has been a change in the applicable U.S. federal income tax law,

in either case to the effect that, and based thereon such opinion of counsel in the United States shall confirm that, subject to customary assumptions and exclusions, the Holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuer shall have delivered to the Trustee an opinion of counsel in the United States (such counsel to be reasonably acceptable to the Trustee) confirming that, subject to customary assumptions and exclusions, the Holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in

the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default (other than that resulting from borrowing funds to be applied to make such deposit or the granting of Liens in connection therewith) shall have occurred and be continuing on the date of such deposit;

(5) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under the Credit Agreement or any other material agreement or instrument (other than the Indenture) to which, the Issuer or any Guarantor is a party or by which the Issuer or any Guarantor is bound (other than that resulting from borrowing funds to be applied to make such deposit and the granting of Liens in connection therewith);

(6) the Issuer shall have delivered to the Trustee an Officers' Certificate stating that the deposit was not made by the Issuer with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuer or any Guarantor or others; and

(7) the Issuer shall have delivered to the Trustee an Officers' Certificate and an opinion of counsel in the United States (which opinion of counsel may be subject to customary assumptions and exclusions) each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance, as the case may be, have been complied with.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all notes issued thereunder, when either:

(a) all such notes theretofore authenticated and delivered, except lost stolen or destroyed notes which have been replaced or paid and notes for whose payment money has theretofore been deposited in trust, have been delivered to the Trustee for cancellation; or

(b) (1) all such notes not theretofore delivered to such Trustee for cancellation have become due and payable by reason of the making of a notice of redemption or otherwise or will become due and payable within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuer and the Issuer or any Guarantor has irrevocably deposited or caused to be deposited with such Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. Dollars, Government Securities, or a combination thereof, in such amounts as will be sufficient without consideration of any reinvestment of interest to pay and discharge the entire indebtedness on such notes not theretofore delivered to the Trustee for cancellation for principal, premium, if any, and accrued interest to the date of maturity or redemption;

(2) no Default or Event of Default (other than that resulting from borrowing funds to be applied to make such deposit or the granting of Liens in connection therewith) with respect to the Indenture or the notes issued thereunder shall have occurred and be continuing on the date of such deposit or shall occur as a result of such deposit and such deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Issuer or any Guarantor is a party or by which the Issuer or any Guarantor is bound (other than an instrument to be terminated contemporaneously with or prior to the borrowing of funds to be applied to make such deposit and the granting of Liens in connection therewith);

(3) the Issuer has paid or caused to be paid all sums payable by it under the Indenture; and

(4) the Issuer has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of such notes at maturity or the redemption date, as the case may be.

In addition, the Issuer must deliver an Officers' Certificate and an opinion of counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Paying Agent and Registrar for the Notes

The initial paying agent for the notes is the Trustee. The initial registrar is the Trustee. The registrar maintains a register reflecting ownership of the notes outstanding from time to time and will make payments on and facilitate transfer of notes on behalf of the Issuer.

The Issuer may change the paying agents or the registrars without prior notice to the Holders. The Issuer or any Restricted Subsidiary may act as a paying agent or registrar.

Transfer and Exchange

A Holder may transfer or exchange notes in accordance with the Indenture. The registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Issuer may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Issuer is not required to transfer or exchange any note selected for redemption. Also, the Issuer is not required to transfer or exchange any note for a period of 15 days before a selection of notes to be redeemed.

The registered Holder of a note will be treated as the owner of the note for all purposes.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, the Indenture, any related Guarantee and the notes issued thereunder may be amended or supplemented with the consent of the Holders of at least a majority in principal amount of the notes then outstanding and issued under the Indenture, including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, notes, and any existing Default or Event of Default or compliance with any provision of the Indenture or the notes issued thereunder may be waived with the consent of the Holders of a majority in principal amount of the then outstanding notes issued under the Indenture, other than notes beneficially owned by the Issuer or its Affiliates (including consents obtained in connection with a purchase of or tender offer or exchange offer for notes).

The Indenture provides that, without the consent of each Holder affected, an amendment or waiver may not, with respect to any notes issued under the Indenture and held by a non-consenting Holder:

(1) reduce the principal amount of notes whose Holders must consent to an amendment, supplement or waiver,

(2) reduce the principal of or change the fixed maturity of any such note or alter or waive the provisions with respect to the redemption of the notes (other than provisions relating to the covenants described above under the caption "—Certain Covenants—Repurchase at the Option of Holders"),

(3) reduce the rate of or change the time for payment of interest on any note,

(4) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on the notes issued under the Indenture, except a rescission of acceleration of the notes by the Holders of at least a majority in aggregate principal amount of the notes and a

waiver of the payment default that resulted from such acceleration, or in respect of a covenant or provision contained in the Indenture or any guarantee which cannot be amended or modified without the consent of all Holders,

(5) make any note payable in money other than that stated in the notes,

(6) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of Holders to receive payments of principal of or premium, if any, or interest on the notes,

(7) make any change in these amendment and waiver provisions,

(8) impair the right of any Holder to receive payment of principal of, or interest on such Holder's notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's notes,

(9) except as expressly permitted by the Indenture, modify the Guarantees of any Significant Subsidiary in any manner adverse to the Holders of the notes, or

(10) make any change to or modify the ranking of the notes that would adversely affect the Holders.

Notwithstanding the foregoing, without the consent of any Holder, the Issuer, any Guarantor (with respect to a Guarantee or the Indenture to which it is a party) and the Trustee may amend or supplement the Indenture, any Guarantee, or the notes:

(1) to cure any ambiguity, omission, mistake, defect or inconsistency;

(2) to provide for uncertificated notes in addition to or in place of certificated notes;

(3) to comply with the covenant relating to mergers, consolidations and sales of assets;

(4) to provide for the assumption of the Issuer's or any Guarantor's obligations to the Holders;

(5) to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the rights under the Indenture of any such Holder;

(6) to add covenants for the benefit of the Holders or to surrender any right or power conferred upon the Issuer;

(7) to comply with requirements of the Commission in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act;

(8) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee pursuant to the requirements thereof;

(9) to provide for the issuance of exchange notes or private exchange notes, which are identical to exchange notes except that they are not freely transferable;

(10) to add or release a Guarantor under the Indenture in accordance with the terms of the Indenture;

(11) to conform the text of the Indenture, Guarantees or the notes to any provision of this "Description of the Exchange Notes" to the extent that such provision in this "Description of the Exchange Notes" was intended (as evidenced by an officers' certificate of the Issuer delivered to the Trustee) to be a verbatim recitation of a provision of the Indenture, the Guarantees, or the notes;

(12) to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture as of the date of the Indenture;

(13) to make any changes with respect to the rights or obligations of the Trustee or other provisions relating to the Trustee that do not adversely affect the rights of any Holder in any material respect; or

(14) to make any amendment to the provisions of the Indenture relating to the transfer and legending of notes as permitted by the Indenture, including, without limitation to facilitate the issuance and administration of the notes; provided, however, that (i) compliance with the Indenture as so amended would not result in the notes being transferred in violation of the Securities Act or any applicable securities law and (ii) such amendment does not materially and adversely affect the rights of the Holders to transfer the notes.

The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

Notices

Notices given by publication will be deemed given on the first date on which publication is made and notices given by first-class mail, postage prepaid, will be deemed given five calendar days after mailing.

Concerning the Trustee

The Indenture contains certain limitations on the rights of the Trustee, should it become a creditor of the Issuer, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Commission for permission to continue or resign.

The Indenture provides that the Holders of a majority in principal amount of the outstanding notes issued thereunder will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture provides that in case an Event of Default shall occur (which shall not be cured), the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent person in the conduct of his own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder of the notes, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

Governing Law

The Indenture, the notes and the Guarantees are governed by and construed in accordance with the laws of the State of New York.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided. For purposes of the Indenture, unless otherwise specifically indicated, the term "consolidated" with respect to any Person refers to such Person consolidated with its Restricted Subsidiaries, and excludes from such consolidation any Unrestricted Subsidiary as if such Unrestricted Subsidiary were not an Affiliate of such Person.

"Acquired Indebtedness" means, with respect to any specified Person,

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Restricted Subsidiary of such specified Person, including, without limitation, Indebtedness incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Restricted Subsidiary of such specified Person, and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

"Annualized EBITDA" means, with respect to any Person, the product of (x) the EBITDA of such Person from the most recently ended two fiscal quarters for which internal financial statements are available, times (y) two.

"Applicable Premium" means, with respect to any note on any Redemption Date, the greater of:

(1) 1.0% of the principal amount of the note on such Redemption Date; or

(2) the excess (if any) of:

(a) the present value at such Redemption Date of (i) the redemption price of the note at May 15, 2014 (such redemption price being set forth in the table appearing above under the caption "—Optional Redemption") *plus* (ii) all required interest payments due on the note through May 15, 2014 (excluding accrued but unpaid interest to the Redemption Date), computed using a discount rate equal to the Treasury Rate as of such Redemption Date plus 50 basis points; over

(b) the principal amount of the note on such Redemption Date, if greater.

"Asset Sale" means

(1) the sale, conveyance, transfer or other disposition, whether in a single transaction or a series of related transactions, of property or assets (including by way of a sale and leaseback) of the Issuer or any Restricted Subsidiary (each referred to in this definition as a "disposition"), or

(2) the issuance or sale of Equity Interests of any Restricted Subsidiary, whether in a single transaction or a series of related transactions (other than preferred stock of Restricted Subsidiaries issued in compliance with the covenant described under "—Certain Covenants —Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock"), in each case, other than:

(a) a disposition of Cash Equivalents, Investment Grade Securities or obsolete, damaged or worn out equipment or other assets (including leaseholds) in the ordinary course of business or a disposition of inventory or goods held for sale in the ordinary course of business;

(b) the disposition of all or substantially all of the assets of the Issuer in a manner permitted pursuant to the provisions described above under "—Certain Covenants—Merger, Consolidation or Sale of All or Substantially All Assets" or any disposition that constitutes a Change of Control pursuant to the Indenture;

(c) the making of any Restricted Payment or Permitted Investment that is permitted to be made under, and is made in accordance with, the covenant described above under "—Certain Covenants—Limitation on Restricted Payments;"

(d) any disposition of assets or issuance or sale of Equity Interests of any Restricted Subsidiary in any transaction or series of transactions with an aggregate Fair Market Value of less than $5.0 million;

(e) any disposition of property or assets or issuance of securities by a Restricted Subsidiary to the Issuer or by the Issuer or a Restricted Subsidiary to a Restricted Subsidiary;

(f) to the extent allowable under Section 1031 of the Internal Revenue Code of 1986, any exchange of like property (excluding any boot thereon) for use in a Similar Business;

(g) the lease, assignment, sub-lease or license of any real or personal property in the ordinary course of business;

(h) any issuance or sale of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary;

(i) foreclosures, condemnation or any similar action on assets;

(j) the surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claim of any kind, in each case, in the ordinary course of business;

(k) the creation of a Lien in accordance with the Indenture;

(l) any financing transaction with respect to property built or acquired by the Issuer or any Restricted Subsidiary after the Issue Date, including, without limitation, sale leasebacks and asset securitizations permitted by the Indenture;

(m) dispositions of Investments or receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings;

(n) the sale of Permitted Investments (other than sales of Equity Interests of any of the Issuer's Restricted Subsidiaries) made by the Issuer or any Restricted Subsidiary after the Issue Date, if such Permitted Investments were (a) received in exchange for, or purchased out of the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Issuer) of, Equity Interests of the Issuer (other than Disqualified Stock) or (b) received in the form of, or were purchased from the proceeds of, a substantially concurrent contribution of common equity capital to the Issuer;

(o) the sale or discount of inventory, accounts receivable or notes receivable in the ordinary course of business or the conversion of accounts receivable to notes receivable;

(p) the abandonment of intellectual property rights in the ordinary course of business, which in the good faith determination of the Issuer are not material to the conduct of the business of the Issuer and its Restricted Subsidiaries taken as a whole; and

(q) the licensing or sub-licensing of intellectual property or other general intangibles in the ordinary course of business.

"Business Day" means any day other than a Saturday, a Sunday or a day on which banking institutions in the City of New York or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a legal holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a legal holiday, and no interest shall accrue on such payment for the intervening period.

"Capital Stock" means

(1) in the case of a corporation, corporate stock,

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock,

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited), and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"Capitalized Lease Obligation" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP.

"Cash Equivalents" means

(1) United States dollars,

(2) pounds sterling,

(3) (a) euro, or any national currency of any participating member state in the European Union,

(b) Canadian dollars,

(c) Japanese Yen, or

(d) in the case of any Foreign Subsidiary that is a Restricted Subsidiary, such local currencies held by them from time to time in the ordinary course of business,

(4) securities issued or directly and fully and unconditionally guaranteed or insured by the United States government or any agency or instrumentality thereof, the securities of which are unconditionally guaranteed as a full faith and credit obligation of such government, with maturities of 12 months or less from the date of acquisition,

(5) certificates of deposit, time deposits and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year and overnight bank deposits, in each case with any commercial bank having capital and surplus in excess of $250.0 million,

(6) repurchase obligations for underlying securities of the types described in clauses (4) and (5) entered into with any financial institution meeting the qualifications specified in clause (5) above,

(7) commercial paper rated at least P-2 by Moody's or at least A-2 by S&P and in each case maturing within 12 months after the date of creation thereof,

(8) investment funds investing 90% of their assets in securities of the types described in clauses (1) through (7) above,

(9) readily marketable direct obligations issued by any state of the United States of America or any political subdivision thereof having one of the two highest rating categories obtainable from either Moody's or S&P with maturities of 24 months or less from the date of acquisition,

(10) Indebtedness or preferred stock issued by Persons with a rating of "A" or higher from S&P or "A2" or higher from Moody's with maturities of 12 months or less from the date of acquisition; and

(11) in the case of any Foreign Subsidiary that is a Restricted Subsidiary, direct obligations of the sovereign nation (or any agency thereof) in which such Foreign Subsidiary is organized and is conducting business or in obligations fully and unconditionally guaranteed by such sovereign nation (or any agency thereof).

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clauses (1) through (3) above; *provided* that such amounts are converted into any currency listed in clauses (1) through (3) as promptly as practicable and in any event within ten Business Days following the receipt of such amounts.

"Change of Control" means:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Issuer and its Subsidiaries taken as a whole to any Person (including any "person" (as that term is used in Section 13(d)(3) of the Exchange Act)) other than any Permitted Holder;

(2) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any "person" (as defined above), other than any Permitted Holder, in the aggregate, beneficially owns (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) more than 50% of the Voting Stock of the Issuer, measured by voting power rather than number of shares; *provided* that this clause (2) will not apply to the acquisition of the Issuer by one or more direct or indirect holding companies with no other material assets or operations, the Voting Stock of which is beneficially owned, immediately after such acquisition, by the Persons who beneficially owned the Voting Stock of the Issuer immediately prior to such acquisition (and in substantially the same proportions);

(3) the Issuer shall adopt a plan of liquidation or dissolution or any such plan shall be approved by the stockholders of the Issuer; or

(4) the first day on which a majority of the members of the Board of Directors of the Issuer are not Continuing Directors.

"Commission" means the Securities and Exchange Commission.

"Consolidated Annualized Leverage Ratio" means, as of any date of determination, the ratio of (1) Consolidated Total Indebtedness of the Issuer and its Restricted Subsidiaries, less the amount of any cash and Cash Equivalents in excess of restricted cash that would be stated on the balance sheet of the Issuer and its Restricted Subsidiaries as of such date of determination to (2) the Issuer's Annualized EBITDA, in each case with such pro forma adjustments to Consolidated Total Indebtedness and Annualized EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Fixed Charge Coverage Ratio.

"Consolidated Depreciation and Amortization Expense" means with respect to any Person for any period, the total amount of depreciation and amortization expense, including any amortization of deferred financing fees and amortization in relation to terminated Hedging Obligations, of such Person and its Restricted Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP.

"Consolidated Interest Expense" means, with respect to any Person for any period, the sum, without duplication, of:

(1) consolidated interest expense of such Person and its Restricted Subsidiaries for such period, to the extent such expense was deducted in computing Consolidated Net Income (including amortization of original issue discount resulting from the issuance of Indebtedness (other than

the notes) at less than par, non-cash interest payments (but excluding any non-cash interest expense attributable to the movement in the mark to market valuation of Hedging Obligations or other derivative instruments pursuant to Financial Accounting Standards Board Accounting Standards Codification 815), the interest component of Capitalized Lease Obligations, all commissions, discounts and other fees and changes owed with respect to letters of credit and bankers acceptances and net payments, if any, pursuant to interest rate Hedging Obligations, and excluding amortization of deferred financing fees and any interest and penalties on tax reserves to the extent such Person has elected to treat such interest as interest expense under Financial Accounting Standards Board Accounting Standards Codification 740-10), *plus*

(2) consolidated capitalized interest of such Person and its Restricted Subsidiaries for such period, whether paid or accrued *, less*

(3) interest income of such Person and its Restricted Subsidiaries for such period.

"Consolidated Net Income" means, with respect to any Person for any period, the aggregate of the Net Income, of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, and otherwise determined in accordance with GAAP; *provided*, *however*, that:

(1) any net after-tax extraordinary, non-recurring or unusual gains or losses (less all fees and expenses relating thereto) or expenses (including, without limitation, relating to the transactions described in the prospectus, severance, relocation, new product introductions) shall be excluded;

(2) the cumulative effect of a change in accounting principles during such period shall be excluded;

(3) any net after-tax income or loss from disposed or discontinued operations and any net after-tax gains or losses on disposal of disposed or discontinued operations shall be excluded;

(4) any net after-tax gains or losses (less all fees and expenses relating thereto) attributable to asset dispositions other than in the ordinary course of business, as determined in good faith by the Board of Directors of the Issuer, shall be excluded;

(5) the Net Income for such period of any Person that is not a Subsidiary, or is an Unrestricted Subsidiary, or that is accounted for by the equity method of accounting, shall be excluded; *provided* that Consolidated Net Income of the Issuer shall be increased by the amount of dividends or distributions or other payments that are actually paid in cash (or to the extent converted into cash) to the referent Person or a Restricted Subsidiary thereof in respect of such period;

(6) solely for the purpose of determining the amount available for Restricted Payments under clause (c)(1) of the first paragraph of "—Certain Covenants—Limitation on Restricted Payments," the Net Income for such period of any Restricted Subsidiary (other than a Guarantor) shall be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of its Net Income is not at the date of determination wholly permitted without any prior governmental approval (which has not been obtained) or, directly or indirectly, by the operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule, or governmental regulation applicable to that Restricted Subsidiary or its stockholders, unless such restriction with respect to the payment of dividends or in similar distributions has been legally waived; *provided* that Consolidated Net Income of the Issuer will be increased by the amount of dividends or other distributions or other payments actually paid in cash (or to the extent converted into cash) to the Issuer or a Restricted Subsidiary thereof in respect of such period, to the extent not already included therein;

(7) the effects of adjustments resulting from the application of purchase accounting (including the effects of such adjustments pushed down to such Person and its Restricted Subsidiaries) in relation to any acquisition that is consummated after the Issue Date, net of taxes, shall be excluded;

(8) any net after-tax income or loss from the early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments shall be excluded;

(9) any unrealized or realized gain or loss due solely to fluctuations in currency values and the related tax effects, determined in accordance with GAAP, shall be excluded;

(10) any impairment charge or asset write-off or write-down, including impairment charges or asset write-offs or write-downs related to intangible assets, long-lived assets, investments in debt and equity securities or as a result of a change in law or regulation, in each case, pursuant to GAAP, and the amortization of intangibles arising pursuant to GAAP shall be excluded; and

(11) any non-cash compensation expense recorded from grants of stock appreciation or similar rights, stock options or other rights to officers, directors or employees shall be excluded.

Notwithstanding the foregoing, for the purpose of the covenant described under "—Certain Covenants—Limitation on Restricted Payments" on (other than clause (c)(4) thereof), there shall be excluded from Consolidated Net Income any income arising from any sale or other disposition of Restricted Investments made by the Issuer and the Restricted Subsidiaries, any repurchases and redemptions of Restricted Investments from the Issuer and the Restricted Subsidiaries, any repayments of loans and advances which constitute Restricted Investments by the Issuer or any Restricted Subsidiary, any sale of the stock of an Unrestricted Subsidiary or any distribution or dividend from an Unrestricted Subsidiary, in each case only to the extent such amounts increase the amount of Restricted Payments permitted under such covenant pursuant to clause (c)(4) thereof.

"Consolidated Secured Debt Ratio" means, as of any date of determination, the ratio of (1) Consolidated Total Indebtedness of the Issuer and its Restricted Subsidiaries that is secured by Liens on assets of the Issuer and its Restricted Securities less the amount of any cash and Cash Equivalents in excess of restricted cash that would be stated on the balance sheet of the Issuer and its Restricted Subsidiaries as of such date of determination, to (2) the Issuer's EBITDA for such period, in each case with such pro forma adjustments to Consolidated Total Indebtedness and EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Fixed Charge Coverage Ratio.

"Consolidated Total Indebtedness" means, as at any date of determination, an amount equal to the sum of the aggregate amount of all outstanding Indebtedness of the Issuer and its Restricted Subsidiaries on a consolidated basis and the aggregate amount of all outstanding Disqualified Stock of the Issuer and all preferred stock of its Restricted Subsidiaries on a consolidated basis, with the amount of such Disqualified Stock and preferred stock equal to the greater of their respective voluntary or involuntary liquidation preferences and maximum fixed repurchase prices, in each case determined on a consolidated basis in accordance with GAAP. For purposes hereof, the "maximum fixed repurchase price" of any Disqualified Stock or preferred stock that does not have a fixed repurchase price shall be calculated in accordance with the terms of such Disqualified Stock or preferred stock as if such Disqualified Stock or preferred stock were purchased on any date on which Consolidated Total Indebtedness shall be required to be determined pursuant to the Indenture, and if such price is based upon, or measured by, the fair market value of such Disqualified Stock or preferred stock, such fair market value shall be determined reasonably and in good faith by the Issuer.

"Contingent Obligations" means, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends or other obligations that do not constitute Indebtedness ("primary

obligations") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent,

(1) to purchase any such primary obligation or any property constituting direct or indirect security therefor,

(2) to advance or supply funds

(a) for the purchase or payment of any such primary obligation or

(b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, or

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"Continuing Directors" means, as of any date of determination, any member of the Board of Directors of the Issuer who:

(1) was a member of such Board of Directors on the date of the Indenture; or

(2) was nominated for election or elected to such Board of Directors with the approval of the Sponsor or a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination or election.

"Credit Agreement" means the senior secured revolving credit facility executed in connection with the initial offering of the Restricted Notes as described in this prospectus.

"Credit Facilities" means, one or more debt facilities (including, without limitation, the Credit Agreement) or other financing arrangements (including, without limitation, commercial paper facilities, receivables facilities or indentures) providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables), letters of credit or other long-term indebtedness, including any notes, in each case, as amended, restated, modified, renewed, refunded, replaced in any manner (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to institutional investors) in whole or in part from time to time.

"Default" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Designated Noncash Consideration" means the Fair Market Value of noncash consideration received by the Issuer or a Restricted Subsidiary in connection with an Asset Sale that is so designated as Designated Noncash Consideration pursuant to an Officers' Certificate, setting forth the basis of such valuation, executed by a senior vice president or the principal financial officer of the Issuer, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of such Designated Noncash Consideration.

"Designated Preferred Stock" means preferred stock of the Issuer, any of its Restricted Subsidiaries or any direct or indirect parent corporation thereof (in each case other than Disqualified Stock) that is issued for cash (other than to the Issuer or any of its Restricted Subsidiaries or an employee stock ownership plan or trust established by the Issuer or its Subsidiaries) and is so designated as Designated Preferred Stock, pursuant to an Officers' Certificate executed by the principal financial officer of the Issuer, on the issuance date thereof, the cash proceeds of which are excluded from the calculation set forth in clause (c) of the first paragraph of the "—Certain Covenants—Limitation on Restricted Payments" covenant.

"Disqualified Stock" means, with respect to any Person, any Capital Stock of such Person which, by its terms, or by the terms of any security into which it is convertible or for which it is putable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable or is redeemable at the option of the holder thereof, in whole or in part, in each case prior to the date 91 days after the earlier of the maturity date of the notes and the date the notes are no longer outstanding; *provided*, *however*, that if such Capital Stock is issued to any plan for the benefit of employees of the Issuer or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Issuer or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations; *provided, further,* that any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Issuer to repurchase such Capital Stock in the event of a change of control or asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Issuer may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption is permitted under the terms of the Indenture.

"Domestic Subsidiary" means, with respect to any Person, any Restricted Subsidiary of such Person other than a Foreign Subsidiary.

"EBITDA" means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period *plus* (without duplication):

(1) provision for taxes based on income or profits, plus franchise or similar taxes, of such Person for such period deducted in computing Consolidated Net Income; *plus*

(2) Consolidated Interest Expense (and other components of Fixed Charges to the extent changes in GAAP after the Issue Date result in such components reducing Consolidated Net Income) of such Person for such period to the extent the same was deducted in calculating such Consolidated Net Income; *plus*

(3) Consolidated Depreciation and Amortization Expense of such Person for such period to the extent such depreciation and amortization were deducted in computing Consolidated Net Income; *plus*

(4) any expenses or charges related to any Equity Offering, Permitted Investment, acquisition, disposition, recapitalization or Indebtedness permitted to be incurred by the Indenture (whether or not successful), including such fees, expenses or charges related to the offering of the notes and the Credit Agreement and any amendment or other modification of the notes or the Credit Agreement, and deducted in computing Consolidated Net Income; *plus*

(5) the amount of any restructuring charges, integration costs or other business optimization expenses and reserves deducted in such period in computing Consolidated Net Income, including any one-time costs incurred in connection with acquisitions after the Issue Date; *plus*

(6) any other non-cash charges, including any write offs or write downs of assets, reducing Consolidated Net Income for such period, excluding any such charge that represents an accrual or reserve for a cash expenditure for a future period; *plus*

(7) the amount of any non-controlling interest expense deducted in calculating Consolidated Net Income (less the amount of any cash dividends paid to the holders of such minority interests); *plus*

(8) the amount of management, monitoring, consulting and advisory fees and related expenses paid to Sponsor or any of its Affiliates, to the extent otherwise permitted under "—Certain Covenants—Transactions with Affiliates" and deducted (and not added back) in such period in Company Consolidated Net Income; *plus*

(9) any net loss from disposed or discontinued operations, to the extent deducted in Company Consolidated Net Income; *less*

(10) (a) non-cash items increasing Consolidated Net Income of such Person for such period, excluding any items which represent the reversal of any accrual of, or cash reserve for, potential cash charges that reduced EBITDA in any prior period, (b) any net income from disposed or discontinued operations to the extent included in computing Consolidated Net Income and (c) the amount of any non-controlling interest income included in calculating Consolidated Net Income (less the amount of any cash dividends received by the Issuer or any of its Restricted Subsidiaries on such minority interest).

"EMU" means economic and monetary union as contemplated in the Treaty on European Union.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

"Equity Offering" means any public or private sale of common stock or preferred stock of the Issuer or any of its direct or indirect parents (excluding Disqualified Stock), other than

(1) public offerings with respect to the Issuer's or any direct or indirect parent's common stock registered on Form S-8;

(2) any such public or private sale that constitutes an Excluded Contribution; and

(3) any sales to the Issuer or any of its Subsidiaries.

"euro" means the single currency of participating member states of the EMU.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Excluded Contribution" means net cash proceeds, marketable securities or Qualified Proceeds received by the Issuer from:

(1) contributions to its common equity capital; and

(2) the sale (other than to a Subsidiary of the Issuer or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Issuer) of Capital Stock (other than Disqualified Stock) of the Issuer,

in each case designated as Excluded Contributions pursuant to an Officers' Certificate executed by a senior vice president or the principal financial officer of the Issuer on the date such capital contributions are made or the date such Equity Interests are sold, as the case may be, which are excluded from the calculation set forth in clause (c) of the first paragraph under "—Certain Covenants—Limitation on Restricted Payments."

"Existing Indebtedness" means Indebtedness of the Issuer or any of its Restricted Subsidiaries in existence on the Issue Date, plus interest accruing thereon, until such amounts are repaid.

"Fair Market Value" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the chief financial officer of the Issuer or the Restricted Subsidiary with respect to valuations not in excess of $10.0 million or determined in good faith by the Board of Directors of the Issuer or the Restricted Subsidiary with respect to valuations equal to or in excess of $10.0 million, as applicable, which determination will be conclusive (unless otherwise provided in the Indenture).

"Fixed Charge Coverage Ratio" means, with respect to any Person for any period, the ratio of EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the Issuer or any Restricted Subsidiary incurs, assumes, guarantees or redeems, retires or

extinguishes any Indebtedness (other than reductions in amounts outstanding under revolving facilities unless accompanied by a corresponding termination of commitment) or issues or redeems Disqualified Stock or preferred stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated but prior to or simultaneous with the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "Calculation Date"), then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect to such incurrence, assumption, guarantee or redemption, retirement or extinguishment of Indebtedness, or such issuance or redemption of Disqualified Stock or preferred stock, as if the same had occurred at the beginning of the applicable four-quarter period.

For purposes of making the computation referred to above, Investments, acquisitions, dispositions, mergers, consolidations and discontinued operations (as determined in accordance with GAAP) that have been made (or committed to be made pursuant to a definitive agreement) by the Issuer or any Restricted Subsidiary during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Calculation Date shall be calculated on a pro forma basis assuming that all such Investments, acquisitions, dispositions, mergers, consolidations and discontinued operations (and the change in any associated fixed charge obligations and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Issuer or any Restricted Subsidiary since the beginning of such period) shall have made any Investment, acquisition, disposition, merger, consolidation or discontinued operation that would have required adjustment pursuant to this definition, then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect thereto for such period as if such Investment, acquisition, disposition, merger, consolidation or disposed operation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to a transaction, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Issuer (including pro forma expense and cost reductions, regardless of whether these cost savings could then be reflected in pro forma financial statements in accordance with Regulation S-X promulgated under the Securities Act or any other regulation or policy of the Commission related thereto).

If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Issuer to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a pro forma basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Issuer may designate.

"Fixed Charges" means, with respect to any Person for any period, the sum of

(1) Consolidated Interest Expense,

(2) all cash dividend payments (excluding items eliminated in consolidation) on any series of preferred stock or any Refunding Capital Stock of such Person, and

(3) all cash dividend payments (excluding items eliminated in consolidation) on any series of Disqualified Stock.

"Foreign Subsidiary" means, with respect to any Person, any Restricted Subsidiary of such Person that is not organized or existing under the laws of the United States, any state thereof or the District of Columbia.

"GAAP" means generally accepted accounting principles in the United States which are in effect on the Issue Date.

"Government Securities" means securities that are

(1) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged, or

(2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America,

which, in either case, are not callable or redeemable at the option of the issuers thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act), as custodian with respect to any such Government Securities or a specific payment of principal of or interest on any such Government Securities held by such custodian for the account of the holder of such depository receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the Government Securities or the specific payment of principal of or interest on the Government Securities evidenced by such depository receipt.

"guarantee" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness or other obligations.

"Guarantee" means the guarantee by any Guarantor of the Issuer's Indenture Obligations.

"Guarantors" means Parent and any Subsidiary of Parent that executes a Note Guarantee in accordance with the provisions of the Indenture, and their respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of the Indenture.

"Hedging Obligations" means, with respect to any Person, the obligations of such Person under

(1) currency exchange, interest rate or commodity swap agreements, currency exchange, interest rate or commodity cap agreements and currency exchange, interest rate or commodity collar agreements; and

(2) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange, interest rates or commodity prices.

"Holder" means a holder of the notes.

"Indebtedness" means, with respect to any Person,

(1) any indebtedness (including principal and premium) of such Person, whether or not contingent

(a) in respect of borrowed money,

(b) evidenced by bonds, notes, debentures or similar instruments,

(c) representing the balance deferred and unpaid of the purchase price of any property (including Capitalized Lease Obligations), except (i) any such balance that constitutes a trade payable or similar obligation to a trade creditor, in each case accrued in the

ordinary course of business and (ii) any earn-out obligations until such obligation becomes a liability on the balance sheet of such Person in accordance with GAAP,

(d) letters of credit or bankers' acceptances (or without double counting, reimbursement agreements in respect thereof) (other than obligations with respect to letters of credit securing obligations (other than obligations described in (1) (a) or (b) or (2) above) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the tenth Business Day following receipt by such Person or a demand for reimbursement), or

(e) representing any Hedging Obligations,

if and to the extent that any of the foregoing Indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP,

(2) to the extent not otherwise included, any obligation by such Person to be liable for, or to pay, as obligor, guarantor or otherwise, on the Indebtedness of another Person, other than by endorsement of negotiable instruments for collection in the ordinary course of business, and

(3) to the extent not otherwise included, Indebtedness of another Person secured by a Lien on any asset owned by such Person, whether or not such Indebtedness is assumed by such Person.

For the avoidance of doubt, (a) customer advances made in the ordinary course of business and (b) obligations that constitute Contingent Obligations in accordance with the definition thereof shall not constitute "Indebtedness" of any Person.

"Independent Financial Advisor" means an accounting, appraisal, investment banking firm or consultant to Persons engaged in Similar Businesses of nationally recognized standing that is, in the good faith judgment of the Issuer, qualified to perform the task for which it has been engaged.

"Investment Grade Securities" means marketable securities of a Person (other than the Issuer or its Restricted Subsidiaries, an Affiliate of joint venture of the Issuer or any Restricted Subsidiary), acquired by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business that are rated, at the time of acquisition, BBB- (or the equivalent) or higher by S&P and Baa3 (or the equivalent) or higher by Moody's.

"Investments" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of loans (including guarantees), advances or capital contributions (excluding accounts receivable, trade credit, advances to customers, deposits, commission, travel, moving, payroll and similar advances to officers, directors and employees, in each case made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities issued by any other Person and investments that are required by GAAP to be classified on the balance sheet (excluding the footnotes) of the Issuer in the same manner as the other investments included in this definition to the extent such transactions involve the transfer of cash or other property. For purposes of the definition of "Unrestricted Subsidiary" and the covenant described under "—Certain Covenants—Limitation on Restricted Payments,"

(1) "Investments" shall include the portion (proportionate to the Issuer's equity interest in such Subsidiary) of the Fair Market Value of the net assets of a Subsidiary of the Issuer at the time that such Subsidiary is designated an Unrestricted Subsidiary; *provided*, *however*, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Issuer shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary in an amount (if positive) equal to

(x) the Issuer's "Investment" in such Subsidiary at the time of such redesignation less

(y) the portion (proportionate to the Issuer's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation; and

(2) any property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value at the time of such transfer, in each case as determined in good faith by the Issuer.

"Issue Date" means May 10, 2010.

"Issuer" means Lantheus Medical Imaging, Inc., a Delaware corporation.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction; *provided* that in no event shall an operating lease be deemed to constitute a Lien.

"Net Income" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends.

"Net Proceeds" means the aggregate cash proceeds received by the Issuer or any Restricted Subsidiary in respect of any Asset Sale, including, without limitation, any cash received upon the sale or other disposition of any Designated Noncash Consideration received in any Asset Sale, net of any payments required to be made to any Person holding a Lien on the assets subject to such Asset Sale, the direct costs relating to such Asset Sale and the sale or disposition of such Designated Noncash Consideration, including, without limitation, legal, accounting and investment banking fees, and brokerage and sales commissions, any relocation expenses incurred as a result thereof, taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements), amounts required to be applied to the repayment of principal, premium, if any, and any deduction of appropriate amounts to be provided by the Issuer as a reserve in accordance with GAAP against any liabilities associated with the asset disposed of in such transaction and retained by the Issuer after such sale or other disposition thereof, including, without limitation, pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction.

"Obligations" means any principal, interest (including any interest accruing subsequent to the filing of a petition in bankruptcy, reorganization or similar proceeding at the rate provided for in the documentation with respect thereto, whether or not such interest is an allowed claim under applicable state, federal or foreign law), penalties, fees, indemnifications, reimbursements (including, without limitation, reimbursement obligations with respect to letters of credit and banker's acceptances), damages and other liabilities, and guarantees of payment of such principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities, payable under the documentation governing any Indebtedness.

"Officer" means the Chairman of the board of directors, the President, chief executive officer, chief financial officer, any Executive Vice President, Senior Vice President, the Treasurer, the Assistant Treasurer or the Secretary of the Issuer.

"Officers' Certificate" means a certificate signed on behalf of the Issuer by two Officers of the Issuer, one of whom must be the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of the Issuer that meets the requirements set forth in the Indenture.

"Other Pari Passu Obligations" means any Additional Notes and any other Indebtedness ranking *pari passu* in right of payment with the notes.

"Parent" means Lantheus MI Intermediate, Inc., a Delaware corporation.

"Permitted Asset Swap" means the concurrent purchase and sale or exchange of Related Business Assets or a combination of Related Business Assets and cash or Cash Equivalents between the Issuer or any of its Restricted Subsidiaries and another Person; *provided* that any cash or Cash Equivalents received must be applied in accordance with the "Asset Sales" covenant.

"Permitted Holder" means (i) the Sponsor, (ii) any limited partner of the Sponsor and (iii) the members of management of the Issuer, any direct or indirect parent of the Issuer and its subsidiaries who are investors, directly or indirectly, in the Issuer or any of its direct or indirect parent companies and (iv) any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) of which any of the foregoing are members; *provided* that, in the case of such group and without giving effect to the existence of such group or any other group, the Sponsor and members of management, collectively, have beneficial ownership of more than 50% of the total voting power of the Voting Stock of the Issuer or any of its direct or indirect parent companies.

"Permitted Investments" means

(1) any Investment in the Issuer or any Restricted Subsidiary;

(2) any Investment in cash, Cash Equivalents or Investment Grade Securities;

(3) any Investment by the Issuer or any Restricted Subsidiary of the Issuer in a Person if as a result of such Investment:

(a) such Person becomes a Restricted Subsidiary; or

(b) such Person, in one transaction or a series of related transactions, is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary;

and, in each case, any Investment held by such Person; *provided* that such Investment was not acquired by such Person in contemplation of such acquisition, merger, consolidation, amalgamation or transfer;

(4) any Investment in securities or other assets not constituting cash or Cash Equivalents or Investment Grade Securities and received in connection with an Asset Sale made pursuant to the provisions of "—Repurchase at the Option of Holders—Asset Sales" or any othe disposition of assets not constituting an Asset Sale;

(5) any Investment existing on the Issue Date or made pursuant to binding commitments in effect on the Issue Date;

(6) advances to (or guarantees of loans to) employees in the ordinary course of business or consistent with past practices;

(7) any Investment acquired by the Issuer or any Restricted Subsidiary:

(a) in exchange for any other Investment or accounts receivable held by the Issuer or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of the Issuer of such other Investment or accounts receivable; or

(b) as a result of a foreclosure by the Issuer or any Restricted Subsidiary with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(8) Hedging Obligations permitted under clause (10) of the covenant described in "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock or Preferred Stock" covenant;

(9) loans to (or guarantees of loans of) officers, directors and employees for business-related travel expenses, moving expenses and other similar expenses, in each case incurred in the ordinary course of business;

(10) Investments the payment for which consists of Equity Interests of the Issuer, or any of its direct or indirect parents (exclusive of Disqualified Stock); *provided, however*, that such Equity Interests will not increase the amount available for Restricted Payments under clause (c) of the first paragraph under the covenant described in "—Certain Covenants—Limitation on Restricted Payments";

(11) guarantees of Indebtedness permitted under the covenant described in "—Certain Covenants—Limitation on Incurrence of Indebtedne and Issuance of Disqualified Stock and Preferred Stock";

(12) Investments consisting of purchases and acquisitions of inventory, supplies, material or equipment or the licensing or contribution of intellectual property pursuant to joint marketing arrangements with other Persons in the ordinary course of business;

(13) additional Investments having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (13) that are at that time outstanding (without giving effect to the sale of an Unrestricted Subsidiary to the extent the proceeds of such sale do not consist of cash and/or marketable securities), not to exceed the greater of (x) $30.0 million or (y) 6% of Total Assets at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value);

(14) additional Investments in any Unrestricted Subsidiary having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (14) that are at that time outstanding (without giving effect to the sale of an Unrestricted Subsidiary to the extent the proceeds of such sale do not consist of cash and/or marketable securities), not to exceed $5.0 million at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value);

(15) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Issuer or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes with Persons who are not Affiliates;

(16) endorsements for collection or deposit in the ordinary course of business;

(17) repurchases of the notes and Other Pari Passu Obligations; and

(18) any Investment in a Person (other than the Issuer or a Restricted Subsidiary) pursuant to the terms of any agreements in effect on the Issue Date and any Investment that replaces, refinances or refunds an existing Investment; *provided* that the new Investment is in an amount that does not exceed the amount replaced, refinanced or refunded (after giving effect to write-downs or write-offs with respect to such Investment), and is made in the same Person as the Investment replaced, refinanced or refunded; *provided* that the amount of any such Investment may be increased (x) as required by the terms of such Investment in existence on the Issue Date or (y) as otherwise permitted under the Indenture.

"Permitted Liens" means, with respect to any Person:

(1) pledges or deposits by such Person under workmen's compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders,

contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety or appeal bonds to which such Person is a party, or deposits as security for contested taxes or import duties or for the payment of rent, in each case incurred in the ordinary course of business;

(2) Liens imposed by law, such as carriers', warehousemen's and mechanics' Liens, in each case, for sums not yet overdue for a period of more than 30 days or being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review;

(3) Liens for taxes, assessments or other governmental charges not yet overdue for a period of more than 30 days or payable or subject to penalties for nonpayment or which are being contested in good faith by appropriate proceedings;

(4) Liens in favor of issuers of stay, customs, appeal, performance and surety bonds or bid bonds or with respect to other regulatory requirements or letters of credit issued pursuant to the request of and for the account of such Person in the ordinary course of its business;

(5) minor survey exceptions, minor encumbrances, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real properties or Liens incidental, to the conduct of the business of such Person or to the ownership of its properties which were not incurred in connection with Indebtedness and which do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(6) Liens existing on the Issue Date (other than Liens incurred under the Credit Agreement);

(7) Liens on property or shares of stock of a Person at the time such Person becomes a Subsidiary; *provided*, *however*, that such Liens are not created or incurred in connection with, or in contemplation of, such other Person becoming such a subsidiary; *provided, further,* that such Liens may not extend to any other property owned by the Issuer or any of its Restricted Subsidiaries;

(8) Liens on property at the time the Issuer or a Restricted Subsidiary acquired the property, including any acquisition by means of a merger or consolidation with or into the Issuer or any of its Restricted Subsidiaries; *provided*, *however*, that such Liens are not created or incurred in connection with, or in contemplation of, such acquisition; *provided, further,* that such Liens may not extend to any other property owned by the Issuer or any of its Restricted Subsidiaries;

(9) Liens securing Indebtedness or other obligations of a Restricted Subsidiary owing to the Issuer or another Restricted Subsidiary permitted to be incurred in accordance with the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock;"

(10) Liens securing Hedging Obligations so long as the related Indebtedness is, and is permitted to be under the Indenture, secured by a Lien on the same property securing such Hedging Obligations;

(11) Liens on specific items of inventory of other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(12) leases and subleases of real property granted to others in the ordinary course of business so long as such leases and subleases do not materially interfere with the ordinary conduct of the business of the Issuer or any of its Restricted Subsidiaries;

(13) Liens arising from Uniform Commercial Code financing statement filings regarding operating leases or consignment of goods entered into by the Issuer and its Restricted Subsidiaries in the ordinary course of business;

(14) Liens in favor of the Issuer or any Guarantor;

(15) Liens on equipment of the Issuer or any of its Restricted Subsidiaries granted in the ordinary course of business to the Issuer's client at which such equipment is located;

(16) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancing, refunding, extensions, renewals or replacements) as a whole, or in part, of any Indebtedness secured by any Lien referred to in the foregoing clauses (6), (7), (8), (10), and (14); *provided*, *however*, that (x) such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements on such property), and (y) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (A) the outstanding principal amount or, if greater, committed amount of the Indebtedness described under clauses (6), (7), (8), (10), and (14) at the time the original Lien became a Permitted Lien under the Indenture, and (B) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing, refunding, extension, renewal or replacement;

(17) other Liens securing obligations which obligations do to exceed $5.0 million at any one time outstanding;

(18) Liens to secure Indebtedness of any Foreign Subsidiary permitted by the covenant entitled "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" covering only the assets of such Foreign Subsidiary;

(19) Liens securing Indebtedness Incurred pursuant to clause (1) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock;"

(20) Licenses, sublicenses or any other grants of rights to use, in the ordinary course of business so long as such licenses, sublicenses or rights of use do not materially interfere with the ordinary conduct of the business of the Issuer or any of its Restricted Subsidiaries;

(21) Liens securing judgments for the payment of money not constituting an Event of Default under clause (5) under the caption "Events of Default and Remedies" so long as such Liens are adequately bonded and any appropriate legal proceedings that may have been duly initiated for the review of such judgment have not been finally terminated or the period within which such proceedings may be initiated has not expired;

(22) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(23) Liens (i) of a collection bank arising under Section 4-208 of the Uniform Commercial Code, or any comparable or successor provision, on items in the course of collection, (ii) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business, and (iii) in favor of banking institutions arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking industry;

(24) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

(25) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (ii) relating to pooled deposit or sweep accounts of the Issuer or any of its Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Issuer and its Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Issuer or any of its Restricted Subsidiaries in the ordinary course of business;

(26) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale or purchase of goods entered into by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business;

(27) Liens securing Indebtedness permitted to be incurred pursuant to clause (4) of the second paragraph under "—CertainCovenants —Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock;"*provided* that Liens extend only to the assets so financed, purchased, constructed or improved;

(28) Liens of landlords and mortgagees of landlords (i) arising by statute or under any lease or related contractual obligation entered into in the ordinary course of business, (ii) on fixtures and movable tangible property located on the real property leased or subleased from such landlord, (iii) for amounts not yet due or that are being contested in good faith by appropriate proceedings diligently conducted and (iv) for which adequate reserves or other appropriate provisions are maintained on the books of such Person in accordance with GAAP;

(29) Liens on earnest money deposits of cash or Cash Equivalents in connection with an acquisition of assets or property (including Capital Stock);

(30) Liens in favor of customers on cash advances maintained in restricted customer escrow accounts actually received from customers of the Issuer or any Restricted Subsidiary in the ordinary course of business so long as such cash advances were made for the provision of future services by the Issuer or any Restricted Subsidiary; and

(31) Liens on assets of the Issuer or any of its Restricted Subsidiaries securing Indebtedness that were permitted by the terms of the Indenture to be incurred; *provided*, that, at the time of such incurrence and after giving pro forma effect thereto, the Consolidated Secured Debt Ratio for Issuer's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such debt is incurred would have been no greater than 0.75 to 1.0.

For purposes of determining compliance with this definition, (A) Permitted Liens need not be incurred solely by reference to one category of Permitted Liens described above but are permitted to be incurred in part under any combination thereof and (B) in the event that a Lien (or any portion thereof) meets the criteria of one or more of the categories of Permitted Liens described above, the Issuer may, in its sole discretion, classify or reclassify such item of Permitted Liens (or any portion thereof) in any manner that complies with this definition and the Issuer may divide and classify a Lien in more than one of the types of Permitted Liens in one of the above clauses.

"Person" means any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"preferred stock" means any Equity Interest with preferential rights of payment of dividends or upon liquidation, dissolution, or winding up.

"Qualified Proceeds" means assets that are used or useful in, or Capital Stock of any Person engaged in, a Similar Business; *provided* that the Fair Market Value of any such assets or Capital Stock shall be determined by the board of directors in good faith.

"Related Business Assets" means assets (other than cash or Cash Equivalents) used or useful in a Similar Business; *provided* that any assets received by the Issuer or a Restricted Subsidiary in exchange for assets transferred by the Issuer or a Restricted Subsidiary shall not be deemed to be Related Business Assets if they consist of securities of a Person, unless upon receipt of the securities of such Person, such Person would become a Restricted Subsidiary.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Subsidiary" means, at any time, any direct or indirect Subsidiary of the Issuer (including any Foreign Subsidiary) that is not then an Unrestricted Subsidiary; *provided*, *however*, that upon the occurrence of an Unrestricted Subsidiary ceasing to be an Unrestricted Subsidiary, such Subsidiary shall be included in the definition of "Restricted Subsidiary."

"Securities Act" means the Securities Act of 1933 and the rules and regulations of the Commission promulgated thereunder.

"Significant Subsidiary" means any Restricted Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date of the Indenture.

"Similar Business" means any business conducted or proposed to be conducted by the Issuer and its Restricted Subsidiaries on the date of the Indenture or any business that is similar, reasonably related, incidental or ancillary thereto.

"Sponsor" means Avista Capital Partners, L.P., Avista Capital Partners (Offshore), L.P. and their respective Affiliates (but not including, however, any operating portfolio companies of the foregoing).

"Subordinated Indebtedness" means:

(1) with respect to the Issuer, any Indebtedness of the Issuer which is by its terms subordinated in right of payment to the notes, and

(2) with respect to any Guarantor, any Indebtedness of such Guarantor which is by its terms subordinated in right of payment to the Guarantee of such Guarantor.

"Subsidiary" means, with respect to any Person,

(1) any corporation, association, or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; and

(2) any partnership, joint venture, limited liability company or similar entity of which

(x) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership or otherwise, and

(y) such Person or any Restricted Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"Total Assets" means the total assets of the Issuer and the Restricted Subsidiaries, as shown on the most recent balance sheet of the Issuer for which internal financial statements are available immediately preceding the date on which any calculation of Total Assets is being made, with such pro forma adjustments for transactions consummated on or prior to or simultaneously with the date of the calculation as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Fixed Charge Coverage Ratio.

"Total Assets of Foreign Subsidiaries" means the total assets of the Foreign Subsidiaries of the Issuer, as shown on the most recent balance sheet of such Foreign Subsidiaries for which internal financial statements are available immediately preceding the date on which any calculation of Total Assets of Foreign Subsidiaries is being made, with such pro forma adjustments for transactions consummated on or prior to or simultaneously with the date of the calculation as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Fixed Charge Coverage Ratio.

"Treasury Rate" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) that has become publicly available at least two Business Days prior to the redemption date (or if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to May 15, 2014; *provided*, *however*, that if the period from the redemption date to May 15, 2014 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"Unrestricted Subsidiary" means:

(1) any Subsidiary of the Issuer which at the time of determination is an Unrestricted Subsidiary (as designated by the board of directors of the Issuer, as provided below); and

(2) any Subsidiary of an Unrestricted Subsidiary.

The board of directors of the Issuer may designate any Subsidiary of the Issuer (including any existing Subsidiary and any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Equity Interests or Indebtedness of, or owns or holds any Lien on, any property of, the Issuer or any Restricted Subsidiary of the Issuer (other than any Subsidiary of the Subsidiary to be so designated); *provided* that

(1) any Unrestricted Subsidiary must be an entity of which shares of the Capital Stock or other Equity Interests (including partnership interests) entitled to cast at least a majority of the votes that may be cast by all shares or Equity Interests having ordinary voting power for the election of directors or other governing body are owned, directly or indirectly, by the Issuer,

(2) such designation complies with the covenants described under "—Certain Covenants—Limitation on Restricted Payments" and

(3) each of (a) the Subsidiary to be so designated, and (b) its Subsidiaries has not at the time of designation, and does not thereafter, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender has recourse to any of the assets of the Issuer or any Restricted Subsidiary.

The board of directors of the Issuer may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that, immediately after giving effect to such designation no Default or Event of Default shall have occurred and be continuing and the Issuer could either (1) incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test described in the first sentence under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" or (2) the Fixed Charge Coverage Ratio for the Issuer and its Restricted Subsidiaries would be equal to or greater than such ratio for the Issuer and its Restricted Subsidiaries immediately prior to such designation, in each case on a pro forma basis taking into account such designation. Any such designation by the Board of Directors of the Issuer shall be notified by the Issuer to the Trustee by promptly filing with the Trustee a copy of the board resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing provisions.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness, Disqualified Stock or preferred stock, as the case may be, at any date, the quotient obtained by dividing

(1) the sum of the products of the number of years from the date of determination to the date of each successive scheduled principal payment of such Indebtedness or redemption or similar payment with respect to such Disqualified Stock or preferred stock multiplied by the amount of such payment, by

(2) the sum of all such payments.

"Wholly-Owned Subsidiary" of any Person means a Subsidiary of such Person, 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

Additional Information

Anyone who receives this prospectus may obtain a copy of the Indenture and the registration rights agreement without charge by writing to Lantheus Medical Imaging, Inc., 331 Treble Cove Rd., Building 600-2, N. Billerica, Massachusetts 01862, Attention: General Counsel.

Book-entry, Settlement and Clearance

The notes were offered and sold to qualified institutional buyers in reliance on Rule 144A ("Rule 144A Notes"). The notes were also offered and sold to persons other than U.S. persons in offshore transactions in reliance on Regulation S ("Regulation S Notes"). All of the notes were issued in registered, global form in minimum denominations of $2,000 and integral multiples of $1,000 in excess of $2,000. Notes were issued at the closing of this offering only against payment in immediately available funds.

Rule 144A Notes initially were represented by one or more notes in registered, global form without interest coupons (collectively, "Rule 144A Global Notes"). Regulation S Notes initially were represented by one or more temporary notes in registered, global form without interest coupons (collectively, "Regulation S Temporary Global Notes").

The Rule 144A Global Notes and the Regulation S Temporary Global Notes were deposited upon issuance with the Trustee as custodian for The Depository Trust Company ("DTC") and registered in the name of DTC or its nominee, in each case for credit to an account of a direct or indirect participant in DTC as described below. Through and including the 40th day after the later of the

commencement of this offering and the closing of this offering (the "Distribution Compliance Period"), beneficial interests in the Regulation S Temporary Global Notes may be held only through the Euroclear System ("Euroclear") and Clearstream Banking, S.A. ("Clearstream") (as indirect participants in DTC), unless transferred to a person that takes delivery through a Rule 144A Global Note in accordance with the certification requirements described below. Within a reasonable time period after the expiration of the Restricted Period, the Regulation S Temporary Global Notes were exchanged for one or more permanent notes in registered, global form without interest coupons (collectively, the "Regulation S Permanent Global Notes" and, together with the Regulation S Temporary Global Notes, the "Regulation S Global Notes"; the Regulation S Global Notes and the Rule 144A Global Notes collectively being the "Global Notes") upon delivery to DTC of certification of compliance with the transfer restrictions applicable to the notes and pursuant to Regulation S as provided in the Indenture. Beneficial interests in the Rule 144A Global Notes may not be exchanged for beneficial interests in the Regulation S Global Notes at any time in the limited circumstances described below. See "—Exchanges Between Regulation S Notes and Rule 144A Notes."

Except as set forth below, Global Notes may be transferred only to another nominee of DTC or to a successor of DTC or its nominee, in whole and not in part. Except in the limited circumstances described below, beneficial interests in Global Notes may not be exchanged for notes in certificated form and owners of beneficial interests in Global Notes will not be entitled to receive physical delivery of notes in certificated form. See "—Exchange of Global Notes for Certificated Notes." In addition, beneficial interests in the Rule 144A Global Notes may not be exchanged for beneficial interests in the Regulation S Global Notes or vice versa except in accordance with the transfer and certification requirements described below. See "—Exchanges Between Regulation S Notes and Rule 144A Notes."

Rule 144A Global Notes and Regulation S Global Notes (including beneficial interests in the notes they represent) are subject to certain restrictions on transfer and bear restrictive legends as described under "Notice to Investors." In addition, transfers of beneficial interests in Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream (as indirect participants in DTC)), which may change from time to time.

Depository Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream is provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. We take no responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited-purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participating organizations (collectively, the "Participants") and to facilitate the clearance and settlement of transactions in those securities between Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers (including the initial purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the "Indirect Participants"). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through the Participants or the Indirect Participants. The ownership interests in, and transfers of

ownership interests in, each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

DTC has also advised us that, pursuant to procedures established by it:

(1) upon deposit of the Global Notes, DTC will credit the accounts of Participants designated by the initial purchaser with portions of the principal amount of the Global Notes; and

(2) ownership of these interests in Global Notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interests in Global Notes).

Investors in 144A Global Notes who are Participants in DTC's system may hold their interests therein directly through DTC. Investors in 144A Global Notes who are not Participants may hold their interests therein indirectly through organizations (including Euroclear and Clearstream) that are Participants in DTC. All interests in a Global Note may be subject to the procedures and requirements of DTC. Investors in Regulation S Global Notes must initially hold their interests therein through Euroclear or Clearstream, if they are participants in those systems, or indirectly through organizations that are participants. After the expiration of the Distribution Compliance Period (but not earlier), investors may also hold interests in Regulation S Global Notes through Participants in the DTC system other than Euroclear and Clearstream. Euroclear and Clearstream will hold interests in Regulation S Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories, which are Euroclear Bank S.A./N.V., as operator of Euroclear, and Citibank, N.A., as operator of Clearstream which in turn hold such interests in customers' securities accounts in the depositaries' names on the books of DTC. Interests in a Global Note held through Euroclear or Clearstream may be subject to the procedures and requirements of those systems (as well as to the procedures and requirements of DTC). The laws of some states require that certain persons take physical delivery in definitive form of securities that they own and the ability to transfer beneficial interests in a Global Note to Persons that are subject to those requirements will be limited to that extent. Because DTC can act only on behalf of Participants, which in turn act on behalf of Indirect Participants, the ability of a person having beneficial interests in a Global Note to pledge those interests to Persons that do not participate in the DTC system, or otherwise take actions in respect of those interests, may be affected by the lack of a physical certificate evidencing those interests.

Except as described below, owners of an interest in Global Notes will not have notes registered in their names, will not receive physical delivery of definitive notes in registered certificated form ("Certificated Notes") and will not be considered the registered owners or "Holders" thereof under the Indenture for any purpose.

Payments in respect of the principal of and premium, and interest on a Global Note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered Holder under the Indenture. Under the terms of the Indenture, the Issuer and the Trustee will treat the Persons in whose names notes, including Global Notes, are registered as the owners of such notes for the purpose of receiving payments and for all other purposes. Consequently, neither the Issuer, the Trustee nor any agent of the Issuer or the Trustee has or will have any responsibility or liability for:

(1) any aspect of DTC's records or any Participant's or Indirect Participant's records relating to or payments made on account of beneficial ownership interests in Global Notes or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in Global Notes; or

(2) any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants.

DTC has advised us that its current practice, upon receipt of any payment in respect of securities such as the notes (including principal and interest), is to credit the accounts of the relevant Participants with the payment on the payment date unless DTC has reason to believe it will not receive payment on that payment date. Each relevant Participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant security as shown on the records of DTC. Payments by the Participants and the Indirect Participants to the beneficial owners of notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the Trustee, any paying agent or the Issuer. Neither the Issuer, the Trustee nor any paying agent will be liable for any delay by DTC or any of its Participants in identifying the beneficial owners of any notes, and the Issuer, the Trustee and any paying agent may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Subject to the transfer restrictions set forth under "Notice to Investors," transfers between Participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds and transfers between participants in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the notes described herein, cross-market transfers between the Participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depositary; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Note from DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

DTC has advised us that it will take any action permitted to be taken by a Holder of the notes only at the direction of one or more Participants to whose account DTC has credited the interests in the Global Notes and only in respect of the portion of the aggregate principal amount of the notes as to which that Participant or those Participants has or have given the relevant direction. However, if there is an Event of Default under the notes, DTC reserves the right to exchange the Global Notes for legended notes in certificated form, and to distribute those notes to its Participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures in order to facilitate transfers of interests in Global Notes among Participants, they are under no obligation to perform those procedures, and may discontinue or change those procedures at any time. Neither the Issuer nor the Trustee nor any of their respective agents will have any responsibility for the performance by DTC, Euroclear, Clearstream or their respective Participants or Indirect Participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Global Notes for Certificated Notes

A Global Note is exchangeable for a Certificated Note if:

- DTC (a) notifies us that it is unwilling or unable to continue as depositary for the Global Notes or (b) has ceased to be a clearing agency registered under the Exchange Act and, in each case, a successor depositary is not appointed;

- we, at our option, notify the Trustee in writing that we elect to cause the issuance of Certificated Notes; *provided* that in no event shall the Regulation S Temporary Global Note be exchanged for Certificated Notes prior to (a) the expiration of the Distribution Compliance Period and (b) the receipt of any certificates required under the provisions of Regulation S; or

- there has occurred and is continuing a Default with respect to the notes and the Issuer or a beneficial holder requests such exchange.

In addition, beneficial interests in a Global Note may be exchanged for Certificated Notes upon prior written notice given to the Trustee by or on behalf of DTC in accordance with the Indenture. In all cases, Certificated Notes delivered in exchange for any Global Note or beneficial interests in a Global Note will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depositary (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in "Notice to Investors," unless that legend is not required by applicable law.

Exchange of Certificated Notes for Global Notes

If Certificated Notes are issued in the future, they will not be exchangeable for beneficial interests in any Global Note unless the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that the transfer will comply with the appropriate transfer restrictions applicable to the notes being transferred. See "Notice to Investors."

Exchanges Between Regulation S Notes and Rule 144A Notes

Beneficial interests in a Rule 144A Global Note may be transferred to a Person who takes delivery in the form of an interest in a Regulation S Global Note (whether before or after the expiration of the Distribution Compliance Period) only if the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that the transfer is being made in accordance with Rule 904 of Regulation S or Rule 144.

Prior to the expiration of the Distribution Compliance Period, transfers of beneficial interest in the Regulation S Global Note may be made to a Person who takes delivery in the form of an interest in the Rule 144A Global Note; *provided* that a written certification (in the form provided in the Indenture) is delivered to the Trustee to the effect that such transfer is being made to a Person who is reasonably believed to be a QIB acquiring for its own account or the account of a QIB in a transaction complying with Rule 144A and any applicable securities laws of the states of the United States and other jurisdictions. After the expiration of the Distribution Compliance Period, this certification requirement will no longer apply to such transfers.

Transfers involving exchanges of beneficial interests between a Regulation S Global Note and a Rule 144A Global Note will be effected in DTC by means of an instruction originated by the DTC participant through the DTC Deposit/Withdraw at Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect the changes in the principal amounts of the Regulation S Global Note and the Rule 144A Global Note, as applicable. Any beneficial interest in one of the Global Notes that is transferred to a Person who takes delivery in the form of an interest in the other Global Note will, upon transfer, cease to be an interest in the original Global Note and will become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interest in the other Global Note.

Certifications by Holders of the Regulation S Temporary Global Notes

A holder of a beneficial interest in the Regulation S Temporary Global Notes must provide Euroclear or Clearstream, as the case may be, with a certificate in the form required by the Indenture

certifying that the beneficial owner of the interest in the Regulation S Temporary Global Note is either a non-U.S. person or a U.S. person that has purchased such interest in a transaction that is exempt from the registration requirements under the Securities Act, and Euroclear or Clearstream, as the case may be, must provide to the Trustee (or the paying agent if other than the Trustee) a certificate in the form required by the Indenture, prior to any exchange of such beneficial interest for a beneficial interest in the Regulation S Permanent Global Notes.

Same Day Settlement and Payment

We will make payments in respect of notes represented by Global Notes, including payments of principal, premium, if any, and interest by wire transfer of immediately available funds to the accounts specified by the DTC or its nominee. We will make all payments of principal of and premium, if any, and interest on Certificated Notes by wire transfer of immediately available funds to the accounts specified by the Holders of the Certificated Notes or, if no account is specified, by mailing a check to each Holder's registered address. See "—Principal, Maturity and Interest." Notes represented by Global Notes are expected to be eligible to trade in DTC's Same-Day Funds Settlement System, and any permitted secondary market trading activity in notes represented by Global Notes will, therefore, be required by DTC to be settled in immediately available funds. Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a Global Note from a Participant will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day (which must be a Business Day for Euroclear and Clearstream) immediately following the settlement date of DTC. DTC has advised us that cash received in Euroclear or Clearstream as a result of sales of interests in a Global Note by or through a Euroclear or Clearstream participant to a Participant will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the Business Day for Euroclear or Clearstream following DTC's settlement date.

PLAN OF DISTRIBUTION

Each broker-dealer that receives Exchange Notes in the exchange offer for its own account must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of such Exchange Notes. Broker-dealers who acquired the Restricted Notes directly from us in the initial offering must, in the absence of an exemption, comply with the registration and prospectus delivery requirements of the Securities Act in connection with the resales of the Exchange Notes and cannot rely on the position of the staff of the Commission enunciated in the Exxon Capital no-action letter. In addition, broker-dealers who acquired Restricted Notes directly from us in the initial offering cannot use this prospectus in connection with resales of the Exchange Notes. We reserve the right in our sole discretion to purchase or make offers for, or to offer Exchange Notes for, any Restricted Notes that remain outstanding subsequent to the expiration of the exchange offer pursuant to this prospectus or otherwise and, to the extent permitted by applicable law, purchase Restricted Notes in the open market, in privately negotiated transactions or otherwise. This prospectus, as it may be amended or supplemented from time to time, may be used by all persons subject to the prospectus delivery requirements of the Securities Act, including broker-dealers in connection with resales of Exchange Notes received in the exchange offer, where such Exchange Notes were acquired as a result of market-making activities or other trading activities and may be used by us to purchase any Restricted Notes outstanding after expiration of the exchange offer. We have agreed that, for a period of up to 180 days from the date on which the exchange offer is completed, we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale. In addition, until , 2011, all dealers effecting transactions in the Exchange Notes may be required to deliver a prospectus.

We will not receive any proceeds from any sale of Exchange Notes by broker-dealers. Exchange Notes received by broker-dealers in the exchange offer for their own account may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the Exchange Notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer and/or the purchasers of any such Exchange Notes. Any broker-dealer that resells Exchange Notes that were received by it in the exchange offer for its own account and any broker or dealer that participates in a distribution of such Exchange Notes may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of such Exchange Notes and any commissions or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus meeting the requirements of the Securities Act, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of up to 180 days from the date on which the exchange offer is completed, we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the letter of transmittal. We have agreed to pay all expenses incident to the exchange offer, other than commissions or concessions of any brokers or dealers and will indemnify holders of the Notes, including any broker-dealers, against certain liabilities, including liabilities under the Securities Act.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS OF THE EXCHANGE OFFER

The following is a summary of material U.S. federal income tax considerations relating to the exchange of Restricted Notes for Exchange Notes in the exchange offer. It does not contain a complete analysis of all the potential tax considerations relating to the exchange. This summary is limited to holders of Restricted Notes that hold the Restricted Notes as "capital assets" (in general, assets held for investment). Special situations, such as the following, are not addressed:

- tax consequences to holders that may be subject to special tax treatment, such as tax-exempt entities, dealers in securities or foreign currencies, brokers, certain financial institutions or "financial services entities," insurance companies, regulated investment companies, traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, retirement plans, real estate investment trusts, controlled foreign corporations, passive foreign investment companies, former citizens or long-term residents of the United States, or corporations that accumulate earnings to avoid U.S. federal income tax;

- tax consequences to persons holding notes as part of a hedging, integrated, constructive sale or conversion transaction or a straddle or other risk reduction transaction;

- tax consequences to holders whose "functional currency" is not the U.S. Dollar;

- tax consequences to persons who hold notes through a partnership or similar pass-through entity;

- alternative minimum tax, gift tax or estate tax consequences, if any; or

- any state, local or foreign tax consequences.

The discussion below is based upon the provisions of the Internal Revenue Code of 1986, as amended, existing and proposed Treasury regulations promulgated thereunder, and rulings, judicial decisions and administrative interpretations thereunder, as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those discussed below.

Consequences of Tendering Notes

The exchange of the Restricted Notes for the Exchange Notes in the exchange offer will not constitute a taxable exchange. As a result, you will not recognize taxable gain or loss as a result of such exchange, the holding period of the Exchange Notes you receive will include the holding period of the Restricted Notes you exchange and the adjusted tax basis of the Exchange Notes you receive will be the same as the adjusted tax basis of the Restricted Notes you exchange.

The preceding discussion of certain material U.S. federal income tax consequences is for general information only and is not tax advice. Accordingly, each investor is urged to consult its own tax advisor as to the particular tax consequences to it of exchanging Restricted Notes for Exchange Notes, including the applicability and effect of any U.S. federal, state, local or foreign tax laws, and of any proposed changes in applicable laws.

LEGAL MATTERS

Weil, Gotshal & Manges LLP has passed upon the validity of the Exchange Notes and the related guarantees on behalf of the issuer.

EXPERTS

The consolidated financial statements of Lantheus MI Intermediate, Inc. and subsidiaries as of and for the years ended December 31, 2009 and 2008 included in this prospectus have been audited by Deloitte & Touche LLP, an Independent Registered Public Accounting Firm, as stated in their report dated April 16, 2010 (August 18, 2010 as to the restatement discussed in Note 1, and October 4, 2010 as to Note 21) appearing herein. The consolidated financial statements of Bristol Myers-Squibb Medical Imaging (a division of Bristol Myers-Squibb Company) ("BMSMI") as of and for the year ended December 31, 2007 included in this prospectus, have been audited by Deloitte & Touche LLP, an Independent Registered Public Accounting Firm, as stated in their report appearing herein, dated September 24, 2008, which report includes an explanatory paragraph regarding the basis of presentation of the BMSMI financial statements. Such financial statements have been so included in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We and the guarantors have filed with the SEC a registration statement on Form S-4 under the Securities Act with respect to the Exchange Notes being offered hereby. This prospectus, which forms a part of the registration statement, does not contain all of the information set forth in the registration statement. For further information with respect to us, the guarantors or the Exchange Notes, reference is made to the registration statement. Statements contained in this prospectus as to the contents of any contract or other document are not necessarily complete.

We are currently not subject to the periodic reporting and other informational requirements of the Exchange Act. As a result of the offering of the Exchange Notes, we will become subject to the informational requirements of the Exchange Act, and, in accordance therewith, will file reports and other information with the SEC. The registration statement, such reports and other information can be inspected and copied at the Public Reference Room of the SEC located at Room 1580, 100 F Street, N.E., Washington D.C. 20549. Copies of such materials, including copies of all or any portion of the registration statement, can be obtained from the Public Reference Room of the SEC at prescribed rates. You can call the SEC at 1-800-SEC-0330 to obtain information on the operation of the Public Reference Room. Such materials may also be accessed electronically by means of the SEC's home page on the Internet (http://www.sec.gov).

So long as we are subject to the reporting requirements of the Exchange Act, we and the guarantors are required to make available to the trustee and the holders of the notes the information required to be filed with the SEC. Regardless of whether we are subject to the reporting requirements of the Exchange Act, we have agreed that for as long as any of the notes remain outstanding, we will furnish to the trustee and holders of the notes certain information that would otherwise be required to be filed with the SEC under Sections 13 or 15(d) of the Exchange Act.

This prospectus contains summaries of certain agreements that we have entered into in connection with the exchange offer, such as the indenture and agreements described under "Summary—Summary of the Terms of the Exchange Offer" and "Certain Relationships and Related Party Transactions." The descriptions contained in this prospectus of these agreements do not purport to be complete and are subject to, or qualified in their entirety by reference to, the definitive agreements.

Index to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of
Lantheus MI Intermediate, Inc.
North Billerica, Massachusetts

We have audited the accompanying consolidated balance sheets of Lantheus MI Intermediate, Inc. and subsidiaries (the "Company") as of December 31, 2009 and 2008, and the related consolidated statements of income, stockholder's equity, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2009 and 2008, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP

Boston, Massachusetts

April 16, 2010 (August 18, 2010 as to the effects of the restatement discussed in Note 1, and October 4, 2010 as to Note 21).

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Lantheus MI Intermediate, Inc. and subsidiaries

Consolidated Balance Sheets

(in thousands except share data)	December 31, 2009	December 31, 2008
Assets		
Current assets		
Cash and cash equivalents	$ 31,480	$ 21,036
Accounts receivable, net	42,951	71,360
Inventory	19,611	13,877
Deferred tax assets	1,167	4,391
Other current assets	2,905	8,393
Total current assets	98,114	119,057
Property, plant and equipment, net	122,760	123,572
Capitalized software development costs	4,802	7,262
Goodwill	16,818	16,818
Intangibles, net	147,011	147,097
Deferred tax assets	79,099	88,606
Deferred financing costs	3,038	5,664
Other long-term assets	20,901	19,959
Total assets	$ 492,543	$ 528,035
Liabilities and Stockholder's Equity		
Current liabilities		
Current portion of long-term debt	$ 30,000	$ 15,000
Accounts payable	19,995	23,113
Accrued expenses	18,360	33,546
Income tax payable	1,453	—
Deferred revenue	4,750	3,652
Deferred tax liability	—	527
Total current liabilities	74,558	75,838
Asset retirement obligation	3,746	3,283
Long-term debt, net of current portion	63,649	127,751
Deferred tax liability	2,199	3,698
Deferred revenue	5,335	—
Other long-term liabilities	32,477	29,656
Total liabilities	181,964	240,226
Commitments and contingencies	—	—
Stockholder's equity		
Common stock ($0.001 par value, 10,000 shares authorized; 1 share issued and outstanding)	—	—
Additional paid-in capital	247,883	246,768
Retained earnings	63,138	42,786
Accumulated other comprehensive loss	(442)	(1,745)
Total stockholder's equity	310,579	287,809
Total liabilities and stockholder's equity	$ 492,543	$ 528,035

See notes to consolidated financial statements

Lantheus MI Intermediate, Inc. and subsidiaries

Consolidated Statements of Income

(in thousands)	Year Ended December 31, 2009	2008
Revenues		
Net product revenues	$ 352,303	$ 531,740
License and other revenues	7,908	5,104
Total revenues	360,211	536,844
Cost of goods sold	184,844	244,496
Gross profit	175,367	292,348
Operating expenses		
General and administrative expenses	35,430	64,909
Sales and marketing expenses	42,337	45,730
Research and development expenses	44,631	34,682
In-process research and development	—	28,240
Total operating expenses	122,398	173,561
Operating income	52,969	118,787
Interest expense	(13,458)	(31,038)
Interest income	73	693
Other income, net	2,720	2,950
Income before income taxes	42,304	91,392
Provision for income taxes	(21,952)	(48,606)
Net income	$ 20,352	$ 42,786

See notes to consolidated financial statements

Lantheus MI Intermediate, Inc. and subsidiaries

Consolidated Statements of Stockholder's Equity

(in thousands, except share data)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholder's Equity
Balance at January 1, 2008	—	$ —	$ —	$ —	$ —	$ —
Issuance of common stock in connection with acquisition	1	—	245,400	—	—	245,400
Comprehensive income						
Net income	—	—	—	42,786	—	42,786
Foreign currency translation	—	—	—	—	(1,745)	(1,745)
Total other comprehensive income						$ 41,041
Stock-based compensation	—	—	1,368	—	—	1,368
Balance at December 31, 2008	1	—	246,768	42,786	(1,745)	287,809
Comprehensive income						
Net income	—	—	—	20,352	—	20,352
Foreign currency translation, net of tax	—	—	—	—	1,303	1,303
Total other comprehensive income						$ 21,655
Stock-based compensation	—	—	1,115	—	—	1,115
Balance at December 31, 2009	1	$ —	$247,883	$63,138	$ (442)	$ 310,579

See notes to consolidated financial statements

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Lantheus MI Intermediate, Inc. and subsidiaries

Consolidated Statements of Cash Flows

(in thousands)	Year ended December 31, 2009	2008
Cash flow from operating activities		
Net income	$ 20,352	$ 42,786
Adjustments to reconcile net income to cash flow from operating activities		
Depreciation	10,865	10,096
Amortization	30,842	63,084
Amortization of deferred financing charges	2,626	6,021
Provision for excess and obsolete inventory	4,125	5,791
Stock-based compensation	1,209	1,368
Deferred income taxes	10,826	(4,447)
Acquired in-process research and development	—	28,240
Accretion of asset retirement obligation	378	355
Long term income tax receivable	(942)	(2,475)
Long term income tax payable	3,325	2,475
Non-cash earnings	—	(3,325)
Increase (decrease) in cash from operating assets and liabilities		
Accounts receivable	28,023	72
Prepaid expenses and other assets	5,480	(1,761)
Inventory	(10,595)	5,294
Deferred revenue	6,036	4,079
Accounts payable	(3,171)	5,066
Income tax payable	1,453	(5,950)
Accrued expenses and other liabilities	(15,049)	21,676
Cash provided by operating activities	95,783	178,445
Cash flows from investing activities		
Capital expenditures	(8,856)	(12,175)
Asset acquisition, net of cash acquired	(29,495)	(518,657)
Cash used in investing activities	(38,351)	(530,832)
Cash flows from financing activities		
Proceeds from issuance of term loan	—	296,500
Payment of term loan	(49,102)	(153,749)
Debt issuance costs	—	(11,685)
Proceeds from issuance of common stock	—	245,400
Proceeds from line of credit	28,000	—
Payment of line of credit	(28,000)	—
Cash (used in) provided by financing activities	(49,102)	376,466
Effect of foreign exchange rate on cash	2,114	(3,043)
Increase in cash and cash equivalents	10,444	21,036
Cash and cash equivalents, beginning of year	21,036	—
Cash and cash equivalents, end of year	$ 31,480	$ 21,036
Supplemental disclosure of cash flow information		

Interest paid	$	10,693	$	23,755
Income taxes paid, net of refunds	$	(2,318)	$	56,351

See notes to consolidated financial statements

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements

1. Description of Business

Separation from Bristol Myers Squibb

On January 8, 2008, Lantheus MI Holdings, Inc. ("LMI Holdings") acquired the Bristol-Myers Squibb ("BMS") Medical Imaging business for an aggregate purchase price of $518.7 million, including transaction costs of $14.7 million. The business, now known as Lantheus MI Intermediate, Inc. and its wholly-owned subsidiaries (the "Company" or "Lantheus"), was purchased through a stock and asset purchase agreement, in which LMI Holdings purchased the stock at approximately $487.9 million and certain assets and liabilities for $30.8 million. The acquisition included employees in the United States and other countries dedicated to the Company, related product patent and developed technology and certain other assets, including the manufacturing facilities located in North Billerica, Massachusetts. The Company is a wholly-owned subsidiary of LMI Holdings.

For the purpose of convenience, the Company has assumed an effective date of January 1, 2008 for the acquisition. The Company determined the results of operations between the effective date and the acquisition date are not material and these results have been included with the Company's results of operations. In the accompanying consolidated statements of income, the Company included net revenues of approximately $12.0 million, gross profit of approximately $8.3 million, operating income of approximately $5.4 million and net income of $3.3 million relating to the period from January 1, 2008 through January 7, 2008. The net income effect of this period of $3.3 million has been included as Non-cash earnings within operating activities on the Consolidated Statement of Cash Flows and as Goodwill on the Consolidated Balance.

Correction of Convenience Period Results

As noted above, for the purpose of convenience, the Company assumed an effective date of January 1, 2008 for the acquisition and determined that the results of operations between the effective date and the acquisition date, January 1, 2008 through January 7, 2008 (the "Convenience Period") are not material to the Company's results of operations for fiscal year 2008.

After the issuance of the Company's 2009 financial statements, the Company determined that the previously reported provision for income taxes related to the Convenience Period was inappropriately calculated. As a result, the Company has adjusted the previously reported provision for income taxes to recognize an additional provision of $2.1 million for the year ended December 31, 2008 related to the Convenience Period. The following summarizes changes to the statement of income for the year ended December 31, 2008:

	As previously Reported	As Adjusted
Provision for income taxes	$ 46,545	$ 48,606
Net income	$ 44,847	$ 42,786

In addition, the amounts arising from the Convenience Period on the balance sheet should have been classified as goodwill rather than other current assets. The net effect of the tax provision and balance sheet adjustment is reflected in goodwill.

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

1. Description of Business (Continued)

The following summarizes changes to the balance sheet as of December 31, 2009 and 2008:

	As Previously Reported 2009	As Adjusted 2009	As Previously Reported 2008	As Adjusted 2008
Other current assets	$ 8,291	$ 2,905	$ 13,779	$ 8,393
Goodwill	$ 13,493	$ 16,818	$ 13,493	$ 16,818
Retained earnings	$ 65,199	$ 63,138	$ 44,847	$ 42,786

Lantheus MI Intermediate, Inc.

The Company manufactures, markets, sells and distributes medical imaging products globally with operations in the United States, Puerto Rico, Canada and Australia and distribution relationships in Europe, Asia Pacific and Latin America. The Company provides medical imaging products primarily focused on cardiovascular diagnostic imaging to nuclear physicians, cardiologists, radiologists, internal medicine physicians, independent delivery networks, group purchasing organizations and technologists/sonographers working in a variety of clinical settings.

The Company's principal products include Cardiolite®, a myocardial perfusion imaging agent, DEFINITY®, an ultrasound contrast agent, and TechneLite®, a generator used to provide the radioisotope to radiolabeled Cardiolite® and other radiopharmaceuticals. In the U.S., Cardiolite®, DEFINITY® and TechneLite® are marketed through an internal sales force and sold through distributors to radiopharmacies and end users. Radiopharmacies reconstitute certain of the products into patient specific unit dose syringes which are then sold directly to hospitals and clinics. Internationally, these products are marketed through an internal sales force and sold through Company-owned radiopharmacies in certain countries and elsewhere through distributors.

Subsequent Events

The Company has evaluated subsequent events through October 4, 2010, the date the Company's consolidated financial statements were available for issuance.

2. Summary of Significant Accounting Policies

Basis of Consolidation and Presentation

The financial statements have been prepared in United States dollars, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. The more significant estimates reflected in the Company's consolidated financial statements include certain judgments regarding revenue recognition, goodwill and intangible asset valuation, inventory valuation, asset retirement obligations, deferred tax assets and

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

liabilities, accrued expenses and stock-based compensation. Actual results could materially differ from those estimates or assumptions.

Revenue Recognition

The Company recognizes revenue when evidence of an arrangement exists, title has passed, substantially all the risks and rewards of ownership have transferred to the customer, the selling price is fixed or determinable, and collectibility is reasonably assured. For transactions for which revenue recognition criteria have not yet been met, the respective amounts are recorded as deferred revenue until such point in time criteria are met and revenue can be recognized. Revenue is recognized net of reserves, which consist of allowances for returns, sales rebates, and chargebacks.

Revenue arrangements with multiple elements are divided into separate units of accounting if certain criteria are met, including whether the delivered element has stand-alone value to the customer and whether there is objective and reliable evidence of the fair value of the undelivered items. Supply or service transactions may involve the charge of a nonrefundable initial fee with subsequent periodic payments for future products or services. The up-front fees, even if nonrefundable, are earned as the products and/or services are delivered and performed over the term of the arrangement.

On January 1, 2009, the Company executed an amendment to a license and supply agreement (the "Agreement") with one of its customers, granting non-exclusive U.S. license and supply rights to the customer for the period from January 1, 2009 through December 31, 2012. Under the terms of the Agreement, the customer paid the Company $10 million in license fees; $8 million of which was received upon execution of the agreement and $2 million of which was received in June 2009 upon delivery of a special license as defined in the Agreement. The Company's product sales under the Agreement are recognized in the same manner as it normal product sales. The Company is recognizing the license fees as revenue on a straight line basis over the term of the Agreement or four years. The Company recognized $2.5 million in license fee revenue in 2009 and recorded deferred revenue of $7.5 million which will be recognized as revenue at a rate of $2.5 million per year in 2010 through 2012.

In addition, the Company had other revenue of $5.4 million and $5.1 million in fiscal years 2009 and 2008, respectively. Other revenue represents contract manufacturing services related to one of the Company's products for one customer. The related costs are included in cost of goods sold.

Product Returns

The Company records a reserve for sales recorded for which the related products are expected to be returned. The Company does not typically accept product returns unless an over shipment or non-conforming shipment was provided to the customer, or if the product was defective. The Company adjusts its estimate of product returns if it becomes aware of other factors that it believes could significantly impact its expected returns. These factors include its estimate of actual and historical return rates for non-conforming product and open return requests.

Distributor Relationships

Revenue for product sold to distributors is recognized at shipment, unless other revenue recognition criteria have not been met. In such instances where collectibility can not be determined

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

until the distributor has sold through the goods, the Company defers such revenue until such time when the goods have been sold through, or the selling price can be reasonably estimated based on history of transactions with such distributor.

Rebates, Discounts and Chargebacks

The Company records a reduction to revenue for estimates of rebates, discounts and chargebacks that are based on its estimated mix of sales to various customers, which are entitled contractually to either discounts or rebates from the Company's listed prices of its products. In the event that the sales mix is different from its estimates, the Company may be required to pay higher or lower total price adjustments and/or chargebacks than it has estimated. Since the Company only offers discounts to end-user customers under federally mandated programs, chargebacks have not been significant to the Company.

Sales rebates and other accruals were approximately $427,000 and $8.0 million at December 31, 2009 and 2008, respectively. The decrease resulted principally from the expiration of the Cardiolite® patent and the resulting non-renewal of certain rebate agreements. These accruals were established in the same period the related revenue was recognized, resulting in a reduction to sales and the establishment of a liability for amounts already paid by the customer and are included in accrued expense and other in the accompanying balance sheets. An accrual is recorded based on an estimate of the proportion of recorded revenue that will result in a rebate or other adjustment based primarily on the Company's historical experience.

Income Taxes

The provision for income taxes has been determined using the asset and liability approach of accounting for income taxes. The provision for income taxes represents income taxes paid or payable for the current year plus the change in deferred taxes during the year. Deferred taxes result from differences between the financial and tax bases of the Company's assets and liabilities. Deferred tax assets and liabilities are measured using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax attributes are expected to be recovered or paid, and are adjusted for changes in tax rates and tax laws when changes are enacted.

Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. The assessment of whether or not a valuation allowance is required often requires significant judgment including the forecast of future taxable income and the evaluation of tax planning initiatives. Adjustments to the deferred tax valuation allowances are made to earnings in the period when such assessments are made.

The Company accounts for uncertain tax positions using a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Differences between tax positions taken in a tax return and amounts recognized in the financial statements are recorded as adjustments to income taxes payable or receivable, or adjustments to deferred taxes, or both. The guidance also requires disclosure at the end of each annual reporting period including a tabular reconciliation of unrecognized tax benefits. The Company classifies interest and penalties within the provision for income taxes.

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include savings deposits, certificates of deposit and money market funds that have original maturities of three months or less when purchased.

Accounts Receivable

Accounts receivable consist of amounts billed and currently due from customers. The Company maintains an allowance for doubtful accounts for estimated losses. In determining the allowance, consideration includes the probability of recoverability based on past experience and general economic factors. Certain accounts receivable may be fully reserved when specific collection issues are known to exist, such as pending bankruptcy. As of December 31, 2009 and December 31, 2008, the Company had allowances for doubtful accounts of approximately $738,000 and $752,000, respectively.

Concentration of Risks and Limited Suppliers

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of trade accounts receivable. The Company's cash and cash equivalents are maintained with various financial institutions. The Company periodically reviews its accounts receivable for collectibility and provides for an allowance for doubtful accounts to the extent that amounts are not expected to be collected. The Company sells primarily to large national distributors, which in turn, may resell the Company's products. There was one customer that represented greater than 10% of the total accounts receivable balance and net sales.

	Accounts Receivable December 31,		Sales December 31,	
	2009	2008	2009	2008
Company A	21%	30%	30%	48%

The Company relies on certain materials used in its development and manufacturing processes, some of which are procured from only a few sources. The failure of one of these suppliers to deliver on schedule could delay or interrupt the manufacturing or commercialization process and thereby adversely affect the Company's operating results. In addition, a disruption in the commercial supply of, or a significant increase in, the cost of one of the Company's materials from these sources could have a material adverse effect on the Company's business, financial position and results of operations. In May 2009, MDS Nordion, the Company's largest supplier of molybdenum-99 ("moly"), a key raw material in the Company's TechneLite® product, was affected by a nuclear reactor shutdown. As a result, the Company has not been able to replace all of the quantity of supply it previously received from MDS Nordion, which has had a negative impact on the Company's results of operations.

Cardiolite® and TechneLite®, accounted for approximately 33% and 31%, respectively, of net product sales for the years ended December 31, 2009 and 60% and 23% respectively for December 31, 2008. In July 2008, the Company's market exclusivity for Cardiolite® expired.

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

Inventory

Inventory includes material, direct labor and related manufacturing overhead, and is stated at the lower of cost or market on a first-in, first-out basis. The Company records inventory when it takes delivery and title to the product. Any commitment for product ordered but not yet received is included as purchase commitments in the contractual obligations table. The Company assesses the recoverability of inventory to determine whether adjustments for impairment are required. Inventory that is in excess of future requirements is written down to its estimated net realizable value based upon forecasted demand for its products. If actual demand is less favorable than what has been forecasted by management, additional inventory impairments may be required.

Property, Plant and Equipment

Property, plant and equipment are stated at cost. Replacements of major units of property are capitalized and replaced properties are retired. Replacements of minor components of property and repair and maintenance costs are charged to expense as incurred. Depreciation is generally computed on a straight-line method based on the estimated useful lives of the related assets. The estimated useful lives of the major classes of depreciable assets are as follows:

Buildings	50 years
Land improvements	40 years
Machinery and equipment	3 - 20 years
Furniture and fixtures	15 years

Upon retirement or other disposal of property, plant and equipment, the cost and related amount of accumulated depreciation are eliminated from the asset and accumulated depreciation accounts, respectively. The difference, if any, between the net asset value and the proceeds is included in net income.

Capitalized Software Development Costs

Certain costs to obtain internal use software for significant systems projects are capitalized and amortized over the estimated useful life of the software, which ranges from 3 to 5 years. Costs to obtain software for projects that are not significant are expensed as incurred. Capitalized software development costs, net of accumulated amortization, was $4.8 million and $7.3 million at December 31, 2009 and December 31, 2008, respectively. Amortization expense related to the capitalized software was $1.2 million and $531,000 for the years ended December 31, 2009 and December 31, 2008 respectively.

Goodwill, Intangibles and Long-Lived Assets

The Company estimates the fair value of acquisition-related intangible assets principally based on projections of cash flows that will arise from identifiable intangible assets of acquired businesses. The projected cash flows are discounted to determine the fair value of the assets at the dates of acquisition.

Goodwill and purchased intangible assets with indefinite lives are not amortized but are reviewed periodically for impairment. In 2009, the Company changed the date it performs its annual goodwill and indefinite-lived intangible asset impairment testing from December 31 to October 31. The Company has determined that the annual goodwill impairment testing date change does not result in

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

adjustments to its financial statements when applied retrospectively. The Company believes changing its annual goodwill impairment testing date is preferable because the date change coincides with the change of its financial and strategic planning process. Going forward, the Company will perform an annual evaluation of goodwill as of October 31 to test for impairment and more frequently if events or circumstances indicate that goodwill may be impaired. The Company performed this test by comparing the fair value of the reporting unit containing goodwill to its carrying value, including goodwill. If the fair value exceeds the carrying value, goodwill is not impaired. If the carrying value exceeds the fair value, then the Company would calculate the potential impairment loss by comparing the implied fair value of goodwill with the carrying value of the goodwill. If the implied fair value of goodwill is less than the book value, then an impairment charge would be recorded.

The Company calculates the fair value of its reporting units using the income approach which utilizes discounted forecasted future cash flows and the market approach which utilizes fair value multiples of comparable publicly traded companies. The discounted cash flows are based on the Company's most recent long-term financial projections and are discounted using a risk adjusted rate of return which is determined using estimates of market participant risk-adjusted weighted-average costs of capital and reflects the risks associated with achieving future cash flows. The market approach is calculated using the guideline company method, where the company uses market multiples derived from stock prices of companies engaged in the same or similar lines of business.

The Company performs impairment testing for intangible and long-lived assets whenever events or changes in circumstances suggest that the carrying value of an asset or group of assets may not be recoverable. The Company measures the recoverability of assets to be held and used by comparing the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment equals the amount by which the carrying amount of the assets exceeds the fair value of the assets. Any impairments are recorded as permanent reductions in the carrying amount of the assets.

Intangible assets, consisting of core and developed technology, patents, trademarks and customer relationships related to the Company's products (primarily Cardiolite® and DEFINITY®) are amortized in a method equivalent to the estimated utilization of the economic benefit of the asset, with weighted average useful lives ranging from 6 to 19 years. Tradenames and patents are amortized on a straight line basis and customer relationships are amortized on an accelerated basis.

Deferred Financing Charges

Debt issuance costs are capitalized and amortized to interest expense using the effective interest rate method. As of December 31, 2009 and December 31, 2008, the unamortized deferred financing fees were $3.1 million and $5.7 million, respectively. The expense associated with the deferred financing charges was $2.6 million and $6.0 million for the years ended December 31, 2009 and December 31, 2008, respectively, and was included in interest expense.

Contingencies

In the normal course of business, the Company is subject to loss contingencies, such as legal proceedings and claims arising out of its business, that cover a wide range of matters, including, among others, product and environmental liability. The Company records accruals for such loss contingencies

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

when it is probable that a liability will be incurred and the amount of loss can be reasonably estimated. The Company does not recognize gain contingencies until realized.

Fair Value of Financial Instruments

The estimated fair values of the Company's financial instruments, including its cash and cash equivalents, receivables, accounts payable, accrued expenses and debt approximate the carrying values of these instruments due to their short term nature.

Shipping and Handling Costs

The Company typically does not charge customers for shipping and handling costs. Shipping and handling costs are included in cost of goods sold and were $16.6 million and $16.1 million for the years ended December 31, 2009 and December 31, 2008, respectively.

Advertising and Promotion Costs

Advertising and promotion costs are expensed as incurred and totaled $4.1 million and $3.4 million for the years ended December 31, 2009 and December 31, 2008, respectively, and are included in sales and marketing expenses.

Research and Development

Research and development costs are expensed as incurred and relate primarily to the development of new products to add to the Company's portfolio. Nonrefundable advance payments for goods or services that will be used or rendered for future research and development activities are deferred and recognized as an expense as the goods are delivered or the related services are performed.

Foreign Currency Translation

The statement of income of the Company's foreign subsidiaries are translated into U.S. dollars using average exchange rates. The net assets of the Company's foreign subsidiaries are translated into U.S. dollars using the end of period exchange rates. The impact from translating the net assets of these subsidiaries at changing rates are recorded in the foreign currency translation adjustment account, which is included in accumulated other comprehensive loss.

For the years ended December 31, 2009 and December 31, 2008, gains arising from foreign currency transactions totaled approximately $794,000 and $832,000 and are reported as a component of other income, net.

Accounting for Stock-Based Compensation

The Company's stock-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as expense over the requisite service period, which generally represents the vesting period, and includes an estimate of the awards that will be forfeited. The Company uses the Black-Scholes valuation model for estimating the fair value on the date of grant of stock options. The fair value of stock option awards is affected by the valuation assumptions, including the expected volatility based on comparable market participants, expected term of the option, risk-free interest rate and expected dividends. When a contingent cash settlement of vested options becomes

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

probable, the Company reclassifies its vested awards to a liability and accounts for any incremental compensation cost in the period in which the settlement becomes probable.

Accumulated Other Comprehensive Loss

Comprehensive loss is comprised of net income, plus all changes in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources, including any foreign currency translation adjustments. These changes in equity are recorded as adjustments to accumulated other comprehensive income (loss) in the Company's consolidated balance sheet. The components of accumulated other comprehensive loss consist of foreign currency translation adjustments.

Asset Retirement Obligations

The Company's compliance with federal, state and foreign environmental laws and regulations may require it to remove or mitigate the effects of the disposal or release of chemical substances in jurisdictions where it does business or maintain properties. The Company establishes accruals when such costs are probable and can be reasonably estimated. Accrual amounts are estimated based on currently available information, regulatory requirements, remediation strategies, historical experience, our relative shares of the total remediation costs and a relevant discount rate, when the time periods of estimated costs can be reasonably predicted. Changes in these assumptions could impact the Company's future reported results. The amount recorded for asset retirement obligations at December 31, 2009 and 2008 were $3.7 million and $3.3 million, respectively.

Business Combinations

The Company adopted new guidance relative to accounting for business combinations on January 1, 2009. The guidance requires an acquirer to recognize the assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree at the acquisition date, measured at their fair values as of that date. In accordance with the new guidance acquisition costs are expensed as incurred and recorded in selling, general and administrative expenses; in-process research and development ("IPR&D") is recorded at fair value as an indefinite-lived intangible asset at the acquisition date. In addition, under the new guidance any future reversal of tax reserves recorded at acquisition would be recorded in earnings, rather than as an adjustment to goodwill or acquisition related other intangible assets and will affect the Company's annual effective income tax rate.

Reclassification of 2008 Reported Amounts

As further described in Note 6, the Company has a tax indemnification agreement with BMS related to certain contingent tax obligations arising prior to the acquisition. The tax obligations are recognized in liabilities and the tax indemnification receivable is recognized within other noncurrent assets. In the 2008 financial statements, the Company included a liability for the tax benefit generated upon settlement of the indemnification receivable within deferred taxes. Given that the indemnification payment will be net of any benefit obtained, the December 31, 2008 consolidated balance sheet understated noncurrent deferred tax assets and overstated the tax indemnification receivable by offsetting amounts. A reclassification of $9.2 million between deferred tax assets and other long-term assets has been recorded in the 2008 balance sheet to correct the prior presentation and conform to

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

the 2009 presentation. This reclassification had no impact on total noncurrent assets, total assets, or net income as compared to previously reported amounts and accordingly is not considered to be material.

Recent Accounting Standards

In October 2009, the FASB issued an update to the accounting standard for revenue recognition related to multiple-element arrangements, which in certain instances requires companies to allocate revenue in arrangements involving multiple deliverables based on the estimated selling price of each deliverable, even though such deliverables are not sold separately either by the company itself or other vendors. This standard eliminates the requirement that all undelivered elements must have objective and reliable evidence of fair value before a company can recognize the portion of the overall arrangement fee that is attributable to items that already have been delivered. As a result, the new guidance may allow some companies to recognize revenue on transactions that involve multiple deliverables earlier than under previous requirements. The Company will adopt this standard in the first quarter of 2010 and does not anticipate that the adoption will have a material effect on its consolidated financial statements.

3. Acquisitions

Lantheus

On January 8, 2008, the stock and asset purchase agreement (the "Agreement") between ACP Lantern Holdings, Inc. (now known as LMI Holdings), ACP Lantern Acquisition, Inc. and BMS to acquire Bristol-Myers Squibb Medical Imaging, subsequently known as Lantheus Medical Imaging, was completed for an aggregate purchase price of $518.7 million, including transaction costs of $14.7 million. The acquisition included employees in the United States and other countries dedicated to the Company, related product patent and developed technology and certain other assets, including the manufacturing facilities located in North Billerica, Massachusetts. The acquisition allows for the Company to focus on growing its market in the medical imaging industry.

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

3. Acquisitions (Continued)

The following table summarizes the fair value assigned to the assets acquired and liabilities assumed at the date of acquisition:

(in thousands)	
Assets acquired:	
Accounts receivable	$ 70,226
Inventory	26,838
Other current assets	1,780
Property, plant and equipment	129,064
Customer relationships	113,480
In-process research and development	28,240
Tradenames	53,390
Patents	42,780
Goodwill	13,493
Long term deferred tax asset	88,316
Other current assets	222
Other long term assets	17,484
Liabilities assumed:	
Accounts payable	(11,907)
Accrued liabilities	(8,324)
Accrued rebates and other	(9,672)
Deferred taxes	(5,698)
Asset retirement obligations	(2,928)
Other current liabilities	(1,450)
Other long term liabilities	(26,677)
Cash paid, including transaction costs	$ 518,657

The acquisition of the Company was accounted for as a purchase. As discussed in Note 1, the Company, for the purpose of convenience, included operating results for the period from January 1, 2008 through January 7, 2008 in its 2008 consolidated statement of income. The operating results for this period were not material to the 2008 consolidated financial statements taken as a whole. The Company has recorded goodwill of $16.8 million which includes goodwill related to the acquisition of $13.5 million and the effect of the operating results of $3.3 million for the Convenience Period. The goodwill is not deductible for income tax purposes. Approximately $660,000 of patents, which are defensive related, have an indefinite life for valuation purposes, and the remaining intangible assets with definite lives have a weighted-average useful life of approximately 15 years, consisting of weighted-average useful lives of trademarks (16 years), patents (2 years) and customer relationships (19 years). The amounts allocated to these intangible assets were determined through a discounted cash flow analysis using the income approach. The projected cash flows were discounted to determine the present value of the assets at the dates of acquisition. The values assigned to these intangibles were determined using patent and tradename lives, expected future earnings benefit and potential revenue generated.

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

3. Acquisitions (Continued)

The amount allocated to IPR&D of $28.2 million was determined through a discounted cash flow analysis using the income approach. Net cash flows attributable to the project were discounted to their present value at a rate commensurate with the perceived risk, which for this project was 20%. The value assigned to IPR&D was determined by estimating costs to develop the purchased IPR&D into commercially viable product, the phase the project is in and its potential revenue generated from the project. The estimated fair value of in-process research and development related to Positron Emission Tomography ("PET") perfusion agents. Immediately following the closing of the acquisition, the amount allocated to IPR&D was charged to expense.

4. Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, financial instruments are categorized based on a hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1—Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the company has the ability to access at the measurement date.

Level 2—Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (i.e., interest rates, yield curves, etc.) and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3—Unobservable inputs that reflect the Company's assumptions about the assumptions that market participants would use in pricing the asset or liability. The Company develops these inputs based on the best information available, including its own data.

At December 31, 2009, the Company's financial assets that are measured at fair value on a recurring basis are comprised of U.S. governmental agency and money market securities and are classified as cash equivalents. The Company invests excess cash from its operating cash accounts in overnight investments and reflects these amounts in cash and cash equivalents on the consolidated balance sheet using quoted prices in active markets for identical assets (Level 1).

(in thousands)	Total fair value at December 31, 2009	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Cash equivalents				
U.S. Treasuries	$ 21,937	$ 21,937	$ —	$ —
Money Market	2,002	2,002	—	—
	$ 23,939	$ 23,939	$ —	$ —

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

4. Fair Value of Financial Instruments (Continued)

(in thousands)	Total fair value at December 31, 2008	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Cash equivalents				
U.S. Treasuries	$ 19,493	$ 19,493	$ —	$ —
	$ 19,493	$ 19,493	$ —	$ —

5. Income Taxes

The components of income before income taxes for the years ended December 31 were:

(in thousands)	2009	2008
United States	$ 41,125	$ 110,590
International	1,179	(19,198)
	$ 42,304	$ 91,392

The provision (benefit) for income taxes attributable to operations consisted of:

(in thousands)	2009	2008
Current		
Federal	$ 5,140	$ 44,642
State	3,981	7,884
International	2,005	527
	$ 11,126	$ 53,053
Deferred		
Federal	$ 9,396	$ (2,475)
State	4,244	(1,080)
International	(2,814)	(892)
	$ 10,826	$ (4,447)
	$ 21,952	$ 48,606

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

5. Income Taxes (Continued)

The Company's provision for income taxes in the years ended December 31, 2009 and December 31, 2008 was different from the amount computed by applying the statutory U.S. Federal income tax rate to earnings from operations before income taxes, as a result of the following:

(in thousands)	2009		2008	
U.S. statutory rate	$ 14,806	35.0%	$ 31,987	35.0%
In-process research and development	—	—	9,884	10.8%
Losses not benefited	155	0.4%	5,535	6.1%
U.S manufacturing deduction	(281)	(0.7)%	(3,230)	(3.5)%
Uncertain tax positions	2,505	5.9%	2,475	2.7%
State and local taxes	631	1.5%	2,008	2.2%
Impact of rate change on deferred taxes	3,956	9.3%	—	—
Utilization of net operating losses	(1,407)	(3.3)%	—	—
True-up of prior year tax	1,592	3.8%	—	—
Other	(5)	0.0%	(53)	(0.1)%
	$ 21,952	51.9%	$ 48,606	53.2%

The components of deferred income tax assets (liabilities) at December 31 were:

(in thousands)	2009	2008
Deferred Tax Assets		
Federal benefit of state taxes payable	$ 10,621	$ 9,193
Reserves, accruals and other	2,600	4,400
Amortization of intangibles other than goodwill	94,919	114,879
Net operating loss carryforwards	339	5,535
Deferred tax assets	108,479	134,007
Deferred Tax Liability		
Customer lists	(22,646)	(32,813)
Depreciation	(7,427)	(6,887)
Deferred tax liability	(30,073)	(39,700)
Less: Valuation allowance	(339)	(5,535)
	$ 78,067	$ 88,772

	2009	2008
Recorded in the accompanying consolidated balance sheet as:		
Current deferred tax assets	$ 1,167	$ 4,391
Noncurrent deferred tax assets	79,099	88,606
Current deferred tax liability	—	(527)
Noncurrent deferred tax liability	(2,199)	(3,698)
Net deferred tax assets	$ 78,067	$ 88,772

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

5. Income Taxes (Continued)

As of December 31, 2009 and 2008, total liabilities for tax obligations and associated interest and penalties were $32.5 million and $29.2 million respectively, consisting of income tax provisions for uncertain tax benefits of $18.8 million and $17.9 million and interest and penalty accruals of $13.7 million and $11.3 million, respectively, which were included in other long-term liabilities on the consolidated balance sheet with the offsetting asset in other long term assets. The total noncurrent asset related to the indemnification was $20.9 million and $20.0 million as of December 31, 2009 and 2008, respectively. Included in the 2009 and 2008 tax provision is $2.5 million and $2.5 million, respectively relating to current year interest expense, with an offsetting amount included in other income due to the indemnification.

A reconciliation of the Company's changes in uncertain tax positions for 2009 and 2008 is as follows:

(in thousands)	
Beginning balance of gross uncertain tax positions as of January 8, 2008	$ 17,939
Gross additions to tax positions related to current year	—
Gross reduction to tax positions related to prior year	—
Balance of gross uncertain tax positions as of December 31, 2008	17,939
Gross additions to tax positions related to current year	877
Gross reduction to tax positions related to prior year	—
Balance of gross uncertain tax positions as of December 31, 2009	$ 18,816

As of December 31, 2009 and December 31, 2008, the total amount of unrecognized tax benefits was $18.8 million and $17.9 million, respectively, all of which would affect the effective tax rate, if recognized. These amounts are primarily associated with domestic state tax issues, such as the allocation of income among various state tax jurisdictions, transfer pricing and U.S. federal R&D credits. As the Company has been contacted by a number of state tax jurisdictions in the past year relating to pre-acquisition tax years, the Company does believe that some pre-acquisition tax years will be settled by BMS within the next twelve months. The Company is not able to quantify the extent of potential settlement at this time.

The Company has a tax indemnification agreement with BMS related to certain tax obligations arising prior to the acquisition of the Company, for which the Company has the primary legal obligation. The tax indemnification receivable is recognized within other noncurrent assets. The changes in the tax indemnification asset are recognized within other income, net in the statement of income. In accordance with the Company's accounting policy, the change in the tax liability and penalties and interest associated with these obligations (net of any offsetting federal or state benefit) is recognized within the tax provision. Accordingly, as these reserves change, adjustments are included in the tax provision while the offsetting adjustment is included in other income. Assuming that the receivable from BMS continues to be considered recoverable by the Company, there is no net effect on earnings related to these liabilities and no net cash outflows.

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

5. Income Taxes (Continued)

The Company decreased its valuation allowance by $5.2 million in 2009. The Company has foreign net operating loss carryforwards of approximately $1.7 million of which $1.2 million expire in 2029 and $542,000 have no expiration date.

Undistributed earnings of various foreign subsidiaries aggregated zero and $730,000 at December 31, 2009 and 2008, respectively. As of December 31, 2009 the Company plans to distribute earnings from its Australian subsidiary during 2010. Since these earnings are not permanently reinvested, the Company has provided a deferred tax liability of $180,000. There are no additional undistributed earnings in our foreign subsidiaries as they do not have accumulated earnings.

6. Inventory

Inventory consisted of the following at December 31:

(in thousands)	2009	2008
Raw materials	$ 6,751	$ 7,156
Work in process	1,849	2,612
Finished goods	11,011	4,109
Inventory	$ 19,611	$ 13,877

7. Property, Plant and Equipment, net

Property, plant and equipment consisted of the following at December 31:

(in thousands)	2009	2008
Land	$ 22,450	$ 22,450
Buildings	60,695	60,701
Machinery, equipment and fixtures	55,905	47,080
Construction in progress	4,989	3,437
Accumulated depreciation	(21,279)	(10,096)
Property, plant and equipment, net	$ 122,760	$ 123,572

Depreciation expense related to property, plant and equipment was $10.9 million and $10.1 million for the years ended December 31, 2009 and 2008, respectively.

Included within property, plant and equipment are spare parts of approximately $4.1 million and $4.0 million as of December 31, 2009 and 2008, respectively. Spare parts include replacement parts relating to plant and equipment and are either recognized as an expense when consumed or re-classified and capitalized as part of the related plant and equipment and depreciated over a time period not exceeding the useful life of the related asset.

8. Asset Retirement Obligations

The fair value of a liability for asset retirement obligations is recognized in the period in which the liability is incurred. The liability is measured at present value of the obligation when incurred and is adjusted in subsequent periods as accretion expense is recorded. The corresponding asset retirement

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

8. Asset Retirement Obligations (Continued)

costs are capitalized as part of the carrying value of the related long-lived assets and depreciated over the asset's useful life.

The Company considered the legal obligation to remediate its facilities upon a decommissioning of its radioactive related operations as an asset retirement obligation. The operations of the Company have radioactive production facilities at its North Billerica, Massachusetts and San Juan, Puerto Rico sites.

The following is a reconciliation of the Company's asset retirement obligations for the years ended December 31, 2009 and December 31, 2008:

(in thousands)	
Beginning balance	$ 2,928
Accretion expense	355
Balance at December 31, 2008	3,283
Capitalization	85
Accretion expense	378
Balance at December 31, 2009	$ 3,746

9. Intangibles, net

Intangibles, net consisted of the following:

	December 31, 2009				
(in thousands)	Cost	Accumulated amortization	Net	Weighted Average Useful Life	Amortization Method
Trademarks	$ 53,390	$ 6,856	$ 46,534	16 years	Straight-line
Customer relationships	113,480	46,453	67,027	19 years	Accelerated
Patent rights, know-how	29,495	2,069	27,426	11 years	Straight-line
Patents	42,780	36,756	6,024	2 years	Straight-line
	$ 239,145	$ 92,134	$ 147,011		

	December 31, 2008				
	Cost	Accumulated amortization	Net	Weighted Average Useful Life	Amortization Method
Trademarks	$ 53,390	$ 3,394	$ 49,996	16 years	Straight-line
Customer relationships	113,480	23,065	90,415	19 years	Accelerated
Patents	42,780	36,094	6,686	2 years	Straight-line
	$ 209,650	$ 62,553	$ 147,097		

On April 6, 2009, the Company acquired the U.S., Canadian and Australian territory rights to a Gadolinium-based blood pool contrast agent, ABLAVAR® (formerly known asVasovist®), from EPIX Pharmaceuticals for an aggregate purchase price of $32.6 million, including drug product and active pharmaceutical ingredient inventory. ABLAVAR®was approved by the FDA in December 2008 and

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

9. Intangibles, net (Continued)

commercially launched by the Company in early January 2010 after final FDA approval of its product label.

This acquisition was accounted for as an asset purchase and consisted of $28.0 million in patents, $500,000 manufacturing know-how acquired from a different party, and $4.1 million in inventory. The acquired patents are being amortized over approximately 11 years which approximates the expected patent life. The manufacturing know-how is being amortized over 3.5 years which represents the expected useful term of such know-how. The Company recorded amortization expense for its intangible assets of $29.6 million and $62.6 million for the years ended December 31, 2009 and December 31, 2008, respectively. In conjunction with the acquisition, the Company incurred and capitalized $1.0 million in legal and other related costs which are being amortized over the expected patent life.

Expected future amortization expense related to the intangible assets is as follows (in thousands):

Years ended December 31,	
2010	$ 22,285
2011	19,494
2012	15,245
2013	13,549
2014	12,269
2015 and thereafter	63,518
	$ 146,360

Approximately $660,000 of patents, which are defensive related, have an indefinite life and are therefore not included in the expected future amortization table above.

10. Accrued Expenses

Accrued expenses are comprised of the following at December 31:

(in thousands)	2009	2008
Compensation and benefits	$ 7,872	$ 11,350
Accrued professional fees	2,031	5,852
Research and development services	2,680	2,024
Freight and distribution	3,600	4,117
Marketing expense	1,129	1,500
Accrued rebate and other	427	7,972
Other	621	731
	$ 18,360	$ 33,546

11. Financing Arrangements

On January 8, 2008, the Company entered into an agreement (the "Credit Agreement") with PNC Bank, National Association, as Administrative Agent, Ableco Finance LLC, as Collateral Agent, and the other lenders party thereto (collectively the "Lenders") for a credit facility (the "Facility") in the principal amount of up to $346.5 million (collectively, the "Loan Amount"). The Facility consists of

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

11. Financing Arrangements (Continued)

a secured term loan in the amount of $296.5 million and a revolving credit facility in the amount of $50 million, which includes a subfacility for the issuance of letters of credit. The Company may request the lenders to increase the Facility by an additional amount of up to $35.0 million at the discretion of the Lenders.

Borrowings made under the Facility bear interest, at the Company's election, at a rate based on the Reference Rate (as defined in the Credit Agreement) plus 6.50% or the LIBOR Rate (as defined in the Credit Agreement) plus 7.50%. Loans outstanding under the Facility may be prepaid at any time in whole or in part without premium or penalty. Amounts repaid under the term loan cannot be re-borrowed. The Facility terminates and any outstanding loans under it mature on January 8, 2013.

Minimum future repayment of principal borrowed under the term loan facility is payable in installments as follows:

- $15.0 million quarterly March 31, 2010 through December 31, 2011;
- $10.0 million quarterly March 31, 2012 through January 8, 2013 with any final principal due on maturity date

In addition, the Company is required to make quarterly payments of the larger of the minimum repayments, noted above, or an amount equal to a percentage of the Company's excess cash flow (as defined in the Credit Agreement). The Company applies any excess cash flow payments, first, to the first four installments immediately following such prepayment, and second, to the remaining installments of principal due under the Credit Agreement in the inverse order of maturity. During 2008, the Company made one installment repayment of $16.5 million and three excess cash flow payments totaling $137.2 million. During 2009, the Company made two excess cash flow payments totaling $49.1 million. As a result of the excess cash flow payments and their application against the subsequent installments due following such prepayments, the Company has included in the current portion of long-term debt $30.0 million of the total outstanding principal as of December 31, 2009.

The Company's term loan minimum principal commitments are as follows (in thousands):

Years ended December 31,	
2010	$ 30,000
2011	60,000
2012	3,649
	$ 93,649

Interest is due either on the last day of the interest period for LIBOR rate loans or the last day of the quarter for Reference Rate loans.

The Company's obligations under the Facility may be accelerated upon the occurrence of an event of default under the Facility, which includes limitations on dividends and customary events of default, including payment defaults, defaults in the performance of affirmative and negative covenants, the inaccuracy of representations or warranties, bankruptcy and insolvency related defaults, cross defaults to other material indebtedness and a change of control default.

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

11. Financing Arrangements (Continued)

As of December 31, 2009 and 2008, the Company had approximately $93.6 million and $142.8 million respectively in principal amount of debt outstanding under the Facility. During 2009, the Company had drawn $28.0 million on its revolving credit facility and repaid the entire amount as of December 31, 2009. The Company had $6.8 million in letters of credit applied against the total amount available at December 31, 2009, resulting in a maximum borrowing availability under the revolving credit agreement of $43.2 million at December 31, 2009. The debt under the revolving credit facility carried a weighted average interest rate of 7.7% and 8.7% as of December 31, 2009 and 2008, respectively.

The Company's obligations under the Facility are guaranteed by certain of the Company's U.S. domestic subsidiaries, and the Company has guaranteed any obligations of any co-borrowers under the Facility. The Facility contains affirmative and negative covenants applicable to the Company and its subsidiaries, including financial covenants requiring the Company to comply with minimum leverage ratios, maximum interest coverage ratios and maximum capital expenditures requirements, as well as restrictions on liens, investments, indebtedness, fundamental changes, acquisitions, dispositions of property, making specified restricted payments, and transactions with affiliates.

12. Stockholder's Equity

As of December 31, 2009 and December 31, 2008, the authorized capital stock of the Company consisted of 10,000 shares of voting common stock with a par value of $0.01 per share and 1 share outstanding.

13. Stock-Based Compensation

The Company's employees are eligible to receive awards from the LMI Holdings 2008 Equity Incentive Plan (the "2008 Plan"). The 2008 Plan is administered by the LMI Holdings Board of Directors. The 2008 Plan permits the granting of nonqualified stock options, stock appreciation rights (or SARs), restricted stock and restricted stock units to its employees, officers, directors and consultants of the Company or any subsidiary of the Company. The maximum number of shares that may be issued pursuant to awards under the 2008 Plan at December 31, 2009 is 5,035,100 which decreased by 2,900 during 2009 due to cancelled and retired vested options. Option awards are granted with an exercise price equal to the fair value of LMI Holdings' stock at the date of grant. Time based option awards vest based on time, either four or five years, and performance based option awards vest based on the achievement of certain annual EBITDA targets over a five-year period. The Company recognized compensation costs for its time based awards on a straight-line basis equal to the vesting period. The compensation cost for performance based awards is recognized on a graded vesting basis, based on the probability of achieving performance targets over the requisite service period for the entire award. The fair value of each option award was estimated on the date of grant using a Black-Scholes valuation model that uses the assumptions noted in the following table. Expected volatilities are based on the historical volatility of a selected peer group. The expected term of options represents the period of time that options granted are expected to be outstanding. The risk-free interest rate

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

13. Stock-Based Compensation (Continued)

assumption is the seven-year U.S. Treasury rate at the date of the grant which most closely resembles the expected life of the options.

	Years Ended December 31,	
	2009	2008
Expected volatility	41 - 39%	38%
Expected dividends	—	—
Expected life (in years)	6.5	6.5
Risk-free interest rate	2.4% - 3.4%	3.0% - 3.6%

A summary of option activity for 2009 is presented below:

	Time Based	Performance Based	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at January 1, 2009	2,453,850	2,353,850	4,807,700	$ 2.00	9.2	$23,300,000
Options granted	144,000	94,000	238,000	$ 6.97		
Options cancelled	(1,450)	(1,450)	(2,900)	$ 2.00		
Options forfeited and expired	(48,300)	(42,433)	(90,733)	$ 2.00		
Outstanding at December 31, 2009	2,548,100	2,403,967	4,952,067	$ 2.24	8.3	$39,700,000
Vested and expected to vest at December 31, 2009	2,527,309	2,387,438	4,914,747	$ 2.24	8.3	$39,400,000
Exercisable at December 31, 2009	555,940	997,427	1,553,367	$ 2.06	8.2	$12,700,000

The weighted average grant-date fair value of options granted during the years ended December 31, 2009 and 2008 was $3.16 and $0.87, respectively. During the years ended December 31, 2009 and 2008, 1,084,547 and 470,770 options vested, respectively, with an aggregate fair value of approximately $987,000 and $411,000,respectively. No options were exercised in either the years ended December 31, 2009 or 2008.

Stock-based compensation expense was recognized in the consolidated statements of income as follows:

	Years Ended December 31,	
(in thousands)	2009	2008
Cost of goods sold	$ 101	$ 94
General and administrative	828	1,010

Sales and marketing	97	120
Research and development	183	144
Total stock-based compensation expense	$ 1,209	$ 1,368

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

13. Stock-Based Compensation (Continued)

As stock-based compensation expense recognized in the consolidated statement of income for years ended December 31, 2009 and 2008 was based on awards ultimately expected to vest, it was reduced for estimated pre-vesting forfeitures as required.

The Company did not realize an income tax benefit relating to stock options for year ended December 31, 2008. The Company recognized an income tax benefit of $7,000 for the year ended December 31, 2009. As of December 31, 2009, there was approximately $2.4 million of total unrecognized compensation costs related to non-vested stock options granted under the 2008 Plan. These costs are expected to be recognized over a weighted-average remaining period of 3.1 years.

14. Other Income, net

Other income, net consisted of the following:

	Years Ended December 31,	
(in thousands)	2009	2008
Foreign currency gains	$ 794	$ 832
Tax indemnification	1,560	2,475
Other income (expense)	366	(357)
Total other income, net	$ 2,720	$ 2,950

15. Commitments and Contingencies

The Company leases certain buildings, hardware and office space under operating leases. In addition, the Company has entered in to purchasing arrangements in which minimum quantities of goods or services have been committed to be purchased on an annual basis. Minimum lease and purchase commitments under noncancelable arrangements are as follows (in thousands):

Years ended December 31,	
2010	$ 26,022
2011	33,292
2012	21,757
2013	1,401
2014	545
2015 and thereafter	984
	$ 84,001

Lease expense was $810,000 and $753,000 for the years ended December 31, 2009 and 2008, respectively.

16. 401(k) Plan

The Company maintains a qualified 401(k) plan (the "401(k) Plan") for its U.S. employees. The 401(k) Plan covers U.S. employees who meet certain eligibility requirements. Under the terms of the 401(k) Plan, the employees may elect to make tax-deferred contributions through payroll deductions

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

16. 401(k) Plan (Continued)

within statutory and plan limits, and the Company may elect to make non-elective discretionary contributions. During 2009, the Company matched employee contributions up to 4.5% of eligible compensation and did not contribute an additional non-elective discretionary match. In 2008, the Company matched employee contributions up to 6% of eligible compensation and contributed an additional 4% as the non-elective discretionary match to most employees. The Company may also make optional contributions to the 401(k) Plan for any plan year at its discretion. Expense recognized by the Company for matching contributions related to the 401(k) Plan was $1.8 million and $2.3 million for December 31, 2009 and 2008, respectively. Expense recognized by the Company for the non-elective discretionary match was $1.7 million for the year ended December 31, 2008.

17. Legal Proceedings and Contingencies

From time-to-time the Company is involved in legal and administrative proceedings and claims of various types. While any litigation contains an element of uncertainty, management believes that the outcome of such proceedings or claims which are pending or known to be threatened, or all of them combined, is not expected, in the opinion of management, to have a material adverse effect on the Company's financial position, cash flow and results.

18. Related Party Transactions

Avista Capital Partners and its affiliates ("Avista"), the majority shareholder of LMI Holdings, provides certain advisory services to the Company pursuant to an advisory services and monitoring agreement. The Company is required to pay an annual fee of $1.0 million and other reasonable and customary advisory fees, as applicable, paid on a quarterly basis. The initial term of the agreement is seven years. Upon termination, all remaining amounts owed under the agreement shall become due immediately. There are no outstanding amounts owed at December 31, 2009 or December 31, 2008. The Company also paid a fee of $10.0 million in 2008 in consideration of the acquisition-related services, which has been included as direct acquisition costs.

19. Segment Information

The Company has five operating segments, which are: U.S., Canada, Australia, United Kingdom and Puerto Rico. The Company's segments derive revenues through the manufacturing, marketing, selling and distributing of medical imaging products, focused primarily on cardiovascular diagnostic imaging. The U.S. segment comprises 80.5% and 88.6% of consolidated revenues in 2009 and 2008, respectively, and 89.6% and 88.7% of consolidated assets at December 31, 2009 and 2008, respectively. In 2009 and 2008, no single operating segment, outside of the U.S., accounted for more than 10% of total sales, 10% of net income or 10% of total assets. Accordingly, the Company reports the U.S. reporting segment separately and the non-U.S. operating segments as All Other. All goodwill has been allocated to the U.S. operating segment

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

19. Segment Information (Continued)

Selected information for each business segment are as follows (in thousands):

(in thousands)	2009	2008
Revenue		
U.S.	$ 309,007	$ 509,900
All Other	70,244	61,169
Total revenue, including inter-segment	379,251	571,069
Inter-segment revenue	(19,040)	(34,225)
	$ 360,211	$ 536,844
Revenues from external customers		
Cardiolite	$ 95,720	$ 292,522
Technelite	104,462	114,561
DEFINITY	42,321	20,606
Other	47,464	47,986
Total U.S.	289,967	475,675
All Other	70,244	61,169
	$ 360,211	$ 536,844
Operating income/(loss)		
U.S.	$ 43,868	$ 130,871
All Other	6	(5,526)
Total operating income, including inter-segment	43,874	125,345
Inter-segment operating income	9,095	(6,558)
	$ 52,969	$ 118,787
Assets		
U.S.	$ 441,229	$ 468,222
All Other	51,314	59,813
	$ 492,543	$ 528,035
Depreciation and amortization		
U.S.	$ 36,438	$ 68,031
All Other	5,269	5,149
	$ 41,707	$ 73,180
Capital expenditure		
U.S.	$ 6,906	$ 11,573
All Other	1,950	602
	$ 8,856	$ 12,175

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

20. Valuation and Qualifying Accounts

(in thousands)	Balance at Beginning of Fiscal Year	Charged to Costs and Expenses	Deductions From Reserves	Balance at End of Fiscal Year
Year ended December 31, 2009:				
Allowance for doubtful accounts	$ 752	$ 63	$ (77)	$ 738
Inventory reserve	1,492	4,126	(2,018)	3,600
Year ended December 31, 2008:				
Allowance for doubtful accounts	$ 1,609	$ 65	$ (922)	$ 752
Inventory reserve	—	5,791	(4,299)	1,492

Amounts charged to deductions from reserves represent the write-off of uncollectible balances.

21. Guarantor Financial Information

On May 10, 2010, Lantheus Medical Imaging, Inc., a wholly owned subsidiary of the Company, issued $250.0 million of 9.750% Senior Notes due in 2017 (the "Notes") at face value, net of issuance costs of $6.3 million. The Notes were issued under an indenture, dated May 10, 2010 (the "Indenture"). The net proceeds of the Notes were used to repay $77.9 million due under the outstanding credit agreement (see Note 11) and issue a $163.8 million dividend, which utilized $65.7 million of retained earnings and $98.1 million of additional paid-in capital, to LMI Holdings to repay a $75.0 million demand note it issued and for LMI Holdings to repurchase $90.0 million of LMI Holdings' Series A Preferred Stock at the accreted value. The Notes mature on May 15, 2017. Interest on the Notes accrues at a rate of 9.750% per annum and will be payable semiannually in arrears on May 15 and November 15, commencing on November 15, 2010.

The Notes are guaranteed by certain of our consolidated subsidiaries (the "Guarantor Subsidiaries"). The guarantees are full and unconditional and joint and several. The following supplemental financial information sets forth, on a condensed consolidating basis, audited balance sheets as of December 31, 2009, and 2008, and the related audited statements of operations and cash flows for each of the two years in the period ended December 31, 2009 for the Parent, the Issuer, the Guarantor Subsidiary and our other subsidiaries, or the Non-Guarantor Subsidiaries. All subsidiaries are 100% owned by the Company. The supplemental financial information reflects the investments of the Parent in the Issuer, and the Company's investment in the Guarantor Subsidiary and Non-Guarantor Subsidiaries using the equity method of accounting.

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

21. Guarantor Financial Information (Continued)

Condensed Consolidating Balance Sheet
December 31, 2009

(in thousands except share data)	Parent	Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Total
Assets:						
Cash and cash equivalents	$ —	$ 21,505	$ —	$ 9,975	$ —	$ 31,480
Accounts receivable, net	—	27,700	—	15,251	—	42,951
Intercompany accounts receivable	—	5,964	—	—	(5,964)	—
Inventory	—	13,244	—	6,367	—	19,611
Deferred tax assets	—	1,040	—	127	—	1,167
Other current assets	—	2,713	—	192	—	2,905
Total current assets	—	72,166	—	31,912	(5,964)	98,114
Property, plant and equipment, net	—	88,722	23,435	10,603	—	122,760
Capitalized software development costs	—	4,802	—	—	—	4,802
Goodwill	—	16,818	—	—	—	16,818
Intangibles, net	—	134,166	—	12,845	—	147,011
Deferred tax assets	—	78,900	—	199	—	79,099
Deferred financing costs	—	3,038	—	—	—	3,038
Investment in subsidiaries	310,579	60,811	—	—	(371,390)	—
Other long-term assets	—	20,901	—	—	—	20,901
Total assets	$310,579	$480,324	$ 23,435	$ 55,559	$ (377,354)	$492,543
Liabilities and Equity:						
Current portion of long-term debt	$ —	$ 30,000	$ —	$ —	$ —	$ 30,000
Accounts						

payable	—	16,880	—	3,115	—	19,995
Intercompany accounts payable	—	—	—	5,964	(5,964)	—
Accrued expenses	—	15,720	—	2,640	—	18,360
Income tax payable	—	314	—	1,139	—	1,453
Deferred revenue	—	2,673	—	2,077	—	4,750
Total current liabilities	—	65,587	—	14,935	(5,964)	74,558
Asset retirement obligation	—	3,651	—	95	—	3,746
Long-term debt, net of current portion	—	63,649	—	—	—	63,649
Deferred tax liability	—	—	—	2,199	—	2,199
Deferred revenue	—	5,335	—	—	—	5,335
Other long-term liabilities	—	31,523	—	954	—	32,477
Total liabilities	—	169,745	—	18,183	(5,964)	181,964
Equity	310,579	310,579	23,435	37,376	(371,390)	310,579
Total liabilities and equity	$310,579	$480,324	$ 23,435	$ 55,559	$ (377,354)	$492,543

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

21. Guarantor Financial Information (Continued)

Condensed Consolidating Balance Sheet
December 31, 2008

(in thousands except share data)	Parent	Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Total
Assets:						
Cash and cash equivalents	$ —	$ 16,118	$ —	$ 4,918	$ —	$ 21,036
Accounts receivable, net	—	54,516	—	16,844	—	71,360
Intercompany accounts receivable	—	14,059	—	70	(14,129)	—
Inventory	—	954	—	12,923	—	13,877
Deferred tax assets	—	4,391	—	—	—	4,391
Other current assets	—	9,044	—	(651)	—	8,393
Total current assets	—	99,082	—	34,104	(14,129)	119,057
Property, plant and equipment, net	—	89,779	23,515	10,278	—	123,572
Capitalized software development costs	—	7,262	—	—	—	7,262
Goodwill	—	16,818	—	—	—	16,818
Intangibles, net	—	130,608	—	16,489	—	147,097
Deferred tax assets	—	88,572	—	34	—	88,606
Deferred financing costs	—	5,664	—	—	—	5,664
Investment in subsidiaries	287,809	57,687	—	—	(345,496)	—
Other long-term assets	—	19,959	—	—	—	19,959
Total assets	$287,809	$515,431	$ 23,515	$ 60,905	$ (359,625)	$528,035
Liabilities and Equity:						
Current portion of long-term debt	$ —	15,000	$ —	$ —	$ —	15,000

Accounts payable	—	21,580	—	1,533	—	23,113
Intercompany accounts payable	—	17	—	14,112	(14,129)	—
Accrued expenses	—	30,167	—	3,379	—	33,546
Income tax payable	—	—	—	—	—	—
Deferred revenue	—	168	—	3,484	—	3,652
Deferred tax liability	—	—	—	527	—	527
Total current liabilities	—	66,932	—	23,035	(14,129)	75,838
Asset retirement obligation	—	3,283	—	—	—	3,283
Long-term debt, net of current portion	—	127,751	—	—	—	127,751
Deferred tax liability	—	—	—	3,698	—	3,698
Other long-term liabilities	—	29,656	—	—	—	29,656
Total liabilities	—	227,622	—	26,733	(14,129)	240,226
Equity	287,809	287,809	23,515	34,172	(345,496)	287,809
Total liabilities and equity	$287,809	$515,431	$ 23,515	$ 60,905	$ (359,625)	$528,035

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

21. Guarantor Financial Information (Continued)

Condensed Consolidating Statement of Income
December 31, 2009

(in thousands)	Parent	Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Total
Net product revenues	$ —	$ 301,099	$ —	$ 70,244	$ (19,040)	$ 352,303
License and other revenues	—	7,908	—	—	—	7,908
Total revenues	—	309,007	—	70,244	(19,040)	360,211
Cost of goods sold	—	141,154	—	62,730	(19,040)	184,844
Gross profit	—	167,853	—	7,514	—	175,367
General and administrative expenses	—	33,164	80	2,186	—	35,430
Sales and marketing expenses	—	38,111	—	4,226	—	42,337
Research and development expenses	—	43,535	—	1,096	—	44,631
In-process research and development	—	—	—	—	—	—
Operating income	—	53,043	(80)	6	—	52,969
Interest expense	—	(13,458)	—	—	—	(13,458)
Interest income	—	14	—	59	—	73
Other income, net	—	1,693	—	1,027	—	2,720
Equity in earnings of affiliates	20,352	1,849	—	—	(22,201)	—
Income before income taxes	20,352	43,141	(80)	1,092	(22,201)	42,304
Provision for income taxes	—	(22,789)	28	809	—	(21,952)
Net income (loss)	$ 20,352	$ 20,352	$ (52)	$ 1,901	$ (22,201)	$ 20,352

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

21. Guarantor Financial Information (Continued)

Condensed Consolidating Statement of Income
December 31, 2008

(in thousands)	Parent	Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Total
Net product revenues	$ —	$ 504,802	$ —	$ 61,163	$ (34,225)	$ 531,740
License and other revenues	—	5,104	—	—	—	5,104
Total revenues	—	509,906	—	61,163	(34,225)	536,844
Cost of goods sold	—	219,812	—	58,909	(34,225)	244,496
Gross profit	—	290,094	—	2,254	—	292,348
Operating expenses						
General and administrative expenses	—	62,922	79	1,908	—	64,909
Sales and marketing expenses	—	40,307	—	5,423	—	45,730
Research and development expenses	—	34,233	—	449	—	34,682
In-process research and development	—	28,240	—	—	—	28,240
Operating income	—	124,392	(79)	(5,526)	—	118,787
Interest expense	—	(30,963)	—	(75)	—	(31,038)
Interest income	—	623	—	70	—	693
Other income, net	—	3,478	—	(528)	—	2,950
Equity in earnings (losses) of affiliates	42,786	(5,744)	—	—	(37,042)	—
Income before income taxes	42,786	91,786	(79)	(6,059)	(37,042)	91,392
Provision for						

income taxes	—	(49,000)	28	366	—	(48,606)
Net income (loss)	$ 42,786	$ 42,786	$ (51)	$ (5,693)	$ (37,042)	$ 42,786

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

21. Guarantor Financial Information (Continued)

Condensed Consolidating Statement of Cash Flows
December 31, 2009

	Parent	Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Total
Cash provided by operating activities	$ —	$ 90,890	$ —	$ 4,893	$ —	$ 95,783
Cash flows from investing activities						
Capital expenditures	—	(6,906)	—	(1,950)	—	(8,856)
Asset acquisitions	—	(29,495)	—	—	—	(29,495)
Cash used in investing activities	—	(36,401)	—	(1,950)	—	(38,351)
Cash flows from financing activities						
Payment on term loan	—	(49,102)	—	—	—	(49,102)
Proceeds from line of credit	—	28,000	—	—	—	28,000
Payment of line of credit	—	(28,000)	—	—	—	(28,000)
Cash (used in) provided by financing activities	—	(49,102)	—	—	—	(49,102)
Effect of foreign exchange rate on cash	—	—	—	2,114	—	2,114
Increase in cash and cash equivalents	$ —	$ 5,387	$ —	$ 5,057	$ —	$ 10,444
Cash and cash equivalents, beginning of						

year	$	—	$	16,118	$	—	$	4,918	$	—	$	21,036
Cash and cash equivalents, end of year	$	—	$	21,505	$	—	$	9,975	$	—	$	31,480

Lantheus MI Intermediate, Inc. and subsidiaries

Notes to Consolidated Financial Statements (Continued)

21. Guarantor Financial Information (Continued)

Condensed Consolidating Statement of Cash Flows
December 31, 2008

	Parent	Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Total
Cash provided by operating activities	$ —	$ 162,820	$ —	$ 15,625	$ —	$ 178,445
Cash flows from investing activities						
Capital expenditures	—	(11,573)	—	(602)	—	(12,175)
Asset acquisitions	(245,400)	(503,381)	(23,594)	(56,884)	310,602	(518,657)
Cash used in investing activities	(245,400)	(514,954)	(23,594)	(57,486)	310,602	(530,832)
Cash flows from financing activities						
Proceeds from issuance of term loan	—	296,500	—	—	—	296,500
Payments on term loan	—	(153,749)	—	—	—	(153,749)
Debt issuance costs	—	(11,685)	—	—	—	(11,685)
Proceeds from issuance of common stock	245,400	237,186	23,594	49,822	(310,602)	245,400
Cash (used in) provided by financing activities	245,400	368,252	23,594	49,822	(310,602)	376,466
Effect of foreign exchange rate on cash	—	—	—	(3,043)	—	(3,043)

Increase in cash and cash equivalents	$ —	$ 16,118	$ —	$ 4,918	$ —	$ 21,036
Cash and cash equivalents, beginning of year	$ —	$ —	$ —	$ —	$ —	$ —
Cash and cash equivalents, end of year	$ —	$ 16,118	$ —	$ 4,918	$ —	$ 21,036

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Lantheus MI Intermediate, Inc. and subsidiaries

Condensed Consolidated Balance Sheets (Unaudited)

(in thousands, except share data)	September 30, 2010	December 31, 2009
Assets		
Current assets		
Cash and cash equivalents	$ 36,447	$ 31,480
Accounts receivable, net	56,431	42,951
Inventory	23,169	19,611
Deferred tax assets	1,150	1,167
Income tax receivable	1,270	—
Other current assets	3,502	2,905
Total current assets	121,969	98,114
Property, plant and equipment, net	119,147	122,760
Capitalized software development costs, net	4,174	4,802
Goodwill	16,818	16,818
Intangibles, net	130,351	147,011
Deferred tax assets	77,827	79,099
Deferred financing costs	10,229	3,038
Other non-current assets	39,024	20,901
Total assets	$ 519,539	$ 492,543
Liabilities and Stockholder's Equity		
Current liabilities		
Current portion of long-term debt	$ —	$ 30,000
Accounts payable	40,834	19,710
Accrued expenses	27,208	18,645
Income tax payable	—	1,453
Deferred revenue	7,750	4,750
Total current liabilities	75,792	74,558
Asset retirement obligation	4,065	3,746
Long-term debt, net of current portion	250,000	63,649
Deferred tax liabilities	1,785	2,199
Deferred revenue	3,334	5,335
Other long-term liabilities	29,202	32,477
Total liabilities	364,178	181,964
Commitments and contingencies		
Stockholder's equity		
Common stock ($0.001 par value, 10,000 shares authorized; 1 share issued and outstanding)	—	—
Additional paid-in capital	150,217	247,883
Retained earnings	5,034	63,138
Accumulated other comprehensive income (loss)	110	(442)
Total stockholder's equity	155,361	310,579
Total liabilities and stockholder's equity	$ 519,539	$ 492,543

See notes to unaudited condensed consolidated financial statements

Lantheus MI Intermediate, Inc. and subsidiaries

Condensed Consolidated Statements of Income (Unaudited)

(in thousands)	Nine Months Ended September 30, 2010	2009
Revenues		
Net product revenues	$ 252,995	$ 271,534
License and other revenues	6,162	6,141
Total revenues	259,157	277,675
Cost of goods sold	139,591	139,988
Gross profit	119,566	137,687
Operating expenses		
General and administrative expenses	22,573	27,056
Sales and marketing expenses	33,838	30,904
Research and development expenses	34,957	32,117
Total operating expenses	91,368	90,077
Operating income	28,198	47,610
Interest expense	(13,937)	(11,214)
Loss on early extinguishment of debt	(3,057)	—
Interest income	123	49
Other income, net	532	3,109
Income before income taxes	11,859	39,554
Provision for income taxes	(4,265)	(21,527)
Net income	$ 7,594	$ 18,027

See notes to unaudited condensed consolidated financial statements

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Lantheus MI Intermediate, Inc. and subsidiaries

Condensed Consolidated Statements of Cash Flows (Unaudited)

(in thousands)	Nine months ended September 30, 2010	2009
Cash flow from operating activities		
Net income	$ 7,594	$ 18,027
Adjustments to reconcile net income to cash flow from operating activities		
Depreciation	8,450	7,886
Amortization	17,835	23,175
Amortization of deferred financing charges	1,391	2,606
Write-off of deferred financing charges	2,278	—
Provision for excess and obsolete inventory	2,281	3,807
Stock-based compensation	397	706
Deferred income taxes	893	9,641
Accretion of asset retirement obligation	319	276
Long-term income tax receivable	3,750	(2,250)
Long-term income tax payable	(3,275)	2,250
Increase (decrease) in cash from operating assets and liabilities		
Accounts receivable	(13,442)	21,251
Prepaid expenses and other assets	(588)	4,261
Inventory	(27,740)	(11,822)
Deferred revenue	1,001	9,091
Accounts payable	21,131	3,361
Income tax payable	(2,723)	(3,123)
Accrued expenses and other liabilities	7,341	(12,415)
Cash provided by operating activities	26,893	76,728
Cash flows from investing activities		
Capital expenditures	(5,169)	(6,101)
Asset acquisitions	(215)	(29,495)
Cash used in investing activities	(5,384)	(35,596)
Cash flows from financing activities		
Proceeds from issuance of debt, net	243,658	—
Payments on term loan	(93,649)	(49,102)
Proceeds from line of credit	—	28,000
Payments on line of credit	—	(20,700)
Payments of debt issuance costs	(3,278)	—
Payment of dividend	(163,776)	—
Cash used in by financing activities	(17,045)	(41,802)
Effect of foreign exchange rate on cash	503	1,099
Increase in cash and cash equivalents	4,967	429
Cash and cash equivalents, beginning of period	31,480	21,036
Cash and cash equivalents, end of period	$ 36,447	$ 21,465

Supplemental disclosure of cash flow information				
Interest paid	$	2,720	$	8,702
Income taxes paid	$	5,043	$	4,639

See notes to unaudited condensed consolidated financial statements

1. Description of Business and Basis of Presentation

Description of Business

On January 8, 2008, Lantheus MI Holdings, Inc. ("LMI Holdings") acquired the Bristol-Myers Squibb ("BMS") Medical Imaging business for an aggregate purchase price of $518.7 million, including transaction costs of $14.7 million. The business, now known as Lantheus MI Intermediate, Inc. and its wholly-owned subsidiaries (the "Company" or "Lantheus"), was purchased through a stock and asset purchase agreement, in which LMI Holdings purchased the stock for approximately $487.9 million and certain assets and liabilities for $30.8 million. The acquisition included employees in the United States and other countries dedicated to the Company, related product patent and developed technology and certain other assets, including the manufacturing facilities located in North Billerica, Massachusetts. The Company is a wholly-owned subsidiary of LMI Holdings.

The Company manufactures, markets, sells and distributes medical imaging products globally with operations in the United States, Puerto Rico, Canada and Australia and distribution relationships in Europe, Asia Pacific and Latin America. The Company provides medical imaging products, primarily focused on cardiovascular diagnostic imaging, to nuclear physicians, cardiologists, radiologists, internal medicine physicians, independent delivery networks, group purchasing organizations and technologists/sonographers working in a variety of clinical settings.

The Company's principal products include:

- Cardiolite®—a myocardial perfusion imaging agent;
- DEFINITY®—an ultrasound contrast agent;
- TechneLite®—a generator that provides the radioisotope used to radiolabel Cardiolite and other radiopharmaceuticals.

In the U.S., Cardiolite, DEFINITY and TechneLite are marketed through an internal sales force and sold through distributors to radiopharmacies and end-users. Radiopharmacies reconstitute certain of the products into patient specific unit dose syringes which are then sold directly to hospitals and clinics. In addition, the Company recently launched Ablavar®, a magnetic resonance angiography ("MRA") agent, which is currently marketed primarily through a contract sales force and distributors. Internationally, these products are marketed through an internal sales force and sold through Company-owned radiopharmacies in certain countries and elsewhere through distributors.

Basis of Presentation

The condensed consolidated balance sheet as of September 30, 2010, the condensed consolidated statements of income for the nine-month periods ended September 30, 2010 and 2009 and the condensed consolidated statements of cash flows for the nine-month periods ended September 30, 2010 and 2009 of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial reporting and in accordance with Article 10 of Regulation S-X of the Securities and Exchange Commission. Accordingly, they do not include all of the information and note disclosures required by U.S. GAAP for complete financial statements. These condensed consolidated financial statements are unaudited but include all normal recurring adjustments, which Company management believes to be necessary for fair presentation of the periods presented. The results of the Company's operations for any interim period are not necessarily indicative of the results of the Company's operations for any other interim period or for a full year.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the Company's consolidated financial statements and notes to the consolidated financial statements for the year ended December 31, 2009. The balance sheet as of December 31, 2009 has been derived from the audited financial statements at that date but

1. Description of Business and Basis of Presentation (Continued)

does not include all of the information and footnotes required by U.S. GAAP for complete financial statements.

The condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Certain amounts in prior periods have been reclassified to conform to current presentation.

Subsequent Events

The Company has evaluated subsequent events through December 23, 2010, the date that the Company's consolidated financial statements were available for issuance.

In December 2010, the Company filed suit against one of its insurance carriers, seeking to recover business interruption losses associated with the NRU reactor shutdown and the ensuing global Moly supply challenge. The claim is the result of the shut-down of the NRU reactor in Chalk River, Ontario. The NRU reactor was off-line from May 2009 until August 2010 due to a "heavy water" leak in the reactor vessel. Historically, the Company's largest supplier of Moly has been Nordion which has relied on the NRU reactor. The business interruption claim is based on estimated business interruption losses.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. The more significant estimates reflected in the Company's financial statements include certain judgments regarding revenue recognition, goodwill and intangible and long-lived asset valuations, inventory valuation and consideration of potential losses on purchase commitments, asset retirement obligations, reserves for uncertain tax positions, deferred tax assets and liabilities, accrued expenses and stock-based compensation. Actual results could materially differ from those estimates or assumptions.

Revenue Recognition

The Company recognizes revenue when evidence of an arrangement exists, title has passed, substantially all the risks and rewards of ownership have transferred to the customer, the selling price is fixed or determinable, and collectibility is reasonably assured. For transactions for which revenue recognition criteria have not yet been met, the respective amounts are recorded as deferred revenue until such point in time the criteria are met and revenue can be recognized. Revenue is recognized net of reserves, which consist of allowances for returns, sales rebates, and chargebacks.

Revenue arrangements with multiple elements are divided into separate units of accounting if certain criteria are met, including whether the delivered element has stand-alone value to the customer and whether there is objective and reliable evidence of the fair value of the undelivered items. Supply or service transactions may involve the charge of a nonrefundable initial fee with subsequent periodic payments for future products or services. The up-front fees, even if nonrefundable, are earned (and revenue is recognized) as the products and/or services are delivered and performed over the term of the arrangement.

In January 2010, the Company launched a new medical imaging product, Ablavar, which was acquired by the Company in April 2009. Because the Company was not assured that the price was fixed and determinable and due to the inability to reasonably estimate product returns, the Company has deferred recognition of $2.8 million of revenue relating to Ablavar shipments, associated with its

2. Summary of Significant Accounting Policies (Continued)

distributor arrangement. The corresponding cost has been recorded in inventory as of September 30, 2010. The Company is recognizing revenue associated with this arrangement on the sell-through method.

Goodwill, Intangibles and Long-Lived Assets

Goodwill is not amortized but the carrying value is tested annually for impairment at October 31 as well as whenever events or changes in circumstances suggest that the carrying amount may not be recoverable. The Company performs this test by comparing the fair value of the reporting unit containing goodwill to its carrying value, including goodwill. If the fair value exceeds the carrying value, goodwill is not impaired. If the carrying value exceeds the fair value, then the Company would calculate the potential impairment loss by comparing the implied fair value of goodwill with the carrying value of the goodwill. If the implied fair value of goodwill is less than the carrying value, then an impairment charge would be recorded. The Company calculates the fair value of our reporting units using the income approach which utilizes discounted forecasted future cash flows and the market approach which utilizes fair value multiples of comparable publicly traded companies. The discounted cash flows are based on the Company's most recent long-term financial projections and are discounted using a risk adjusted rate of return which is determined using estimates of market participant risk-adjusted weighted-average costs of capital and reflects the risks associated with achieving future cash flows. The market approach is calculated using the guideline company method, where the Company uses market multiples derived from stock prices of companies engaged in the same or similar lines of business. A combination of the two methods is utilized to derive the fair value of the business in order to decrease the inherent risk associated with each model if used independently. If the fair value were to decline, the Company may be required to incur material charges relating to the impairment of those assets.

The Company performs impairment testing for intangible and long-lived assets whenever events or changes in circumstances suggest that the carrying value of an asset or group of assets may not be recoverable. The Company measures the recoverability of assets to be held and used by comparing the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment equals the amount by which the carrying amount of the assets exceeds the fair value of the assets. Any impairments are recorded as permanent reductions in the carrying amount of the assets.

Foreign Currency

The statements of income of the Company's foreign subsidiaries are translated into U.S. dollars using average exchange rates. The net assets of the Company's foreign subsidiaries are translated into U.S. dollars using the end of period exchange rates. The impact from translating the net assets of these subsidiaries at changing rates are recorded in the foreign currency translation adjustment account, which is included in accumulated other comprehensive income (loss), within stockholder's equity.

Foreign currency transaction gains and losses are recognized as they occur within earnings. For the nine months ended September 30, 2010, the Company recorded a loss of approximately $415,000, resulting from foreign currency transactions. For the nine months ended September 30, 2009, the Company recorded a gain of approximately $337,000, resulting from foreign currency transactions. These gains or losses are reported as a component of other income, net.

Accounting for Stock-Based Compensation

The Company's stock-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as expense over the requisite service period, which generally represents the vesting period, and includes an estimate of the awards that will be forfeited. The Company uses the Black-Scholes valuation model for estimating the fair value of stock options. The fair

2. Summary of Significant Accounting Policies (Continued)

value of stock option awards is affected by the valuation assumptions, including the expected volatility based on comparable market participants, expected term of the option, risk-free interest rate and expected dividends. When a contingent cash settlement of vested options becomes probable, the Company reclassifies its vested awards to a liability and accounts for any incremental compensation cost in the period in which the settlement becomes probable.

Recent Accounting Standards

In October 2009, the Financial Accounting Standards Board ("FASB") issued an update to the accounting standard for revenue recognition related to multiple-element arrangements, which in certain instances requires companies to allocate revenue in arrangements involving multiple deliverables based on the estimated selling price of each deliverable, even though such deliverables are not sold separately either by the company itself or other vendors. This standard eliminates the requirement that all undelivered elements must have objective and reliable evidence of fair value before a company can separate the portion of the overall arrangement fee that is attributable to items that already have been delivered. The Company will adopt this standard in the first quarter of 2011 and the adoption is not expected to have a material effect on its consolidated financial statements.

3. Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, financial instruments are categorized based on a hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1—Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the company has the ability to access at the measurement date.

Level 2—Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (i.e., interest rates, yield curves, etc.) and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3—Unobservable inputs that reflect the Company's assumptions about the assumptions that market participants would use in pricing the asset or liability. The Company develops these inputs based on the best information available, including its own data.

The Company's financial assets that are measured at fair value on a recurring basis are comprised of U.S. governmental agency and money market securities and are classified as cash equivalents. The Company invests excess cash from its operating cash accounts in overnight investments and reflects these amounts in cash and cash equivalents on the consolidated balance sheet using quoted prices in active markets for identical assets (Level 1).

(in thousands)	Total fair value at September 30, 2010	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Cash equivalents				
U.S. Treasuries	$ 22,443	$ 22,443	$ —	$ —
Money Market	2,994	2,994	—	—
	$ 25,437	$ 25,437	$ —	$ —

3. Fair Value of Financial Instruments (Continued)

(in thousands)	Total fair value at December 31, 2009	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Cash equivalents				
U.S. Treasuries	$ 21,937	$ 21,937	$ —	$ —
Money Market	2,002	2,002	—	—
	$ 23,939	$ 23,939	$ —	$ —

In addition, at September 30, 2010 and December 31, 2009, the Company had approximately $11.0 million and $7.5 million, respectively, of cash on hand.

The estimated fair values of the Company's financial instruments, including cash and cash equivalents, receivables, accounts payable and accrued expenses approximate the carrying values of these instruments due to their short term nature.

4. Income Taxes

The Company provides for income taxes at the end of each interim period based on the estimated effective tax rate for the full fiscal year. The Company's effective tax rate varies from the statutory rate principally due to the rate impact of uncertain tax positions and state taxes. Cumulative adjustments to the tax provision are recorded in the interim period in which a change in the estimated annual effective rate is determined. The Company's tax expense was $4.3 million and $21.5 million for the nine months ended September 30, 2010 and September 30, 2009, respectively, on pre-tax income of $11.9 million and $39.6 million for the respective periods.

The Company has a tax indemnification agreement with BMS related to certain tax obligations arising prior to the acquisition of the Company, for which the Company has the primary legal obligation. The tax indemnification receivable is recognized within other noncurrent assets. The changes in the tax indemnification asset are recognized within other income, net in the statement of income. In accordance with the Company's accounting policy, the change in the tax liability and penalties and interest associated with these obligations (net of any offsetting federal or state benefit) is recognized within the tax provision. Accordingly, as these reserves change, adjustments are included in the tax provision while the offsetting adjustment is included in other income. Assuming that the receivable from BMS continues to be considered recoverable by the Company, there is no net effect on earnings related to these liabilities and no net cash outflows.

During the nine months ended September 30, 2010, BMS, on behalf of the Company, made payments totaling $4.6 million to two states in connection with prior year state income tax filings. As a result of these payments, the amount due from BMS, included within other non-current assets, and the income tax liability, included within other long-term liabilities, decreased by $5.1 million, which represents the total cash payments of $4.6 million and a reduction in the reserve of $491,000 representing the difference between amounts paid and amounts originally estimated. There were no resolutions associated with uncertain state tax positions in the first nine months of 2009.

5. Inventory

Inventory, classified in inventory or other non-current assets, consisted of the following:

(in thousands)	September 30, 2010	December 31, 2009
Raw materials	$ 6,758	$ 6,751
Work in process	7,781	1,849
Finished goods	8,630	11,011
Inventory	$ 23,169	$ 19,611
Other non-current assets	21,873	—
	$ 45,042	$ 19,611

Reserves for excess and obsolete inventory were $3.2 million and $3.6 million, as of September 30, 2010 and December 31, 2009, respectively.

At September 30, 2010 and December 31, 2009 the balances of inventory on hand reflect approximately $25.4 million and $6.0 million, respectively, of finished products and raw materials related to Ablavar, which is a product that the Company commercially launched in January 2010. At September 30, 2010, approximately $21.9 million was included in other non-current assets. The Company entered into an agreement with a supplier to provide Active Pharmaceutical Ingredient ("API") and finished products for Ablavar under which the Company is required to purchase quarterly minimum quantities ranging from $6.3 million to $7.5 million of API inventory through September 2012. The supply agreement is designed to ensure supply of the product. At September 30, 2010, the total of this remaining minimum purchase commitment was approximately $56 million. In addition to the minimum commitment, the Company, at its discretion, can manufacture API into finished product for an additional charge per vial. The Company records the inventory when it takes delivery, at which time the Company assumes title and risk of loss. The Company includes within current assets the amount of inventory that will be utilized within twelve months. Inventory that will be utilized after twelve months is classified within other non-current assets.

As noted above, Ablavar, an MRA agent, was commercially launched in January 2010. The Company is still addressing the marketing and sales strategies to achieve the expected market penetration. The revenues for this product through September 30, 2010 have not been significant. Based on the expected market penetration and management's estimates of projected sales, coupled with the potential aggregate 6 year shelf life of the finished product and the API, the Company believes that it will be able to use its committed supply. In the event that the Company does not meet its sales expectations for Ablavar or cannot sell the product it owns or is committed to purchase prior to its expiration, the Company could incur inventory losses and/or losses on its purchase commitments.

6. Property, Plant and Equipment, net

Property, plant and equipment consisted of the following:

(in thousands)	September 30, 2010	December 31, 2009
Land	$ 22,450	$ 22,450
Buildings	61,266	60,695
Machinery, equipment and fixtures	58,443	55,905
Construction in progress	6,688	4,989
Accumulated depreciation	(29,700)	(21,279)
Property, plant and equipment, net	$ 119,147	$ 122,760

7. Asset Retirement Obligations

The fair value of a liability for asset retirement obligations is recognized in the period in which the liability is incurred. The liability is measured at present value of the obligation when incurred and is adjusted in subsequent periods as accretion expense is recorded. The corresponding asset retirement costs are capitalized as part of the carrying value of the related long-lived assets and depreciated over the asset's useful life.

The Company considered in its measurement of the obligation its U.S. legal obligation to remediate its facilities upon a decommissioning of its radioactive-related operations as an asset retirement obligation. The U.S. operations of the Company have radioactive production facilities at its North Billerica, Massachusetts and San Juan, Puerto Rico sites.

The following is a reconciliation of the Company's asset retirement obligations for the nine months ended September 30, 2010:

(in thousands)	
Balance at January 1, 2010	$ 3,746
Capitalization	—
Accretion expense	319
Balance at September 30, 2010	$ 4,065

8. Intangibles, net

Intangibles, net consisted of the following:

	September 30, 2010				
(in thousands)	Cost	Accumulated amortization	Net	Weighted Average Useful Life	Amortization Method
Trademarks	$ 53,390	$ 9,452	$ 43,938	16 years	Straight-line
Customer relationships	113,480	58,045	55,435	19 years	Accelerated
Patent rights, know-how	29,710	4,146	25,564	11 years	Straight-line
Patents	42,780	37,366	5,414	2 years	Straight-line
	$ 239,360	$ 109,009	$ 130,351		

8. Intangibles, net (Continued)

(in thousands)	December 31, 2009 Cost	Accumulated amortization	Net	Weighted Average Useful Life	Amortization Method
Trademarks	$ 53,390	$ 6,856	$ 46,534	16 years	Straight-line
Customer relationships	113,480	46,453	67,027	19 years	Accelerated
Patent rights, know-how	29,495	2,069	27,426	11 years	Straight-line
Patents	42,780	36,756	6,024	2 years	Straight-line
	$ 239,145	$ 92,134	$ 147,011		

On April 6, 2009, the Company acquired the U.S., Canadian and Australian territory rights to a Gadolinium-based blood pool contrast agent, Ablavar (formerly known as Vasovist®), from EPIX Pharmaceuticals, Inc. for an aggregate purchase price of $32.6 million, including drug product and active pharmaceutical ingredient inventory. Ablavar was approved by the FDA in December 2008 and commercially launched by the Company in early January 2010 after final FDA approval of its product label. In June 2010, the Company acquired the rest of world rights of Ablavar for an aggregate purchase price of $215,000.

These acquisitions were accounted for as asset purchases and consisted of $28.2 million in patents, $500,000 in manufacturing know-how acquired from a different party, and $4.1 million in inventory. The acquired patents are being amortized over approximately 11 years which approximates the expected patent life. The manufacturing know-how is being amortized over 3.5 years, which represents the expected useful term of such know-how. In conjunction with the acquisition, the Company incurred and capitalized $1.0 million in legal and other related costs which are being amortized over the expected patent life. The Company recorded amortization expense for its intangible assets of $16.8 million for the nine months ended September 30, 2010.

Expected future amortization expense related to the intangible assets is as follows (in thousands):

Remainder of 2010	$ 5,662
2011	19,859
2012	15,358
2013	13,578
2014	12,297
2015 and thereafter	63,597
	$ 130,351

9. Accrued Expenses

Accrued expenses are comprised of the following:

(in thousands)	September 30, 2010	December 31, 2009
Compensation and benefits	$ 5,271	$ 7,872
Accrued interest	9,615	285
Accrued professional fees	3,506	2,031
Research and development services	2,119	2,680
Freight and distribution	3,301	3,600
Marketing expense	1,666	1,129
Accrued rebates	1,196	427
Other	534	621
	$ 27,208	$ 18,645

10. Financing Arrangements

On May 10, 2010, Lantheus Medical Imaging, Inc. (the "Issuer"), a wholly-owned subsidiary of the Company, issued $250.0 million of 9.750% Senior Notes due in 2017 (the "Notes" or "Refinancing") at face value, net of issuance costs of $6.3 million. The Notes were issued under an indenture, dated May 10, 2010 (the "Indenture"). The Notes mature on May 15, 2017. Interest on the Notes will accrue at a rate of 9.750% per annum and will be payable semiannually in arrears on May 15 and November 15, commencing on November 15, 2010. The net proceeds of the Notes were used to repay $77.9 million due under the outstanding credit agreement at the Issuer and to pay a $163.8 million dividend, which utilized $65.7 million of retained earnings and $98.1 million of additional paid-in capital, to LMI Holdings to repay a $75.0 million demand note it issued and for LMI Holdings to repurchase $90.0 million of LMI Holdings' Series A Preferred Stock at the accreted value.

Registration Rights

In connection with the issuance of the Notes, the Issuer and the guarantors (including the Company) entered into a registration rights agreement dated May 10, 2010, with the initial purchasers of the Notes. Under the terms of the registration rights agreement, the Issuer and the guarantors are required to file with the Securities and Exchange Commission an exchange offer registration statement and use commercially reasonable efforts to cause the exchange offer to be declared effective within 365 days following the issuance of the Notes, or by May 10, 2011, thereby enabling holders to exchange the Notes for registered Notes with terms substantially identical to the terms of the original Notes. If the notes remain unregistered after 365 days, the interest rate shall increase 0.25% per annum for 90 days and continue to increase by 0.25% per annum for each 90 day period thereafter.

Redemption

The Issuer can redeem the Notes at 100% of the principal amount on May 15, 2016 or thereafter. The Issuer may also redeem the Notes prior to May 15, 2016 depending on the timing of the redemption during the twelve month period beginning May 15 of each of the years indicated below:

Year	Percentage
2014	104.875%
2015	102.438%
2016	100.000%

10. Financing Arrangements (Continued)

In addition, at any time prior to May 15, 2013, the Issuer may, at its option, redeem up to 35% of the aggregate principal amount of Notes issued at 109.750% of the principal amount thereof, plus accrued and unpaid interest and, if the notes remain unregistered, additional interest (as defined in the Indenture) thereon, if any, to, but not including, the redemption date, subject to the right of holders of record on such date to receive any interest due, using proceeds of an equity offering, provided that at least 65% of the aggregate principal amount of the Notes remains outstanding immediately after such redemption and that such redemption occurs within 90 days of each equity offering (as defined in the Indenture).

At any time prior to May 15, 2014, the Issuer may also redeem all or a part of the Notes, with notice, at a redemption price equal to 100% of the principal amount thereof of the Notes redeemed plus the applicable premium (as defined in the Indenture) as of, and accrued and unpaid interest and additional interest (as defined in the Indenture), if any, to, but not including, the redemption date, subject to the rights of holders of record on the relevant record date to receive interest due on the relevant interest payment date.

Upon a change of control (as defined in the Indenture), the Company will be required to make an offer to purchase each holder's Note at a price of 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of purchase.

If the Issuer or its subsidiaries engage in asset sales (as defined in the Indenture), they generally must either invest the net cash proceeds from such sales in such business within a specified period of time, prepay certain indebtedness or make an offer to purchase a principal amount of the Notes equal to the excess net cash proceeds (as defined in the Indenture), subject to certain exceptions.

The Notes are unsecured and are equal in right of payment to all of the existing and future senior debt, including borrowing under its secured credit facilities, subject to the security interest thereof. The Issuer's obligations under the Notes are fully and unconditionally guaranteed, jointly and severally, on an unsecured senior basis by the Company and by certain of the Issuer's subsidiaries, and the obligations of such guarantors under their guarantees are equal in right of payment to all of their existing and future senior debt.

Revolving Line of Credit

In connection with the Refinancing, the Issuer's previous revolving line of credit was replaced with a new $42.5 million revolving credit facility ("Revolver") with the ability to request the lenders to increase the facility by an additional amount of up to $15.0 million at the discretion of the Lenders. Interest on the revolving credit facility will be at either LIBOR plus 4% or the Reference Rate (as defined in the Credit Agreement) plus 3%.

At September 30, 2010, there were no amounts outstanding under the Revolver and our aggregate borrowing capacity was $42.5 million.

Covenants

The Indenture and the credit agreement that governs the Revolver, contain affirmative and negative covenants, as well as restrictions on the ability of the Company, the Issuer and the Issuer's subsidiaries: to (i) incur additional indebtedness or issue preferred stock; (ii) repay subordinated indebtedness prior to its stated maturity; (iii) pay dividends on, repurchase or make distributions in respect of its capital stock or make other restricted payments; (iv) make certain investments; (v) sell certain assets; (vi) create liens; (vii) consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; and (viii) enter into certain transactions with our affiliates. The Company is required

10. Financing Arrangements (Continued)

to comply with financial covenants, including total leverage ratio and interest coverage ratio, beginning with the quarter ended September 30, 2010, as well as limitations on the amount of capital expenditures. The financial ratios are driven by the Company's earnings before interest, taxes, depreciation and amortization ("EBITDA"). The total leverage ratio is the financial covenant that is currently the most restrictive.

Financing Costs

The Issuer incurred and capitalized $10.9 million in direct financing fees, consisting primarily of underwriting fees and expenses, legal fees, accounting fees and printing costs in connection with the transaction. At September 30, 2010, this total included approximately $1.2 million of accrued costs. The total amount will be amortized over the life of the Notes and the Revolver, as appropriate, using the effective-interest method.

In connection with the Refinancing, the Company incurred a loss on the extinguishment of debt of approximately $3.1 million, which consisted of a non-cash write-off of deferred financing charges of $2.3 million and a prepayment penalty of approximately $779,000.

11. Stock-Based Compensation

The Company's employees are eligible to receive awards from the LMI Holdings 2008 Equity Incentive Plan, as amended (the "2008 Plan"). The 2008 Plan is administered by the LMI Holdings Board of Directors. The 2008 Plan permits the granting of nonqualified stock options, stock appreciation rights ("SARs"), restricted stock and restricted stock units to its employees, officers, directors and consultants of the Company or any subsidiary of the Company. The maximum number of shares that may be issued pursuant to awards under the 2008 Plan at September 30, 2010 is 5,010,100. Option awards are granted with an exercise price equal to the fair value of LMI Holdings' stock at the date of grant. Time based option awards vest generally over five years, and performance based option awards vest based on the achievement of certain annual EBITDA targets over a five-year period. The Company recognizes compensation costs for its time based awards on a straight-line basis equal to the vesting period. The compensation cost for performance based awards is recognized on a graded vesting basis, based on the probability of achieving performance targets over the requisite service period for the entire award. The fair value of each option award was estimated on the date of grant using a Black-Scholes valuation model that uses the assumptions noted in the following table. Expected volatilities are based on the historical volatility of a selected peer group. The expected term of options represents the period of time that options granted are expected to be outstanding based on a combination of the Company's historical option patterns and expectations of future employee actions. The risk-free interest rate assumption is the seven-year U.S. Treasury rate at the date of the grant which most closely resembles the expected life of the options.

	Nine Months Ended September 30,	
	2010	2009
Expected volatility	36 - 39%	41 - 42%
Expected dividends	—	—
Expected life (in years)	6.5	6.5
Risk-free interest rate	2.2 - 3.3%	2.4 - 3.4%

11. Stock-Based Compensation (Continued)

A summary of option activity for 2010 is presented below:

Options	Time Based	Performance Based	Total Option Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term in Years	Aggregate Intrinsic Value (in thousands)
Outstanding at January 1, 2010	2,548,100	2,403,967	4,952,067	$ 2.24	8.3	$ 39,700
Options granted	146,000	146,000	292,000	$ 10.26		
Options exercised	(7,500)	(7,500)	(15,000)	$ 2.00		
Options cancelled	(10,000)	—	(10,000)	$ 2.00		
Options forfeited and expired	(273,750)	(270,398)	(544,148)	$ 2.06		
Outstanding at September 30, 2010	2,402,850	2,272,069	4,674,919	$ 2.76	7.7	$ 35,100
Vested and expected to vest at September 30, 2010	2,402,336	2,253,435	4,655,771	$ 2.76	7.6	$ 34,900
Exercisable at September 30, 2010	954,260	890,514	1,844,774	$ 2.12	7.5	$ 15,000

The weighted average grant-date fair value, as calculated under the Black-Scholes model, of options granted during the nine months ended September 30, 2010 was $4.47. The weighted average grant-date fair value of options granted during the nine months ended September 30, 2009 was $3.14. In the nine months ended September 30, 2010, 15,000 options were exercised with an intrinsic value of approximately $124,000. No options were exercised in the nine months ended September 30, 2009.

Stock-based compensation expense (benefit) was recognized in the consolidated statements of income as follows:

	Nine Months Ended September 30,	
(in thousands)	2010	2009
Cost of goods sold	$ 21	$ 53
General and administrative	136	504
Sales and marketing	68	68
Research and development	172	81
Total stock-based compensation expense	$ 397	$ 706

Stock-based compensation expense (benefit) recognized in the consolidated statement of income for nine months ended September 30, 2010 and 2009 is based on awards ultimately expected to vest. The expense (benefit) is adjusted for estimated pre-vesting forfeitures and probability of vesting of performance based awards.

As of September 30, 2010, there was approximately $2.7 million of total unrecognized compensation costs related to non-vested stock options granted under the 2008 Plan. These costs are expected to be recognized over a weighted-average remaining period of 2.4 years, assuming performance

criteria are met, if applicable.

12. Comprehensive Income (Loss)

The components of comprehensive income (loss) are as follows:

(in thousands)	Nine Months Ended September 30, 2010	2009
Net income (loss)	$ 7,594	$ 18,027
Changes in accumulated other comprehensive income:		
Unrealized foreign currency translation gains	552	1,079
Total comprehensive (loss) income	$ 8,146	$ 19,106

13. Stockholders' Equity

The changes in consolidated stockholders' equity for the nine months ended September 30, 2010 are as follows:

(in thousands, except share data)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholder's Equity
Balance at January 1, 2010	1	$ —	$ 247,883	$ 63,138	$ (442)	$ 310,579
Dividend paid to LMI Holdings (see Note 10)	—	—	(98,078)	(65,698)		(163,776)
Comprehensive income						
Net income	—	—	—	7,594	—	7,594
Foreign currency translation, net of tax	—	—	—	—	552	552
Total other comprehensive income						$ 8,146
Stock-based compensation	—	—	412	—	—	412
Balance at September 30, 2010	1	$ —	$ 150,217	$ 5,034	$ 110	$ 155,361

14. Legal Proceedings and Contingencies

From time to time the Company is involved in legal and administrative proceedings, investigations or claims of various types. While any such matter contains an element of uncertainty, management believes that the outcome of such proceedings, investigations or claims which are pending or known to be threatened, individually or in aggregate, are not expected, in the opinion of management, to have a material adverse effect on the Company's financial position, cash flow and results.

15. Related Party Transactions

Avista Capital Partners and its affiliates ("Avista"), the majority shareholder of LMI Holdings, provide certain advisory services to the Company pursuant to an advisory services and monitoring agreement. The Company is required to pay an annual fee of $1.0 million and other reasonable and customary advisory fees, as applicable, paid on a quarterly basis. The initial term of the agreement is seven years. Upon termination, all remaining amounts owed under the agreement shall become due immediately. There are no outstanding amounts owed at September 30, 2010 or December 31, 2009.

Effective June 30, 2009, the Company entered into a Master Services Agreement with Quintiles Commercial US, Inc. ("Quintiles") (formerly

known as Innovex Inc.) to provide a contract sales force

15. Related Party Transactions (Continued)

in connection with the launch and promotion of Ablavar. As of September 30, 2010, the Company has incurred costs associated with this contract of approximately $3.8 million. The Master Services Agreement was extended on June 11, 2010 and will be terminated as of December 31, 2010. A son of the Company's Chairman of the Board was a Director of Business Development for Quintiles during part of the term of the agreement. He left Quintiles in June 2010 prior to the contract extension.

In March 2010, the Company engaged a tax and financial services consulting firm, to advise the Company about compliance requirements under the Sarbanes-Oxley Act. As of September 30, 2010, we have incurred costs associated with this engagement of approximately $150,000. A son of the Company's Vice President of Finance and Information Technology and Treasurer, is a Vice President of the consulting firm.

16. Segment Information

The Company has five operating segments, which are: United States, Canada, Australia, United Kingdom and Puerto Rico. The Company's segments derive revenues through the manufacturing, marketing, selling and distribution of medical imaging products, focused primarily on cardiovascular diagnostic imaging. In the nine months ended September 30, 2010 and 2009, no single operating segment, other than the United States, accounted for more than 10% of total sales, 10% of net income (loss) or 10% of total assets. Accordingly, the Company reports the U.S. reporting segment separately and the non-U.S. operating segments as All Other.

Selected information for each reportable segment are as follows (in thousands):

	Nine Months Ended September 30,	
(in thousands)	2010	2009
Revenue		
U.S.	$ 225,244	$ 247,980
All Other	57,030	51,215
Total revenue, including inter-segment	282,274	299,195
Less: Inter-segment revenue	(23,117)	(21,520)
	$ 259,157	$ 277,675
Revenues by product from external customers		
Cardiolite	$ 40,105	$ 76,942
TechneLite	77,520	85,493
DEFINITY	43,459	29,870
Other	41,043	34,155
U.S.	202,127	226,460
All Other	57,030	51,215
	$ 259,157	$ 277,675
Operating income (loss)		
U.S.	$ 25,451	$ 47,599
All Other	3,675	(6,202)
Total operating income, including inter-segment	29,126	41,397
Inter-segment operating income (loss)	(928)	6,213
	$ 28,198	$ 47,610

16. Segment Information (Continued)

Asset information for the Company's reportable segments as of September 30, 2010 and December 31, 2009 is as follows (in thousands):

	September 30, 2010	December 31, 2009
Assets		
U.S.	$ 467,216	$ 441,229
All Other	52,323	51,314
	$ 519,539	$ 492,543
Long-lived Assets		
U.S.	$ 249,297	$ 267,943
All Other	21,193	23,448
	$ 270,490	$ 291,391

No individual country includes assets or long-lived assets of greater than 10% other than the U.S.

17. Guarantor Financial Information

The 9.75% senior subordinated notes due 2017 (see Note 10) are guaranteed by certain of our consolidated subsidiaries (the "Guarantor Subsidiaries"). The guarantees are full and unconditional and joint and several. The following supplemental financial information sets forth, on a condensed consolidating basis, unaudited balance sheet as of September 30, 2010, and the related unaudited statements of operations and cash flows for the nine month-periods ended September 30, 2010 and 2009 for the Parent, the Issuer, the Guarantor Subsidiary and our other subsidiaries, or the Non-Guarantor Subsidiaries. The supplemental financial information reflects the investments of the Parent in the Issuer, and the Company's investment in the Guarantor Subsidiary and Non-Guarantor Subsidiaries using the equity method of accounting.

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Condensed Consolidating Balance Sheet (Unaudited)

September 30, 2010

(in thousands except share data)	Parent	Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Total
Assets						
Cash and cash equivalents	$ —	22,727	$ —	$ 13,720	$ —	$ 36,447
Accounts receivable, net	—	41,729	—	14,702	—	56,431
Intercompany accounts receivable	—	8,755	—	—	(8,755)	—
Inventory	—	15,211	—	7,958	—	23,169
Deferred tax assets	—	1,063	—	87	—	1,150
Income tax receivable	—	1,770	—	(500)	—	1,270
Other current assets	—	3,183	—	319	—	3,502
Total current assets	—	94,438	—	36,286	(8,755)	121,969
Property, plant and equipment, net	—	85,387	23,375	10,385	—	119,147
Capitalized software development costs	—	4,166	—	8	—	4,174
Goodwill	—	16,818	—	—	—	16,818
Intangibles, net	—	119,551	—	10,800	—	130,351
Deferred tax assets	—	77,738	—	89	—	77,827
Deferred financing costs	—	10,229	—	—	—	10,229
Investment in subsidiaries	155,361	62,381	—	—	(217,742)	—
Other long-term assets	—	39,024	—	—	—	39,024
Total assets	$155,361	$509,732	$ 23,375	$ 57,568	$ (226,497)	$519,539
Liabilities and equity						
Accounts payable	—	38,681	—	2,153	—	40,834
Intercompany accounts payable	—	—	—	8,755	(8,755)	—
Accrued						

expenses	—	24,635	—	2,573	—	27,208
Deferred revenue	—	5,567	—	2,183	—	7,750
Total current liabilities	—	68,883	—	15,664	(8,755)	75,792
Asset retirement obligation	—	3,957	—	108	—	4,065
Long-term debt, net of current portion	—	250,000	—	—	—	250,000
Deferred tax liability	—	(4)	—	1,789	—	1,785
Deferred revenue	—	3,334	—	—	—	3,334
Other long-term liabilities	—	28,201	—	1,001	—	29,202
Total liabilities	—	354,371	—	18,562	(8,755)	364,178
Equity	155,361	155,361	23,375	39,006	(217,742)	155,361
Total liabilities and equity	$155,361	$509,732	$ 23,375	$ 57,568	$ (226,497)	$519,539

Condensed Consolidating Statement of Income (Unaudited)

Nine Months Ended September 30, 2010

(in thousands except share data)	Parent	Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Total
Net product revenues	$ —	$219,082	$ —	$ 57,030	$ (23,117)	$252,995
License and other revenues	—	6,162	—	—	—	6,162
Total revenues	—	225,244	—	57,030	(23,117)	259,157
Cost of goods sold	—	115,484	—	47,224	(23,117)	139,591
Gross profit	—	109,760	—	9,806	—	119,566
Operating expenses						
General and administrative expenses	—	20,477	60	2,036	—	22,573
Sales and marketing expenses	—	30,594	—	3,244	—	33,838
Research and development expenses	—	34,106	—	851	—	34,957
Operating income (loss)	—	24,583	(60)	3,675	—	28,198
Interest expense	—	(13,937)	—	—	—	(13,937)
Loss on early extinguishment of debt	—	(3,057)	—	—	—	(3,057)
Interest income	—	2	—	121	—	123
Other income, net	—	1,005	—	(473)	—	532
Equity in losses (earnings) of affiliates	7,594	2,710	—	—	(10,304)	—
Income (loss) before income taxes	7,594	11,306	(60)	3,323	(10,304)	11,859
Provision for income taxes	—	(3,712)	21	(574)	—	(4,265)
Net income (loss)	$ 7,594	$ 7,594	$ (39)	$ 2,749	$ (10,304)	$ 7,594

Condensed Consolidating Statement of Income (Unaudited)

Nine Months Ended September 30, 2009

(in thousands except share data)	Parent	Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Total
Net product revenues	$ —	$ 241,839	$ —	$ 51,215	$ (21,520)	$ 271,534
License and other revenues	—	6,141	—	—	—	6,141
Total revenues	—	247,980	—	51,215	(21,520)	277,675
Cost of goods sold	—	109,642	—	51,866	(21,520)	139,988
Gross profit	—	138,338	—	(651)	—	137,687
General and administrative expenses	—	25,452	60	1,544	—	27,056
Sales and marketing expenses	—	27,641	—	3,263	—	30,904
Research and development expenses	—	31,372	—	745	—	32,117
Operating income (loss)	—	53,873	(60)	(6,203)	—	47,610
Interest expense	—	(11,214)	—	—	—	(11,214)
Interest income	—	12	—	37	—	49
Other income, net	—	2,378	—	731	—	3,109
Equity in losses (earnings) of affiliates	18,027	(4,007)	—	—	(14,020)	—
Income (loss) before income taxes	18,027	41,042	(60)	(5,435)	(14,020)	39,554
Provision for income taxes	—	(23,015)	21	1,467	—	(21,527)
Net income (loss)	$ 18,027	$ 18,027	$ (39)	$ (3,968)	$ (14,020)	$ 18,027

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Condensed Consolidating Statement of Cash Flows (Unaudited)

Nine Months Ended September 30, 2010

	Parent	Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Total
Cash provided by operating activities	$ 65,698	$ 22,592	$ —	$ 6,383	$ (67,780)	$ 26,893
Cash flows from investing activities						
Capital expenditures	—	(4,110)	—	(1,059)	—	(5,169)
Proceeds from dividend	98,078	—	—	—	(98,078)	—
Asset acquisitions	—	(215)	—	—	—	(215)
Cash provided by (used in) investing activities	98,078	(4,325)	—	(1,059)	(98,078)	(5,384)
Cash flows from financing activities						
Proceeds from issuance of debt, net	—	243,658	—	—	—	243,658
Payments on term loan	—	(93,649)	—	—	—	(93,649)
Payments of deferred financing costs	—	(3,278)	—	—	—	(3,278)
Payment of dividend	(163,776)	(163,776)	—	(2,082)	165,858	(163,776)
Cash (used in) provided by financing activities	(163,776)	(17,045)	—	(2,082)	165,858	(17,045)
Effect of foreign exchange rate on cash	—	—	—	503	—	503
Increase in cash and cash equivalents	$ —	$ 1,222	$ —	$ 3,745	$ —	$ 4,967
Cash and cash equivalents,						

beginning of period	$ —	$ 21,505	$ —	$ 9,975	$ —	$ 31,480
Cash and cash equivalents, end of period	$ —	$ 22,727	$ —	$ 13,720	$ —	$ 36,447

Condensed Consolidating Statement of Cash Flows (Unaudited)

Nine Months Ended September 30, 2009

	Parent	Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Total
Cash provided by operating activities	$ —	$ 74,202	$ —	$ 2,526	$ —	$ 76,728
Cash flows from investing activities						
Capital expenditures	—	(5,133)	—	(968)	—	(6,101)
Asset acquisitions	—	(29,495)	—	—	—	(29,495)
Cash used in investing activities	—	(34,628)	—	(968)	—	(35,596)
Cash flows from financing activities						
Payments on term loan	—	(49,102)	—	—	—	(49,102)
Proceeds from line of credit	—	28,000	—	—	—	28,000
Payment on line of credit	—	(20,700)	—	—	—	(20,700)
Cash (used in) provided by financing activities	—	(41,802)	—	—	—	(41,802)
Effect of foreign exchange rate on cash	—	—	—	1,099	—	1,099
(Decrease) increase in cash and cash equivalents	$ —	$ (2,228)	$ —	$ 2,657	$ —	$ 429
Cash and cash equivalents, beginning of period	$ —	$ 16,118	$ —	$ 4,918	$ —	$ 21,036
Cash and cash equivalents, end of period	$ —	$ 13,890	$ —	$ 7,575	$ —	$ 21,465

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of
Lantheus Medical Imaging, Inc
Billerica, Massachusetts

We have audited the accompanying consolidated balance sheet of Bristol-Myers Squibb Medical Imaging (a division of Bristol-Myers Squibb Company) (the "Company") as of December 31, 2007, and the related consolidated statement of operations, changes in divisional equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2007, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 and Note 4 to the financial statements, the Company operates as a division of Bristol-Myers Squibb Company. These financial statements include transactions with Bristol-Myers Squibb Company and certain of its wholly owned subsidiaries. As a result of these related-party transactions, the Company's financial statements may not be indicative of the financial position, results of operations, or cash flows that would have resulted if the Company had been operated as an unaffiliated Company.

/s/ Deloitte & Touche LLP

Boston, Massachusetts
September 24, 2008

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Balance Sheet

December 31, 2007

	(In thousands)
Assets	
Current assets	
Accounts receivable, net of allowances of $2,011	$ 63,168
Inventory	18,366
Deferred tax assets	2,773
Other current assets	907
Total current assets	85,214
Property, plant and equipment, net	129,106
Capitalized software development costs	787
Intangibles, net	275,760
Deferred tax assets	42,916
Goodwill	1,571
Other assets	3,867
Total assets	$ 539,221
Liabilities and Divisional Equity	
Current liabilities	
Accounts payable	$ 12,271
Accrued liabilities	18,162
Accrued rebates and returns	9,626
Total current liabilities	40,059
Long-term income tax liabilities	25,194
Other long-term liabilities	3,599
Total liabilities	68,852
Commitments and contingencies	
Divisional equity	
Parent's investment	465,769
Accumulated other comprehensive income	4,600
Total divisional equity	470,369
Total liabilities and divisional equity	$ 539,221

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Statement of Operations

For the Year Ended December 31, 2007

	(In thousands)
Net product sales	$ 624,401
Other revenue	4,776
Net sales	629,177
Cost of goods sold	207,886
Gross profit	421,291
Selling, general and administration expenses	108,843
Research and development expenses	50,005
Restructuring and other charges, net	9,841
Operating income	252,602
Other expense, net	(4,224)
Income before income taxes	248,378
Provision for income taxes	97,073
Net income	$ 151,305

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Statement of Changes in Divisional Equity

Year Ended December 31, 2007

	Parent's Investment	Accumulated Other Comprehensive Income	Total Divisional Equity	Comprehensive Income
		(In thousands)		
Balance at January 1, 2007	$ 550,344	$ 2,526	$ 552,870	
Comprehensive income				
Net income	151,305	—	151,305	$ 151,305
Foreign currency translation	—	2,074	2,074	2,074
Total comprehensive income				$ 153,379
Transfer to Parent	(235,880)	—	(235,880)	
Balance at December 31, 2007	$ 465,769	$ 4,600	$ 470,369	

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Statement of Cash Flows

For the Year Ended December 31, 2007

	(In thousands)
Cash flows from operating activities	
Net income	$ 151,305
Adjustments to reconcile net income to cash flow from operating activities	
Depreciation	9,928
Amortization	61,845
Stock-based compensation	2,385
Deferred income taxes	(12,413)
Inventory provision and loss on disposal of assets	1,472
Accretion of asset retirement obligation	215
Increase (decrease) in cash from operating assets and liabilities	
Trade accounts receivable	24,651
Prepaid expenses and other assets	(151)
Inventories	(751)
Accounts payable	(3,713)
Long-term income tax liabilities	6,933
Accrued expenses, rebates and returns, and other liabilities	1,512
Cash provided by operating activities	243,218
Cash flows from investing activities	
Purchases of property, plant and equipment and capitalized software development costs	(4,808)
Cash used in investing activities	(4,808)
Cash flows from financing activities	
Net transfers to Parent	(235,880)
Cash used in financing activities	(235,880)
Effect of foreign exchange rate on cash	(2,530)
Increase (decrease) in cash and cash equivalents	—
Cash and cash equivalents, beginning of year	—
Cash and cash equivalents, end of period	$ —

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements

December 31, 2007

(In thousands)

1. Description and Sale of Business

Bristol-Myers Squibb Medical Imaging (the "Division" or "MI") based in Billerica, Massachusetts, operates as a division of Bristol-Myers Squibb Co. ("BMS" or "Parent") and provides medical imaging products primarily focused on cardiovascular diagnostic imaging to nuclear physicians, cardiologists, radiologists, internal medicine physicians, IDNs/GPOs (Independent Delivery Network/Group Purchasing Organization) and technologists/sonographers working in hospitals and outpatient clinics. The Division's products are sold directly and through distributors to hospitals, clinics and radiopharmacies in the U.S., as well as Australia and Canada and other countries.

The Division's principal products include Cardiolite®, a cardiac perfusion imaging agent, DEFINITY®, an ultrasound contrast agent and TechneLite® generators, which are utilized in connection with Cardiolite® and other technetium based nuclear imaging agents. In the U.S., the Cardiolite® and TechneLite® are marketed through an internal sales force and sold principally to radiopharmacies. Radiopharmacies reconstitute the products into patient specific unit dose syringes which are then sold directly to hospitals and clinics. Internationally, the products are marketed through an internal sales force and sold through Division-owned radiopharmacies in certain countries and through distributors.

In October 2007, the Division received notification from the FDA requiring certain "black box" warning label modifications including additional follow-up monitoring requirements for DEFINITY® and similar products within this class of imaging agents. The Division is complying with these requirements.

The Division has one manufacturing facility in North Billerica, Massachusetts which produces the TechneLite® generators, Thallium, Gallium, Xenon, and Samarium. Cardiolite®, DEFINITY®, and Neurolite® products are packaged in North Billerica and principally manufactured by a third party contract manufacturer. The Division also owns radiopharmacies outside the U.S. in Canada (five), Australia (two), and Puerto Rico (two).

Sale of the Business

On December 16, 2007, ACP Lantern Holdings, Inc., ACP Lantern Acquisition, Inc. and Bristol-Myers Squibb Company entered into a stock and asset purchase agreement (the "Agreement") to acquire Bristol-Myers Squibb Medical Imaging. Bristol-Myers Squibb Medical Imaging, Inc., Bristol-Myers Squibb Radiopharmaceuticals, Inc. and certain assets of the Parent and its affiliates relating to the Division including accounts receivable, inventory, property, plant and equipment and intellectual property (patents, trademarks, and technology) and certain liabilities were assumed including accounts payable, accrued liabilities, accrued rebates and returns, and other liabilities associated with the Division. The acquisition closed on January 8, 2008, for a total purchase price of approximately $508,500 in cash.

The acquisition included employees in the United States and internationally dedicated to the Division, related product patent and developed technology and certain net assets, including the manufacturing facilities located in North Billerica.

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

1. Description and Sale of Business (Continued)

The acquisition did not include BMS' Cardiolite®, DEFINITY®, and Neurolite® production equipment in its Manati, Puerto Rico manufacturing facility. The Division entered into a toll manufacturing agreement with BMS for the continued production of Cardiolite®.

In connection with the transaction, the Division entered into an agreement to obtain transition related services from BMS. These services included finance, information technology and communication systems among others.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements presented include the assets, liabilities, operating results and cash flows of MI. These financial statements have been prepared on a carve-out basis using BMS's historical bases in the assets and liabilities and the historical results of the operations of MI. The financial statements have been derived from the consolidated financial statements and accounting records of BMS, principally from statements and records representing the MI business. These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The statement of operations includes expense allocations for certain corporate functions historically provided to MI by BMS, including general corporate expenses related to corporate functions such as executive oversight, risk management, information technology, accounting, audit, legal, investor relations, human resources, shared services and employee benefits and incentives, including pension and other post retirement benefits and stock-based compensation arrangements. Additionally, the statement of operations includes expense allocations relating to the effects of foreign currency derivatives.

Allocations are primarily based on specific identification and the proportion of MI's net sales and headcount to the total consolidated net sales and headcount. These allocations are primarily reflected in marketing, selling and administrative expenses and restructuring charges in the statement of operations and totaled $26,189 for 2007. MI and BMS consider these allocations to be a reasonable reflection of the utilization of services provided or benefits received. The allocations may not, however, reflect the expense MI would have incurred as a stand-alone company and the expense allocation methodologies used by BMS may not represent actual costs of operating the stand alone business. Actual costs that may have been incurred if MI had been a stand-alone company would depend on a number of factors, including the chosen organizational structure, what functions were outsourced or performed by employees and strategic decisions made in areas such as information technology systems and infrastructure.

On May 10, 2010, Lantheus Medical Imaging, Inc. (the "Issuer"), a wholly owned subsidiary of the Lantheus MI Intermediate, Inc. (the "Successor"), issued $250.0 million of 9.750% Senior Notes due in 2017 (the "Notes") at face value, net of issuance costs of $6.3 million. In connection with the issuance of the Notes, the Issuer and the guarantors entered into a registration rights agreement dated May 10, 2010, with the initial purchasers of the Notes. Under the terms of the registration rights agreement, the

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

2. Summary of Significant Accounting Policies (Continued)

Issuer and the guarantors are required to file with the Securities and Exchange Commission an exchange offer registration statement.

Guarantor and non guarantor financial information in accordance with Regulation S-X, Rule 3-10, of the Securities and Exchange Commission has not been presented. Management is unable to provide such information because it is not available or attainable. The information resides with BMS and management does not have the ability to obtain such information. In addition, although the accompanying financial statements represent the predecessor company to the Successor, the corporate structure and consolidated financial statements of the Successor are materially different from the accompanying financial statements in that there were no separate subsidiaries or parent company for the predecessor company. Lastly, as discussed above, the accompanying financial statements have been prepared on a carve-out basis and include allocations from BMS on a group basis. These allocations were not prepared on a separate subsidiary level. Accordingly, the condensed consolidating guarantor financial information has not been presented. Management has concluded that exclusion of such information is not misleading.

Disclosure relating to valuation and qualifying accounts has not been presented because the information is also not available or attainable, as discussed above, and management concluded that the exclusion of such disclosure is not misleading.

Basis of Consolidation

The financial statements include the accounts of MI. All intra-division balances and transactions have been eliminated.

Divisional Equity

MI operates as a division of BMS. Accordingly certain operating, financing, and investing activities of MI are funded through interdivisional transactions with BMS and other operating divisions and subsidiaries. The accompanying balance sheets reflect these amounts in divisional equity.

Use of Estimates

Preparing financial statements in conformity with U.S. GAAP requires management to make certain estimations and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities in the financial statements and the reported amounts of revenues and expenses. Also certain amounts in the accompanying carve out financial statements have been allocated in a way that management believes is reasonable and consistent in order to depict the historical financial position, results of operations and cash flows of MI. The most significant assumptions are employed in estimates used in determining values of sales rebate/chargebacks and return accruals, BMS allocations, tax assets and liabilities, legal contingencies as well as in estimates used in applying the revenue recognition policy, accounting for stock-based compensation costs, and retirement and postretirement benefits (including the actuarial assumptions). Actual results may differ from estimated results and such differences may be material.

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

2. Summary of Significant Accounting Policies (Continued)

Revenue Recognition

MI recognizes revenue when evidence of an arrangement exists, title has passed, substantially all the risks and rewards of ownership have transferred to the customer, the selling price is fixed or determinable and collectibility is reasonably assured. Revenue is recognized net of revenue reserves, which consist of allowances for returns, sales rebates, and chargebacks.

Other revenue represents contract manufacturing services related to one of the Division's products. The related costs are included in cost of goods sold.

Sales Rebates, Chargebacks and Return Accruals

Net product sales include gross sales less sales returns and customer rebates. Sales rebates and return accruals were $9,626 at December 31, 2007. These accruals were established in the same period the related revenue was recognized, resulting in a reduction to sales and the establishment of a liability for amounts already paid by the customer and are included in current liabilities.

An accrual is recorded based on an estimate of the proportion of recorded revenue that will result in a rebate or return based primarily on the Division's historical experience.

Income Taxes

During the period presented, MI did not file separate tax returns, as the Division was included in the tax grouping of other BMS entities within the respective entity's tax jurisdiction. The income tax provision included in these financial statements was calculated based on a separate return methodology, as if MI's operations were separate taxpayers in the respective jurisdictions.

The Division does not maintain taxes payable to/from its parent and is deemed to settle the annual current tax balances immediately with BMS. These settlements are reflected as changes in divisional equity.

The provision for income taxes has been determined using the asset and liability approach of accounting for income taxes. The provision for income taxes represents income taxes paid or payable for the current year plus the change in deferred taxes during the year. Deferred taxes result from differences between the financial and tax bases of the Division's assets and liabilities. Deferred tax assets and liabilities are measured using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax attributes are expected to be recovered or paid, and are adjusted for changes in tax rates and tax laws when changes are enacted.

Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. The assessment of whether or not a valuation allowance is required often requires significant judgment including the long-range forecast of future taxable income and the evaluation of tax planning initiatives. Adjustments to the deferred tax valuation allowances are made to earnings in the period when such assessments are made.

In July 2006, the FASB issued FASB Interpretation Number (FIN) No. 48, *Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109*, which, in the case of the

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

2. Summary of Significant Accounting Policies (Continued)

Division, is effective as of January 1, 2007. FIN No. 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statement in accordance with SFAS No. 109, *Accounting for Income Taxes*. FIN No. 48 requires that all tax positions be evaluated using a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Differences between tax positions taken in a tax return and amounts recognized in the financial statements are recorded as adjustments to income taxes payable or receivable, or adjustments to deferred taxes, or both. FIN No. 48 also requires expanded disclosure at the end of each annual reporting period including a tabular reconciliation of unrecognized tax benefits. The Division adopted FIN No. 48 on January 1, 2007. As a result of the adoption of this accounting pronouncement, there was no derecognition of previously recognized tax benefits and thus no adjustment was made to the opening balance of divisional equity. Upon the adoption of FIN 48, the Divisions total amount of uncertain tax benefits as of January 1, 2007, net of deferred income tax benefits and excluding interest and penalties was $8,908. Total interest and penalties was $4,194 as of January 1, 2007.

Cash

BMS uses a centralized approach to cash management and financing of operations. No separate cash accounts for MI are maintained. Historically, cash deposits from the Division have been transferred to BMS, and BMS has funded the Division's disbursement accounts as required. Transfers of available cash both to and from BMS's cash management system are reflected in the financial statement as a component of divisional equity.

Accounts Receivable

Accounts receivable consist of amounts billed and currently due from customers. The Division maintains an allowance for doubtful accounts for estimated losses. In determining the allowance, consideration includes the probability of recoverability based on past experience and general economic factors. Certain accounts receivable may be fully reserved when specific collection issues are known to exist, such as pending bankruptcy.

Concentration of Risks and Enterprise Wide Disclosures

Financial instruments which potentially subject the Division to concentrations of credit risk consist principally of trade accounts receivable. The Division periodically reviews its accounts receivable for collectibility and provides for an allowance for doubtful accounts to the extent that amounts are not expected to be collected. There was one customer that represented greater than 10% of the total accounts receivable balance and net sales. Cardinal Health accounted for approximately 50% of accounts receivable as of December 31, 2007 and accounted for approximately 48% of net sales for the year ended December 31, 2007.

MDS Nordion is the Division's sole supplier of Molybdenum, the primary component of Generators.

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

2. Summary of Significant Accounting Policies (Continued)

The principal product of the Division is Cardiolite®, which accounted for approximately 64% of net product sales for the year ended December 31, 2007.

Net product sales of the Division in the U.S. accounted for approximately 84% of total net revenue for the year ended December 31, 2007. Long-lived assets of the Division in the U.S. accounted for approximately 96% of total long-lived assets for the year ended December 31, 2007.

Inventories

Inventories are stated at the lower of cost (which approximates average cost) or market on a first-in, first-out basis. Inventory quantities on hand are periodically reviewed and written down to net realizable value if impaired.

Property, Plant and Equipment

Expenditures for additions, renewals and improvements are capitalized at cost. Replacements of major units of property are capitalized and replaced properties are retired. Replacements of minor components of property and repair and maintenance costs are charged to expense as incurred. Depreciation is generally computed on a straight-line method based on the estimated useful lives of the related assets. The estimated useful lives of the major classes of depreciable assets are 50 years for buildings, and 3 to 20 years for machinery, equipment and fixtures.

Impairment of Long-Lived Assets

The Division periodically evaluates whether current facts or circumstances indicate that the carrying value of its assets to be held and used may not be recoverable. If such circumstances are determined to exist, an estimate of undiscounted future cash flows produced by the long-lived asset, or the appropriate grouping of assets, is compared to the carrying value to determine whether impairment exists. If an asset is determined to be impaired, the loss is measured based on the difference between the asset's fair value and its carrying value. An estimate of the asset's fair value is based on quoted market prices in active markets, if available. If quoted market prices are not available, the estimate of fair value is based on various valuation techniques, including a discounted value of estimated future cash flows. The Division reports an asset to be disposed of at the lower of its carrying value or its estimated net realizable value. Asset impairment or accelerated depreciation resulting from an impairment assessment is recorded as cost of products sold.

Capitalized Software Development Costs

Certain costs to obtain internal use software for significant systems projects are capitalized and amortized over the estimated useful life of the software, which ranges from 3 to 5 years. Costs to obtain software for projects that are not significant are expensed as incurred. Computer software capitalized, net of accumulated amortization, included in other assets was $787 at December 31, 2007. Amortization expense was $581 for the year ended December 31, 2007.

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

2. Summary of Significant Accounting Policies (Continued)

Intangible Assets

We estimate the fair value of acquisition-related intangible assets principally based on projections of cash flows that will arise from identifiable intangible assets of acquired businesses. The projected cash flows are discounted to determine the present value of the assets at the dates of acquisition. We review intangible assets for impairment whenever events or changes in business circumstances indicate that the carrying amount of assets may not be fully recoverable or that the useful lives of these assets are no longer appropriate. Each impairment test is based on a comparison of the undiscounted cash flows to the recorded value of the asset. If it is determined that the carrying value of intangible assets may not be recoverable, the asset is written down to its estimated fair value on a discounted cash flow basis. The net book value of intangible assets at December 31, 2007 was $275,760.

Intangible assets, consisting of core and developed technology and patents related to the Division's products (primarily Cardiolite® and DEFINITY®) are amortized on a straight-line basis over their useful lives, ranging from 6 to 15 years.

Contingencies

In the normal course of business, MI is subject to loss contingencies, such as legal proceedings and claims arising out of its business, that cover a wide range of matters, including, among others, product and environmental liability. In accordance with SFAS No. 5, *Accounting for Contingencies,* the Division records accruals for such loss contingencies when it is probable that a liability will be incurred and the amount of loss can be reasonably estimated. The Division does not recognize gain contingencies until realized.

Derivative Financial Instruments

Derivative financial instruments are managed on a centralized basis by BMS principally in the management of its global interest rate and foreign currency exposures. The effects of the foreign currency derivatives are allocated to MI statement of operations based on divisional cost of products sold at standard cost.

Fair Value of Financial Instruments

The carrying amount of the Division's financial instruments including accounts receivable, accounts payable and accrued expenses approximates fair value.

Shipping and Handling Costs

The Division typically does not charge customers for shipping and handling costs. Therefore, shipping and handling costs are included in selling, general and administrative expenses and were $14,702 in 2007.

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

2. Summary of Significant Accounting Policies (Continued)

Advertising and Promotion Costs

Advertising and promotion costs are expensed as incurred and totaled $7,694 in 2007 and are included in selling, general and administrative expenses.

Research and Development

Research and development costs are expensed as incurred.

Foreign Currency Translation

The statement of operations of the Division's foreign subsidiaries are translated into U.S. dollars using average exchange rates. The net assets of the Division's foreign subsidiaries are translated into U.S. dollars using the end of period exchange rates. The U.S. dollar effects that arise from translating the net assets of these subsidiaries at changing rates are recorded in the foreign currency translation adjustment account, which is included in accumulated other comprehensive income.

The Division is exposed to market risk due to changes in currency exchange rates. The Division had exposures to net foreign currency denominated assets and liabilities of $24,020 at December 31, 2007. MI's primary foreign currency translation exposures are the Euro, Canadian dollar and Australian dollar.

Accounting for Stock-Based Compensation

The Division adopted SFAS No. 123(R), *Share-Based Payment*, using the modified prospective transition method, which requires the application of the accounting standard as of January 1, 2006. The Company recognizes the grant date fair value of the awards over the requisite service period of the award.

Accumulated Other Comprehensive Income

The only item included in accumulated other comprehensive income as of December 31, 2007 was currency translation adjustments.

3. Restructuring

2007 Activities

During 2007, the Division recorded charges of $9,841 in termination benefits and other related costs for workforce reductions of approximately 150 manufacturing, selling and administrative personnel primarily due to the closure of two clinical programs (apadenoson and ICT) and the loss of exclusivity for Cardiolite® in July 2008. A determination was made by management to realign resources consistent with the scale of the business taking into account needs of customers and patients the Division serves.

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

3. Restructuring (Continued)

Rollforward

Restructuring charges and spending against liabilities associated with these actions are as follows:

Balance at January 1, 2007	$ —
Charges	9,841
Spending	9,421
Balance at December 31, 2007	$ 420

4. Related Parties

As discussed in Note 1, these financial statements include transactions with affiliated companies. MI entered into transactions with BMS and its subsidiaries for corporate services provided by BMS for the financial statement period presented.

Selling, general and administrative expenses include allocated corporate costs from BMS. In addition to expense allocations, certain balance sheet items including accounts receivable, accounts payable and inventory were allocated to the Division by BMS based on specific identification.

5. Income Taxes

The components of income (loss) before income taxes for the year ended December 31, 2007 were:

United States	$ 252,526
International	(4,148)
	$ 248,378

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

5. Income Taxes (Continued)

The provision/(benefit) for income taxes attributable to operations consisted of:

Current	
U.S. Federal	$ 87,061
U.S. States	23,816
International	(1,391)
	$ 109,486
Deferred	
U.S. Federal	$ (10,736)
U.S. States	(1,677)
International	—
	$ (12,413)
Total provision for income taxes	$ 97,073

Effective Tax Rate

MI's provision for income taxes in the year ended December 31, 2007 was different from the amount computed by applying the statutory U.S. Federal income tax rate to earnings from operations before income taxes, as a result of the following:

Earnings from operations before interest and income taxes	$ 248,378	
U.S. statutory rate	86,932	35.0%
State and local taxes	14,631	5.9%
U.S. manufacturing deduction	(4,075)	-1.6%
Other	(415)	-0.2%
	$ 97,073	39.1%

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

5. Income Taxes (Continued)

Deferred Taxes

The components of deferred income tax assets (liabilities) were:

Assets	
Reserves and accruals	$ 2,709
Amortization of intangibles other than goodwill	46,515
Long-term income tax liabilities	7,346
Other	907
	$ 57,477
Liabilities	
Depreciation	$ (11,788)

The uncertain tax benefits and associated interest and penalty accruals are recorded as noncurrent income tax payables. As of December 31, 2007 approximately $25,194, consisting of income tax provisions of $18,718 and interest and penalty accruals of $6,476, was included in long-term income tax liabilities on the balance sheet.

Upon the adoption of FIN No. 48, the Division's total amount of uncertain tax benefits as of January 1, 2007, net of deferred income tax benefits and excluding interest and penalties, was $8,908. A reconciliation of the Division's changes in uncertain tax positions from January 1, 2007 to December 31, 2007 is as follows:

	Unrecognized Income Tax Benefits	Deferred Income Tax Benefits	Unrecognized Income Tax Benefits, Net of Deferred Income Tax Benefits
Total uncertain tax positions as of January 1, 2007	$ 14,067	$ (5,159)	$ 8,908
Gross additions to tax positions related to current year	4,885	(2,187)	2,698
Gross reduction to tax positions related to prior year	(234)	—	(234)
Balance of gross uncertain tax positions as of December 31, 2007	$ 18,718	$ (7,346)	$ 11,372

The Division classifies interest and penalties related to unrecognized tax benefits as income tax expense.

As of December 31, 2007, the total amount of unrecognized tax benefits was $25,194, all of which would affect the effective tax rate, if recognized. These amounts are primarily associated with domestic

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

5. Income Taxes (Continued)

state tax issues, such as the allocation of income among various state tax jurisdictions and U.S. federal R&D credits.

The Division is subject to examination in the U.S. federal tax jurisdiction for the 2004-2007 tax years and is also subject to examination in major state jurisdictions for the 2002-2007 tax years.

6. Inventory

Inventory is comprised of raw materials, work in process and finished goods and is valued at the lower of standard cost (which approximates average cost) or market.

Raw material	$ 5,864
Work in process	5,636
Finished goods	6,866
	$ 18,366

We recorded a write down of inventory in the amount of $1,179 for fiscal year 2007 as a result of the reduction in the demand for DEFINITY® following the "black box" warning label modifications.

7. Property, Plant and Equipment

The major categories of property, plant and equipment follow were as follows:

Land	$ 16,173
Buildings	61,643
Machinery, equipment and fixtures	96,844
Construction in progress	2,971
Total cost	177,631
Accumulated depreciation	(48,525)
	$ 129,106

Depreciation expenses related to property plant and equipment was $9,928 for the year ending December 31, 2007.

8. Spare Parts

Spare parts include replacement parts relating to plant and equipment and are either recognized as an expense when consumed or re-classified and capitalized as part of the related plant and equipment and depreciated over a time period not exceeding the useful life of the related asset. Included in other assets are spare parts of approximately $3,858 as of December 31, 2007.

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

9. Asset Retirement Obligations

The fair value of a liability for asset retirement obligations is recognized in the period in which the liability is incurred. The liability is measured at present value of the obligation when incurred and is adjusted in subsequent periods as accretion expense is recorded. The corresponding asset retirement costs are capitalized as part of the carrying value of the related long-lived assets and depreciated over the asset's useful life.

The Division considered the legal obligation to remediate its facilities upon a decommissioning of its radioactive related operations as an asset retirement obligation. The operations of the Division have two major radioactive production facilities at its Billerica, Massachusetts site.

The following is a reconciliation of the Division's asset retirement obligations for the fiscal year ended December 31, 2007 included in other long term liabilities:

Balance at January 1, 2007	$ 2,495
Accretion expense	215
Settlement payments	—
Balance at December 31, 2007	$ 2,710

10. Goodwill and Other Intangible Assets

Balance as of January 1, 2007	$ 1,571
Changes in foreign exchange rates	—
Balance as of December 31, 2007	$ 1,571

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

10. Goodwill and Other Intangible Assets (Continued)

Intangible assets, consisting of core and developed technology and patents related to the Division's products (primarily Cardiolite® and DEFINITY®), arose from the fair value placed on these assets at the time of BMS' acquisition of DuPont Pharmaceuticals Company, the Division's former parent. The assets are amortized on a straight-line basis over their useful lives ranging from 6 to 15 years.

Core technology	$ 29,500
Less accumulated amortization	12,292
Net core technology	17,208
Developed technology	565,900
Less accumulated amortization	321,544
Net developed technology	244,356
Patents	57,300
Less accumulated amortization	48,023
Net patents	9,277
Other intangibles	7,620
Less accumulated amortization	2,701
Net other intangibles	4,919
	$ 275,760

Amortization expense for the intangible assets was $61,845 for the fiscal year ended December 31, 2007.

Expected amortization expense related to the current net carrying amount of other intangible assets is as follows:

Years Ending December 31,	
2008	$ 59,414
2009	55,726
2010	55,726
2011	55,206
2012	40,787
2013 and thereafter	8,901
	$ 275,760

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

11. Accrued Liabilities

Accrued liabilities are comprised of the following at December 31, 2007:	
Salaries, wages, and bonuses	$ 9,390
Research and development services	1,962
Distribution	1,526
Vacation	1,201
Marketing	1,460
Accrued utilities and property taxes	638
Deferred revenue	467
Accrued restructuring	420
Other	1,098
	$ 18,162

12. Employee Stock Benefit Plans

BMS sponsors the following stock option plans in which certain employees of MI participated. As the stock-based compensation plans are BMS plans, amounts have been allocated to the Division through divisional equity.

Under the BMS 2007 Stock Award and Incentive Plan and 2002 Stock Incentive Plan, executive officers and key employees of MI may be granted options to purchase BMS' common stock at no less than 100% of the market price on the date the option is granted. Options generally become exercisable in installments of 25% per year on each of the first through fourth anniversaries of the grant date and have a maximum term of 10 years. Additionally, the plan provides for the granting of stock appreciation rights whereby the grantee may surrender exercisable rights and receive common stock and/or cash measured by the excess of the market price of the common stock over the option exercise price. In 2007, BMS began granting restricted stock units instead of restricted stock.

Under the TeamShare Stock Plan, which terminated on January 3, 2005, full-time MI employees, excluding key executives, were granted options to purchase BMS' common stock at the market price on the date the options were granted. Individual grants generally became exercisable evenly on the third, fourth and fifth anniversary of the grant date and have a maximum term of 10 years.

As discussed in Note 2, effective January 1, 2006, BMS and the Division adopted the provisions of SFAS No. 123(R) using the modified prospective transition method. BMS and the Division continue to follow the nominal vesting period approach for awards granted prior to the January 1, 2006 adoption of SFAS No. 123(R). For the awards granted subsequent to its adoption of SFAS No. 123(R), compensation cost is recognized over the shorter of the nominal vesting period or the period until the employee's award becomes nonforfeitable upon reaching eligible retirement age under the terms of the award. As stock-based compensation expense recognized in the statement of operations for the year ended December 31, 2007 is based on awards ultimately expected to vest, it has been reduced for estimated forfeitures. Forfeitures estimates are estimated at the time of grant and revised, if necessary, in subsequent periods.

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

12. Employee Stock Benefit Plans (Continued)

The following table summarizes stock-based compensation expenses related to employee stock options, restricted stock and restricted stock units (RSU's) for the year ended December 31, 2007:

Cost of products sold	$ 775
Marketing, selling and administrative	1,069
Research and development	541
	$ 2,385

There were no material costs related to stock-based compensation that were capitalized during the period.

A summary of activity related to options held by MI employees is as follows:

	Options (in Thousands)	Weighted Average Exercise Price of Shares	Weighted Average Remaining Contractual Term (in Years)	Aggregate Intrinsic Value (Dollars Millions)
Outstanding at January 1, 2007	2,163	$ 31.30		
Granted	273	27.01		
Exercised	(381)	26.84		
Lapsed	(217)	33.25		
Outstanding at December 31, 2007	1,838	31.35	6.17	$ 1.97
Exercisable at December 31, 2007	1,255	33.80	5.27	1.30
Options vested and unvested expected to vest at December 31, 2007	1,806	$ 31.45	6.14	$ 1.93

Lapsed shares include forfeitures and shares attributable to employees that transferred to or from other BMS divisions.

The weighted-average grant-date fair value of options granted by BMS to MI employees during the years ended December 31, 2007, was $5.88. The total intrinsic value of options exercised by MI employees for the year ended December 31, 2007, was $1,175. As of December 31, 2007, there was $1,319 of total unrecognized compensation cost related to stock options and this cost is expected to be recognized over a weighted-average period of 2.25 years.

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

12. Employee Stock Benefit Plans (Continued)

Stock Option Valuation

The fair value of employee stock options granted in 2007 was estimated on the date of the grant, using the Black-Scholes option pricing model with the following assumptions:

Expected volatility	28.7%
Risk-free interest rate	4.7%
Dividend yield	4.5%
Expected life	6.2 years

The expected volatility assumption required in the Black-Scholes model was calculated using a 10-year historical volatility of the BMS stock price and weighting it equally against the derived implied volatility. The selection of the blended historical and implied volatility approach was based on the assessment that this calculation of expected volatility is more representative of future stock price trends than using only historical volatility.

The risk-free interest rate assumption is based upon the U.S. Treasury yield curve in effect at the time of grant. The dividend yield assumption is based on BMS' history and expectation of dividend payouts.

The expected life of employee stock options represents the weighted-average period the stock options are expected to remain outstanding and is a derived output of the lattice-binomial model. The expected life of employee stock options is impacted by all of the underlying assumptions and calibration of BMS' model. The lattice-binomial model assumes that MI employees exercise behavior is a function of the option's remaining vested life and the extent to which the option is in-the-money. The lattice-binomial model estimates the probability of exercise as a function of these two variables based on the entire history of exercises and cancellations on all past option grants made by BMS to MI employees.

Restricted Stock Awards and Restricted Stock Units

The fair value of nonvested shares of BMS' common stock granted to MI employees is determined based on the average trading price of BMS' common stock on the grant date.

A summary of restricted share and RSU activity related to MI employees follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Nonvested shares at January 1, 2007	113	$ 24.37
Granted	68	27.01
Vested	(25)	25.22
Forfeited	(18)	24.79
Nonvested shares at December 31, 2007	138	$ 25.47

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

12. Employee Stock Benefit Plans (Continued)

As of December 31, 2007 total unrecognized compensation cost related to nonvested BMS restricted stock and BMS restricted stock units granted to MI employees is $2,453. This cost is expected to be recognized over a weighted- average period of 2.5 years. The total intrinsic value of shares and share units that vested during the year ended December 31, 2007 is $629.

13. Lease Commitments and Obligations

The Division leases certain buildings and office space under operating leases. Minimum lease commitments under noncancelable operating leases at December 31, 2007 are as follows:

Years Ending December 31,	
2008	$ 451
2009	368
2010	316
2011	242
2012	201
2013 and thereafter	613
	$ 2,191

Lease expense was $480 for the fiscal year ended December 31, 2007.

14. Employee Benefit Plans

Pensions and Other Postretirement Plans Substantially all employees of MI are participants in various defined benefit pension and postretirement plans administered and sponsored by BMS. Benefits under the pension plans are based primarily on years of service and employees' compensation. The other postretirement plans provide MI employees with healthcare and life insurance benefits upon retirement. Pension entitlements are funded by contributions by BMS to a separately administered pension fund.

For the pension plans applicable in the U.S. and Canada where the Division has significant operations, costs associated with the pension plans have been allocated to MI on the basis of pensionable earnings. Management of the Division believes that this methodology is a reasonable basis of allocation. For the year ended December 31, 2007, the amount of pension expense allocated to MI from BMS to MI employees participating in the above mentioned BMS pension plans was approximately $7,914.

MI also offers defined contribution plans to eligible employees primarily in the U.S., whereby employees contribute a portion of their compensation, which is partially matched by BMS. Once the contributions have been paid, BMS has no further payment obligations. The contributions to MI employees were not material for the year ended December 31, 2007.

Bristol-Myers Squibb Medical Imaging

(A division of Bristol-Myers Squibb Company)

Notes to Financial Statements (Continued)

December 31, 2007

(In thousands)

14. Employee Benefit Plans (Continued)

MI also provides comprehensive medical and group life benefits for substantially all retirees who elect to participate in BMS' comprehensive medical and group life plans. The medical plan is contributory. Contributions are adjusted periodically and vary by date of retirement. The postretirement plans provide associates with health care and life insurance benefits upon retirement. The life insurance plan is noncontributory. As such, BMS allocated costs associated with the medical and life plans to MI based upon a ratio of participant headcount. For the year ended December 31, 2007, the amount of expense allocated to MI from BMS was $437.

Other Post Employment Benefit Plans

BMS offers medical continuation and income replacement benefits to MI employees on long-term disability (LTD) in the U.S. and Canada. For the LTD medical continuation benefits, BMS allocated costs associated with the LTD medical continuation benefits to MI based upon a ratio of the post employment benefit obligation.

For the LTD income replacement benefits, BMS allocated expense based on an allocation rate times base salary. The allocation rate represents the percentage required to recoup the full income replacement liability.

The amount expense allocated to MI from BMS for the LTD medical continuation and income replacement plans was approximately $298 for the year ended December 31, 2007.

15. Legal Proceedings and Contingencies

From time-to-time the Company is involved in legal and administrative proceedings and claims of various types. While any litigation contains an element of uncertainty, management believes that the outcome of such proceedings or claims which are pending or known to be threatened, or all of them combined, is not expected to have a material adverse effect on the Company's financial position, cash flow and results.

Table of Contents

No person has been authorized to give any information or to make any representations other than those contained in this prospectus, and, if given or made, such information and representation must not be relied upon as having been authorized. This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities to which it relates or any offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Lantheus Medical Imaging, Inc. since the date hereof or that the information contained in this prospectus is correct as of any time subsequent to its date.

LANTHEUS MEDICAL IMAGING, INC.

OFFER TO EXCHANGE

All Outstanding
9.750% Senior Notes due 2017
for
9.750% Senior Notes due 2017 registered under the Securities Act of 1933

Prospectus

, 2010

Dealer Prospectus Delivery Obligation

Until , 2011, all dealers that effect transactions in the Restricted Notes or the Exchange Notes, whether or not participating in the exchange offer, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. Indemnification of Directors and Officers.

In addition to the information set forth below, we maintain director and officer liability insurance for ourself, and all of our subsidiaries, Lantheus MI Holdings, Inc. and Lantheus MI Intermediate, Inc.

Section 145 of the Delaware General Corporation Law (the "DGCL") grants each corporation organized thereunder the power to indemnify any person who is or was a director, officer, employee or agent of a corporation or enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the corporation, by reason of being or having been in any such capacity, if he acted in good faith in a manner reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

Section 102(b)(7) of the DGCL enables a corporation in its certificate of incorporation or an amendment thereto to eliminate or limit the personal liability of a director to the corporation or its stockholders of monetary damages for violations of the directors' fiduciary duty of care, except (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the DGCL (providing for liability of directors for unlawful payment of dividends or unlawful stock purchases or redemptions) or (iv) for any transaction from which a director derived an improper personal benefit.

Section 18-108 of the Delaware Limited Liability Company Act provides that subject to such standards and restrictions, if any, as set forth in its limited liability company agreement, a limited liability company may, and shall have the power to, indemnify and hold harmless any member or manager or other person from and against any and all claims and demands whatsoever.

The certificate of incorporation of Lantheus Medical Imaging, Inc. provides that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit. Lantheus Medical Imaging, Inc. maintains director and officers liability insurance for the benefit of its directors and officers.

The certificate of incorporation of Lantheus MI Intermediate, Inc. provides that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit. The certificate of incorporation also gives the corporation the power to indemnify any person who was or is a party or is threatened to be made a party to, or testifies in, any threatened pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative in nature, by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, employee benefit plan, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding to the full extent permitted by law, and

the corporation may adopt by-laws or enter into agreements with any such person for purpose of providing such indemnification. Lantheus MI Intermediate, Inc. maintains director and officers liability insurance for the benefit of its directors and officers.

The limited liability company agreement of Lantheus MI Real Estate, LLC provides that none of the members or any officer of the company is liable to the company or any other person or entity that has an interest in the company for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such party in good faith on behalf of the company and in a manner reasonably believed to be within the scope of authority conferred upon such party by the limited liability company agreement, except that such party will be liable for any such loss, damage or claim incurred by reason of his or her gross negligence or willful misconduct. The indemnity provided by the limited liability company agreement is provided only out of company assets, and that none of the members of the limited liability company has any personal liability related to such indemnity. Lantheus MI Real Estate, LLC maintains director and officers liability insurance for the benefit of its directors and officers.

Item 21. Exhibits and Financial Statement Schedules.

(a) Exhibits

Exhibit	Description
3.1†	Certificate of Incorporation of Lantheus Medical Imaging, Inc., as amended.
3.2†	Second Amended and Restated By-Laws of Lantheus Medical Imaging, Inc.
3.3†	Certificate of Incorporation of Lantheus MI Intermediate, Inc., as amended.
3.4†	First Amended and Restated By-Laws of Lantheus MI Intermediate, Inc.
3.5†	Certificate of Formation of Lantheus MI Real Estate, LLC, as amended.
3.6†	Limited Liability Company Agreement of Lantheus MI Real Estate, LLC.
4.1†	Indenture, dated as of May 10, 2010, among Lantheus Medical Imaging, Inc., Lantheus MI Intermediate, Inc. and Lantheus MI Real Estate, LLC as guarantors, and Wilmington Trust FSB, as trustee.
4.2†	Registration Rights Agreement, dated May 10, 2010, by and among Lantheus Medical Imaging, Inc., Lantheus MI Intermediate, Inc. and Lantheus MI Real Estate, LLC, as guarantors, and Jefferies & Company, Inc.
4.3†	Form of 9.750% Senior Notes due 2017 (included in Exhibit 4.1).
5.1†	Opinion of Weil, Gotshal & Manges LLP.
10.1†	Credit Agreement, dated May 10, 2010, by and among Lantheus Medical Imaging, Inc., Lantheus MI Intermediate, Inc., Lantheus MI Real Estate LLC, the lenders from time to time party hereto, Harris N.A., as collateral agent, Bank of Montreal, as administrative agent, Bank of Montreal and NATIXIS as joint bookrunners, Bank of Montreal and NATIXIS as joint lead arrangers, NATIXIS as syndication agent and Jefferies Finance LLC as documentation agent.
10.2†	Pledge and Security Agreement, dated as of May 10, 2010, by and among Lantheus Medical Imaging, Inc., Lantheus MI Intermediate, Inc., Lantheus MI Real Estate, LLC and Harris N.A. as collateral agent.
10.3†	Advisory Services and Monitoring Agreement, dated January 8, 2007, by and between ACP Lantern Acquisition, Inc. (now known as Lantheus Medical Imaging, Inc.) and Avista Capital Holdings, L.P.

Exhibit	Description
10.4†	Amended and Restated Shareholders Agreement, dated as of February 26, 2008 among Lantheus MI Holdings, Inc., Avista Capital Partners, L.P., Avista Capital Partners (Offshore), L.P., ACP-Lantern Co-Invest, LLC and certain management shareholders named therein.
10.5†	Employee Shareholders Agreement, dated as of May 8, 2008, among Lantheus MI Holdings, Inc., Avista Capital Partners, L.P., Avista Capital Partners (Offshore), L.P., ACP-Lantern Co-Invest, LLC and certain employee shareholders named therein.
10.6†	Employment Agreement, dated January 8, 2008 by and between ACP Lantern Acquisition Inc. (now known as Lantheus Medical Imaging, Inc.) and Donald Kiepert.
10.7†	Employment Agreement, dated March 4, 2008 by and between Lantheus Medical Imaging, Inc. and Larry Pickering.
10.8†	Letter Amendment to Employment Agreement, dated January 4, 2010 by and between Lantheus Medical Imaging, Inc. and Larry Pickering.
10.9*	Sales Agreement, dated as of April 1, 2009, between Lantheus Medical Imaging, Inc. and NTP Radioisotopes (Pty) Ltd.
10.10† *	Amendment No. 1 to Sales Agreement, dated as of January 1, 2010, between Lantheus Medical Imaging, Inc. and NTP Radioisotopes (Pty) Ltd.
10.11† *	Manufacturing and Service Contract for Commercial and Developmental Products, dated August 1, 2008, between Lantheus Medical Imaging, Inc. and Ben Venue Laboratories, Inc.
10.12*	Purchase and Supply Agreement, dated as of April 1, 2010, between Lantheus Medical Imaging, Inc. and Nordion (formerly known as MDS Nordion, a division of MDS (Canada) Inc.).
10.13*	Amended and Restated Cardiolite License and Supply Agreement, dated January 1, 2004, by and between Lantheus Medical Imaging, Inc. and Cardinal Health 414, LLC.
10.14*	Amended and Restated Supply Agreement (Thallium and Generators), dated October 1, 2004, by and between Lantheus Medical Imaging, Inc. and Cardinal Health 414, LLC.
10.15*	Agreement Concerning Cardiolite and Technelite Generator Supply, Pricing and Rebates, dated as of February 1, 2008, by and between Lantheus Medical Imaging, Inc. and UPPI.
10.16*	Distribution Agreement, dated as of October 31, 2001, by and between Bristol-Myers Squibb Pharma Company (now known as Lantheus Medical Imaging, Inc.) and Medi-Physics Inc., doing business as Amersham Health.
10.17† *	First Amendment to Distribution Agreement, dated as of January 1, 2005, by and between Bristol-Myers Squibb Medical Imaging, Inc. (formerly known as Bristol-Myers Squibb Pharma Company and now known as Lantheus Medical Imaging, Inc.) and Medi-Physics Inc., doing business as G.E. Healthcare.
10.18†	Lantheus MI Holdings, Inc. 2008 Equity Incentive Plan.
10.19†	Amendment No. 1 to Lantheus MI Holdings, Inc. 2008 Equity Incentive Plan.
10.20†	Amendment No. 2 to Lantheus MI Holdings, Inc. 2008 Equity Incentive Plan.
10.21†	Form of Option Grant Award Agreement.
10.22†	Lantheus Medical Imaging, Inc. Employee Bonus Plan—2009.
10.23†	Lantheus Medical Imaging, Inc. 2009 Executive Leadership Team Incentive Bonus Plan.

Exhibit	Description
10.24†	Lantheus Medical Imaging, Inc. Severance Plan Policy.
10.25†	Letter Amendment to Employment Agreement, dated October 19, 2008 and effective as of January 1, 2009 by and between Lantheus Medical Imaging, Inc. and Larry Pickering.
10.26† *	Amendment No. 1 to the Amended and Restated Supply Agreement (Thallium and Generators), dated as of December 29, 2009.
10.27*	Manufacturing and Supply Agreement, dated as of April 6, 2009, by and between Lantheus Medical Imaging, Inc., and Mallinckrodt Inc. (a subsidiary of Covidien PLC).
10.28†	Amendment No. 1 to the Manufacturing and Supply Agreement, dated as of August 2, 2010, by and between Lantheus Medical Imaging, Inc. and Mallinckrodt Inc. (a subsidiary of Covidien PLC).
10.29*	Amendment No. 1 to the Agreement Concerning Cardiolite and TechneLite Generator Supply, Pricing and Rebates, dated as of April 1, 2008.
10.30*	Amendment No. 2 to the Agreement Concerning Cardiolite and TechneLite Generator Supply, Pricing and Rebates, dated as of August 1, 2008.
10.31*	Amendment No. 3 to the Agreement Concerning Cardiolite and TechneLite Generator Supply, Pricing and Rebates, dated as of May 1, 2009.
12.1†	Statements re Computation of Ratio of Earnings to Fixed Charges.
21.1†	Subsidiaries of Lantheus MI Intermediate, Inc. and Lantheus Medical Imaging, Inc.
23.1	Consent of Deloitte & Touche LLP Independent Registered Public Accounting Firm.
23.2†	Consent of Weil, Gotshal & Manges LLP (included as part of Exhibit 5.1).
24.1†	Power of Attorney.
25.1†	Form T-1 Statement of Eligibility under Trust Indenture Act of 1939 of Wilmington Trust FSB with respect to the 9.750% Senior Notes Due 2017.
99.1†	Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
99.2†	Form of Letter to Clients.
99.3†	Form of Letter of Transmittal.
99.4†	Form of Notice of Guaranteed Delivery.

† Previously filed.

* Confidential treatment requested as to certain portions, which portions shall be filed separately with the Securities and Exchange Commission.

Item 22. Undertakings.

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

i. To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

ii. To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

iii. To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

For the purpose of determining liability under the Securities Act of 1933 to any purchaser, the undersigned registrant undertakes that each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A (§ 230.430A of this chapter), shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

For the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(1) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424 (§ 230.424 of this chapter);

(2) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(3) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(4) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

The undersigned registrant hereby undertakes to respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11, or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

The undersigned registrant hereby undertakes to supply by means of post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant duly caused this Amendment No. 2 to the registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of North Billerica, Commonwealth of Massachusetts, on December 23, 2010.

LANTHEUS MEDICAL IMAGING, INC.

By: /s/ DONALD R. KIEPERT

Name: Donald R. Kiepert
Title: *President and Chief Executive Officer*

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 2 to the Registration Statement has been signed by the following persons in the capacities indicated on the December 23, 2010.

Signature	Title
/s/ DONALD R. KIEPERT Donald R. Kiepert	President, Chief Executive Officer and Director (Principal Executive Officer)
/s/ ROBERT P. GAFFEY Robert P. Gaffey	Vice President, Finance and Information Technology, Treasurer (Principal Accounting and Financial Officer)
* Larry Pickering	Director
* David Burgstahler	Director

*By: /s/ MICHAEL P. DUFFY

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant duly caused this Amendment No. 2 to the registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of North Billerica, Commonwealth of Massachusetts, on December 23, 2010.

LANTHEUS MI INTERMEDIATE, INC.

By: /s/ DONALD R. KIEPERT

Name: Donald R. Kiepert

Title: *President and Chief Executive Officer*

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 2 to the Registration Statement has been signed by the following persons in the capacities indicated on the December 23, 2010.

Signature	Title
/s/ DONALD R. KIEPERT Donald R. Kiepert	President, Chief Executive Officer and Director (Principal Executive Officer)
/s/ ROBERT P. GAFFEY Robert P. Gaffey	Treasurer (Principal Accounting and Financial Officer)
* Larry Pickering	Director
* David Burgstahler	Director

*By: /s/ MICHAEL P. DUFFY

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant duly caused this Amendment No. 2 to the registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of North Billerica, Commonwealth of Massachusetts, on December 23, 2010.

LANTHEUS MI REAL ESTATE, LLC

By: /s/ DONALD R. KIEPERT

Name: Donald R. Kiepert

Title: *President and Chief Executive Officer*

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 2 to the Registration Statement has been signed by the following persons in the capacities indicated on the December 23, 2010.

Signature	Title
/s/ DONALD R. KIEPERT Donald R. Kiepert	President and Chief Executive Officer (Principal Executive Officer)
/s/ ROBERT P. GAFFEY Robert P. Gaffey	Treasurer (Principal Accounting and Financial Officer)
/s/ DONALD R. KIEPERT Donald R. Kiepert	President and Chief Executive Officer of Lantheus Medical Imaging, Inc., Sole Member

Exhibit Index

Exhibit	Description
3.1†	Certificate of Incorporation of Lantheus Medical Imaging, Inc., as amended.
3.2†	Second Amended and Restated By-Laws of Lantheus Medical Imaging, Inc.
3.3†	Certificate of Incorporation of Lantheus MI Intermediate, Inc., as amended.
3.4†	First Amended and Restated By-Laws of Lantheus MI Intermediate, Inc.
3.5†	Certificate of Formation of Lantheus MI Real Estate, LLC, as amended.
3.6†	Limited Liability Company Agreement of Lantheus MI Real Estate, LLC.
4.1†	Indenture, dated as of May 10, 2010, among Lantheus Medical Imaging, Inc., Lantheus MI Intermediate, Inc. and Lantheus MI Real Estate, LLC as guarantors, and Wilmington Trust FSB, as trustee.
4.2†	Registration Rights Agreement, dated May 10, 2010, by and among Lantheus Medical Imaging, Inc., Lantheus MI Intermediate, Inc. and Lantheus MI Real Estate, LLC, as guarantors, and Jefferies & Company, Inc.
4.3†	Form of 9.750% Senior Notes due 2017 (included in Exhibit 4.1).
5.1†	Opinion of Weil, Gotshal & Manges LLP.
10.1†	Credit Agreement, dated May 10, 2010, by and among Lantheus Medical Imaging, Inc., Lantheus MI Intermediate, Inc., Lantheus MI Real Estate LLC, the lenders from time to time party hereto, Harris N.A., as collateral agent, Bank of Montreal, as administrative agent, Bank of Montreal and NATIXIS as joint bookrunners, Bank of Montreal and NATIXIS as joint lead arrangers, NATIXIS as syndication agent and Jefferies Finance LLC as documentation agent.
10.2†	Pledge and Security Agreement, dated as of May 10, 2010, by and among Lantheus Medical Imaging, Inc., Lantheus MI Intermediate, Inc., Lantheus MI Real Estate, LLC and Harris N.A. as collateral agent.
10.3†	Advisory Services and Monitoring Agreement, dated January 8, 2007, by and between ACP Lantern Acquisition, Inc. (now known as Lantheus Medical Imaging, Inc.) and Avista Capital Holdings, L.P.
10.4†	Amended and Restated Shareholders Agreement, dated as of February 26, 2008 among Lantheus MI Holdings, Inc., Avista Capital Partners, L.P., Avista Capital Partners (Offshore), L.P., ACP-Lantern Co-Invest, LLC and certain management shareholders named therein.
10.5†	Employee Shareholders Agreement, dated as of May 8, 2008, among Lantheus MI Holdings, Inc., Avista Capital Partners, L.P., Avista Capital Partners (Offshore), L.P., ACP-Lantern Co-Invest, LLC and certain employee shareholders named therein.
10.6†	Employment Agreement, dated January 8, 2008 by and between ACP Lantern Acquisition Inc. (now known as Lantheus Medical Imaging, Inc.) and Donald Kiepert.
10.7†	Employment Agreement, dated March 4, 2008 by and between Lantheus Medical Imaging, Inc. and Larry Pickering.

10.8†	Letter Amendment to Employment Agreement, dated January 4, 2010 by and between Lantheus Medical Imaging, Inc. and Larry Pickering.
10.9*	Sales Agreement, dated as of April 1, 2009, between Lantheus Medical Imaging, Inc. and NTP Radioisotopes (Pty) Ltd.
10.10† *	Amendment No. 1 to Sales Agreement, dated as of January 1, 2010, between Lantheus Medical Imaging, Inc. and NTP Radioisotopes (Pty) Ltd.

Exhibit	Description
10.11† *	Manufacturing and Service Contract for Commercial and Developmental Products, dated August 1, 2008, between Lantheus Medical Imaging, Inc. and Ben Venue Laboratories, Inc.
10.12*	Purchase and Supply Agreement, dated as of April 1, 2010, between Lantheus Medical Imaging, Inc. and Nordion (formerly known as MDS Nordion, a division of MDS (Canada) Inc.).
10.13*	Amended and Restated Cardiolite License and Supply Agreement, dated January 1, 2004, by and between Lantheus Medical Imaging, Inc. and Cardinal Health 414, LLC.
10.14*	Amended and Restated Supply Agreement (Thallium and Generators), dated October 1, 2004, by and between Lantheus Medical Imaging, Inc. and Cardinal Health 414, LLC.
10.15*	Agreement Concerning Cardiolite and Technelite Generator Supply, Pricing and Rebates, dated as of February 1, 2008, by and between Lantheus Medical Imaging, Inc. and UPPI.
10.16*	Distribution Agreement, dated as of October 31, 2001, by and between Bristol-Myers Squibb Pharma Company (now known as Lantheus Medical Imaging, Inc.) and Medi-Physics Inc., doing business as Amersham Health.
10.17† *	First Amendment to Distribution Agreement, dated as of January 1, 2005, by and between Bristol-Myers Squibb Medical Imaging, Inc. (formerly known as Bristol-Myers Squibb Pharma Company and now known as Lantheus Medical Imaging, Inc.) and Medi-Physics Inc., doing business as G.E. Healthcare.
10.18†	Lantheus MI Holdings, Inc. 2008 Equity Incentive Plan.
10.19†	Amendment No. 1 to Lantheus MI Holdings, Inc. 2008 Equity Incentive Plan.
10.20†	Amendment No. 2 to Lantheus MI Holdings, Inc. 2008 Equity Incentive Plan.
10.21†	Form of Option Grant Award Agreement.
10.22†	Lantheus Medical Imaging, Inc. Employee Bonus Plan—2009.
10.23†	Lantheus Medical Imaging, Inc. 2009 Executive Leadership Team Incentive Bonus Plan.
10.24†	Lantheus Medical Imaging, Inc. Severance Plan Policy.
10.25†	Letter Amendment to Employment Agreement, dated October 19, 2008 and effective as of January 1, 2009 by and between Lantheus Medical Imaging, Inc. and Larry Pickering.
10.26† *	Amendment No. 1 to the Amended and Restated Supply Agreement (Thallium and Generators), dated as of December 29, 2009.
10.27*	Manufacturing and Supply Agreement, dated as of April 6, 2009, by and between Lantheus Medical Imaging, Inc., and Mallinckrodt Inc. (a subsidiary of Covidien PLC).
10.28†	Amendment No. 1 to the Manufacturing and Supply Agreement, dated as of August 2, 2010, by and between Lantheus Medical Imaging, Inc. and Mallinckrodt Inc. (a subsidiary of Covidien PLC).
10.29*	Amendment No. 1 to the Agreement Concerning Cardiolite and TechneLite Generator Supply, Pricing and Rebates, dated as of April 1, 2008.

10.30*	Amendment No. 2 to the Agreement Concerning Cardiolite and TechneLite Generator Supply, Pricing and Rebates, dated as of August 1, 2008.
10.31*	Amendment No. 3 to the Agreement Concerning Cardiolite and TechneLite Generator Supply, Pricing and Rebates, dated as of May 1, 2009.
12.1†	Statements re Computation of Ratio of Earnings to Fixed Charges.
21.1†	Subsidiaries of Lantheus MI Intermediate, Inc. and Lantheus Medical Imaging, Inc.
23.1	Consent of Deloitte & Touche LLP Independent Registered Public Accounting Firm.

Exhibit	Description
23.2†	Consent of Weil, Gotshal & Manges LLP (included as part of Exhibit 5.1).
24.1†	Power of Attorney.
25.1†	Form T-1 Statement of Eligibility under Trust Indenture Act of 1939 of Wilmington Trust FSB with respect to the 9.750% Senior Notes Due 2017.
99.1†	Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
99.2†	Form of Letter to Clients.
99.3†	Form of Letter of Transmittal.
99.4†	Form of Notice of Guaranteed Delivery.

† Previously filed.

* Confidential treatment requested as to certain portions, which portions have been filed separately with the Securities and Exchange Commission.

Exhibit 10.9

CONFIDENTIAL TREATMENT REQUESTED

INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND NOTED WITH "**".**
AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.

SALES AGREEMENT

CONTRACT NO: NTP CRT 09/005 BC

Entered into between:

NTP RADIOISOTOPES (PTY) LTD

and

LANTHEUS MEDICAL IMAGING, INC.

This Agreement is effective from the 1st day of April, 2009 and once signed by all Parties (hereafter the "effective date of this Agreement").

THE PARTIES:

The Parties to this agreement are:

NTP Radioisotopes (Pty) Ltd, a commercial company registered and existing under the laws of Republic of South Africa, having its registered office at Building 1700, Pelindaba, Church Street West Extension, Brits District, North West Province of South Africa (hereinafter called "NTP"), and

Lantheus Medical Imaging, Inc., a corporation organized and existing under the laws of Delaware with a place of business at 331 Treble Cove Road, North Billerica, Massachusetts, United States of America 01862 ("Lantheus").

RECITALS:

WHEREAS NTP is a producer and supplier of Fission Molybdenum-99 (hereinafter "Product") and NTP has joint supply and back-up supply arrangements in place with another producer and and supplier (****) of Product set forth on Exhibit B (hereinafter called "The Subcontractor"); and

WHEREAS Lantheus has secured permission from the United States to import into the United States large amounts of Product ("Permissions") from NTP and has also secured such Permissions to import such amounts of Product into the United States from NTP's Subcontractor; and

WHEREAS, Lantheus desires to purchase Product from NTP and such Subcontractor; and

WHEREAS, NTP and its Subcontractor desire to cooperate with each other to supply Lantheus with Product in an effective and safe manner.

NOW THEREFORE in consideration of the mutual covenants set out below, the Parties agree as follows:

SECTION 1 - PURCHASE AND SALE OF PRODUCT

1.1 NTP shall sell Product to Lantheus, and Lantheus shall purchase Product from NTP, the specification of which is set forth in Lantheus Purchasing Specification number 08-040-998 attached as Exhibit A and which is for use in the manufacture of Technetium-99m generators and Technetium-99m labeled products in Lantheus' and its contract manufacturers' facilities located in North America and elsewhere, in accordance with the terms set out in this Agreement.

1.2 NTP shall identify its preferred Subcontractor to Lantheus, and if the parties hereto agree that such Subcontractor shall supply Product to Lantheus hereunder, such Subcontractor shall be set forth in Exhibit B and Lantheus shall secure Permissions to import Product from the Subcontractor as soon as practicable.

1.3 Nothing herein shall prevent Lantheus and its affiliates from selling such Technetium-99m generators and Technetium-99m labeled products anywhere in the world.

SECTION 2 - ORDERS FOR PRODUCT

2.1 Lantheus shall buy from NTP, and NTP shall supply to Lantheus, a **** of Product on a **** basis to be supplied and delivered to John F. Kennedy International Airport, Jamaica, New York ("JFK") or Logan International Airport, Boston, Masssachusetts ("BOS") (or other mutually agreed upon delivery location), on **** with follow-on trucking delivery to the Lantheus facility in North Billerica, Massachusetts. Lantheus shall provide NTP with notice of its intention to change such location at least forty-five (45) days in advance of the required inception date of such changes. Subject to Section 5.1, such initial **** shall be at least **** (****) curies per **** with a **** (****) day reference, and may be changed upon the mutual written agreement of the parties hereto. NTP shall be responsible to ensure that the full **** quota of Mo-99 (****Ci or the amended amount agreed to in writing) is delivered to Lantheus other than during scheduled outages for routine maintenance, unscheduled outages or failures of the production lines of the NTP and its Subcontractor (i.e., under conditions of normal operations prevailing at NTP and its Subcontractors facilities). At the discretion of the Account Manager at NTP ("Account Manager"), such material shall be supplied by NTP or its Subcontractor. Lantheus shall be advised in a timely way of the manner in which supply obligations hereunder will be allocated amongst NTP and its Subcontractor. NTP will schedule deliveries to Lantheus so as to compensate for scheduled outages at either facility in such a way that the full supply quota will be maintained under such circumstances. In the case of unscheduled outages or production line failures for whatever reason at either facility the Account Manager will employ best efforts to fulfill quotas. In situations where a global supply shortage arises for whatever reason (and for Events of Force Majeure (as hereinafter defined)) Lantheus will receive a share of Product available that is not less than that which is directly proportional to its average share of the total **** purchasing (averaged over the preceding **** (****) days) from NTP and its Subcontractor. NTP has established and shall maintain relationships with air carriers for the Lantheus route such that the probability of a Lantheus shipment being refused by the carrier shall be highly improbable. NTP shall liaise (via the Account Manager at NTP) with its Subcontractor, taking into account the reactor, production and maintenance schedules of each facility, and supply Lantheus **** (****) days in advance of the first delivery of a ****, the supply schedule for the following **** detailing clearly which supplier (NTP or a

Subcontractor) will supply which delivery. For clarity and as an example, NTP will provide Lantheus the **** supply schedule on ****. This supply schedule will be binding on NTP and its Subcontractor and will be used by Lantheus to register each shipment with applicable U.S. governmental authorities as dictated by U.S. regulations. If the airport of delivery is John F. Kennedy (JFK) then Product will be available for pick-up by Lantheus no later than ****. If the airport of delivery is Logan International (BOS) then Product will be available for pick-up by Lantheus no later than ****. Pick-up time for any other delivery location will be mutally agreed upon.

2.2 Should Lantheus wish to increase or decrease the minimum contracted weekly volume of Product supplied by NTP by more or less than **** percent (****%) of the regular **** **** Ci per **** for a period of time less than **** (****) months, then Lantheus shall provide NTP with notice of its intention to change such volume at least **** (****) days in advance of the required inception date of such changes. NTP will make every commercially reasonable effort to comply with any such request and will confirm ability to accommodate the change at the latest **** (****) days before the requested commencement of the delivery of the new volume of product.

2.3 Should Lantheus wish to increase or decrease the minimum contracted **** volume of Product supplied by NTP by more or less than **** percent (****%) of the regular **** **** Ci per **** for a single delivery Lantheus shall provide NTP with notice of its intention to change such volume in as timely a manner as possible prior to the date requested. NTP will make every commercially reasonable effort to comply with this request.

2.4 In cases of emergency and pending Lantheus' inability to register and obtain approval from applicable U.S. governmental authorities, Lantheus may with less than one (1) month's notice, request to change the volume of Product to be supplied for any shipment. NTP and its Subcontractor shall make best efforts to accommodate such request for ad hoc changes.

2.5 The number of curies of Product shipped from NTP or its Subcontractor shall be calibrated **** (****) hours from **** (****) **** ****, at **** on the day of **** from the ****. This is equivalent to **** hours in US Summer time and **** hours in US Winter time from **** on day of dispensing at NTP.

2.6 Lantheus, NTP and the Subcontractor shall engage one another in the periodic calibration of their respective radioactivity measurement systems by reference to the U.S. National Institute of Standards and Testing (NIST) or equivalent standard reference materials.

SECTION 3 - DELIVERY TERMS

3.1 Product destined for Lantheus shall be delivered by NTP and its Subcontractor to the airfreight carrier at the airport of departure on a **** basis, which carrier and airport will be set forth in the supply schedule provided pursuant to Section 2.2. "****" in this Agreement shall be interpreted in accordance with INCOTERMS 2000 as amended. All export permits and licenses shall be obtained by NTP or its Subcontractor, as necessary to meet the shipping requirements set forth herein. NTP and its Subcontractor shall use their best efforts to ensure that all Product destined for Lantheus is loaded onboard a commercial airfreight carrier accepting radioactive shipments and that such carrier actually departs the departure airport with such Product. Upon execution of this Agreement, NTP shall commence negotiations and use best efforts to obtain a firm, written commitment from the relevant air carriers for delivery of at least the **** volume of Product required to be purchased by and destined for Lantheus hereunder.

3.2 NTP and its Subcontractor shall procure and manage transportation on Lantheus' behalf by air or on land and in accordance with Lantheus' instructions for delivery to JFK. Lantheus shall make all shipping arrangements to ship Product from JFK to the final destination. NTP and its Subcontractor agree to assist Lantheus with making the arrangements for the transshipment, including, without limitation, providing shipping documentation such as air waybills. If the information provided by NTP in the documentation provided by NTP is incorrect or incomplete and this incorrect or incomplete information delays the delivery of Product to Lantheus to such an extent that Lantheus cannot use Product at its scheduled production time then Lantheus will be relieved of it's obligation to purchase the delayed Product and NTP shall grant Lantheus a purchase credit for the full amount of the price of the Product.

3.3 All costs in respect of transporting any shipment of Product on a **** basis from the airport of departure as set forth above, shall be for the account of ****. NTP and its Subcontractor shall pre-pay such shipping costs and invoice Lantheus accordingly for actual out-of-pocket costs incurred.

3.4 Risk of loss and title to Product shall transfer from NTP or its Subcontractor to Lantheus on **** ("****") of such shipment from the **** after acceptance of a Product shipment by the ****. For clarity if Product is not on the **** at **** then title for Product shall remain with NTP and Lantheus will not be obligated to purchase the Product. Lantheus will work with NTP in good faith and at Lantheus' sole discretion to accept the Product at a later time. If a later delivery is agreed to NTP will adjust the volume of the Product delivered to reflect decay over the time of the delay.

3.5 Subject to the foregoing obligations of this Section 3, shipping arrangements shall be subject to the availability of commercial airfreight services accepting radioactive shipments on the days necessary to meet the shipping requirements

set forth herein. In the event of changes in the availability of existing airfreight services on such days, NTP or its Subcontractor shall promptly notify Lantheus and, upon such notification, NTP and its Subcontractor and Lantheus shall work together to find mutually acceptable alternatives.

3.6 All air waybill numbers of NTP or its Subcontractor and the identification number of each container to be used for each month's scheduled shipments, shall be forwarded to Lantheus as mutually agreed.

3.7 Promptly upon its receipt at Lantheus' facility, Lantheus shall inspect Product and if Product does not conform to the specifications set out in Exhibit A (including, without limitation, calibration as provided in Section 2.1), Lantheus shall promptly notify NTP of any such non-compliance with specification. Immediately upon NTP's receipt of such notice, NTP and its Subcontractor shall make arrangements, at Lantheus' sole discretion, either to replace such nonconforming Product at no extra cost or to grant Lantheus a purchase credit in the amount of the price to Lantheus of such nonconforming Product. Lantheus and NTP shall immediately consult on the disposition of such nonconforming Product. Unless NTP and Lantheus agree otherwise, Lantheus shall discard such nonconforming Product, and NTP shall indemnify Lantheus for the cost of disposal. Alternatively, the parties may agree that nonconforming Product may be returned to NTP for disposal at NTP's cost.

SECTION 4 - CONTAINERS FOR PRODUCT

4.1 Shipments of Product shall be delivered and transported in containers complying with U.S. transport regulations for the transport of radioactive materials. NTP and its Subcontractor agree to allocate a sufficient number of containers for use by Lantheus in accordance with growth in Lantheus' purchase volume or change in shipping schedules which may arise and to cover emergency shipments. NTP will package Product into containers in such a way as to minimize the number used for each shipment. Such containers shall at all times remain the property of NTP or its Subcontractor.

4.2 Risk of loss of containers shall pass to Lantheus on an **** basis at the same time as risk of loss and title for the Product shall pass, and such risk of loss shall revert back to NTP or its Subcontractor upon Lantheus' return of containers as set out below.

4.3 Lantheus shall return Seller's empty containers by prepaid airfreight to its appointed agent at the airport specified by it. Prior to return of containers, Lantheus shall advise NTP or its Subcontractor of shipment details regarding the delivery of containers, including, without limitation, air waybill number, flight number, date of shipment and serial numbers. Containers shall be returned to NTP or its Subcontractor within **** (****) calendar days of their receipt at the Lantheus facility in North Billerica, Massachusetts. Should any containers be

received later than **** (****) calendar days after receipt by Lantheus a demurrage fee of **** U.S. dollars ($****) per day or part thereof may be levied for such late returns.

SECTION 5 - PRICE AND PAYMENT

5.1 The price payable by Lantheus for Product for the first term of this Agreement shall be as follows:

In exchange for the commitment of Lantheus to purchase a sum of **** (****) curies (with **** hour calibration time) of Product in any given **** (subject to NTP's ability to supply such amount in such ****), the unit price of Product for such **** shall be **** fixed US dollars (U.S. $****) per Curie at calibrated date and time as of the signing date of this Agreement. A price adjustment to **** fixed US dollars (U.S. $****) per Curie will be made for all Product purchased after ****. The calibration date and time above shall be in accordance with Section 2.4. Such price will be adjusted **** upon mutual agreement of the parties as of each subsequent **** of the Agreement on the basis of market forces prevailing at the time, the then current cost of production and any contractual sales obligations that Lantheus may have with its customers and by negotiation and agreement by, at the latest the last day of **** preceding the commencement of the new pricing term (**** of each **** that the contract is in place). Lantheus shall have the right to terminate the Agreement if the parties fail to agree on new pricing by such last day of ****. Changes in contracted volumes not required during the course of a contractual period, i.e., **** to **** of the following year, the latter of which would be handled in terms of Clause 2.2, but applicable for the ensuing contractual period shall be agreed at the same time as the annual negotiations on product prices as outlined in 5.1 above.

NTP shall invoice Lantheus at the end of each month for all Product supplied by NTP or its Subcontractor in that month. Invoicing shall be in respect of the price applicable to Product upon the delivery of such conforming Product to Lantheus on an **** basis, and in respect of container charges as the same become payable under this Agreement. Lantheus shall pay all invoices for shipments of conforming Product in any given month (as reduced by any outstanding credits for nonconforming Product) by the end of the following **** to NTP.

5.2 The prices set forth above include packaging in accordance with normal shipping laws, regulations and industry standards for Product [and do not include taxes, duties or other imposts levied by any competent authority on the Products (other than income taxes levied on NTP or its Subcontractor or their affiliates), which taxes, duties and imposts shall be borne by Lantheus.

SECTION 6 - EMERGENCY ORDERS

If, on an occasional or exceptional basis, Lantheus requires Product to be delivered in different quantities or at different times or to a different location or with different pre-calibration, to that stipulated in this Agreement, then NTP and its Subcontractor shall use reasonable best efforts to comply with such request.

SECTION 7 - PRODUCT WARRANTIES

7.1 NTP and its Subcontractor warrants and covenants that Product delivered by it pursuant to this Agreement shall:

(1) be free from defects in title, design, material and workmanship,

(2) conform to all specifications set forth in this Agreement or as, from time to time, otherwise required by applicable laws and regulations,

(3) be of merchantable quality, and fit for the purposes for which it is being bought or which is indicated by Lantheus to suppliers,

(4) conform to the relevant manufacturer's Drug Master File (if it is filed by Seller), and

(5) be manufactured and tested in accordance with current good manufacturing practices (cGMP); comply with all applicable laws, regulations and industry standards relating to the manufacture, testing, labeling, storage and shipment of Products; and not be adulterated or misbranded within the meaning of the United States Federal Food, Drug and Cosmetic Act (21 U.S.C. 1 et seq.) at the time of delivery to the airfreight carrier.

7.2 Notwithstanding anything herein and not in limitation of any other rights of Lantheus hereunder or under applicable law or regulation, Lantheus may reject any Product which does not conform to the above warranties and no charge shall be levied by NTP for any nonconforming Product. NTP shall reimburse Lantheus for all shipping or disposal costs associated with the return or disposal of nonconforming Product and all previously paid taxes and other expenses relating to such shipment. In the event of any circumstance coming to the attention of NTP or its Subcontractor with regard to any deviation from specification disclosed by quality control tests carried out at the site of origin of Product, suppliers shall promptly inform Lantheus of such circumstance.

7.3 NTP and its Subcontractor shall retain an archive sample of each Product lot shipped hereunder for a period of four (4) weeks following its delivery.

7.4 The specifications of Product set out in Section 1.1 may be amended only by a prior written agreement between NTP and Lantheus after the provision to

Lantheus of free sample(s) of Product conforming to such amended specification sufficient in quantity to enable Lantheus to establish the suitability of such amended Product for use in the manufacture of Technetium-99m generators and Technetium-99m labeled products in its facilities. To the extent that a material change of process at NTP's facilities is effected, Lantheus shall have the right in its sole discretion to accept such change, notwithstanding whether such change of process results in an amendment to the Product specification set forth in Section 1.1.

7.5 The parties agree to the terms of the Quality Assurance Agreement, attached hereto as Exhibit C. The Quality Assurance Agreement as amended from time to time upon mutually written agreement of the parties shall apply to supplies of Product under this Agreement.

SECTION 8 - FORCE MAJEURE

8.1 No party hereto shall be liable to the other parties for default or delay in the delivery of Product or in the ordering of Product due to a/an: Act of God; fire; flood; storm; riot; sabotage; explosion; strike or labour disturbance (excluding a strike or labour disturbance involving NTP's or its Subcontractor's facilities); national security disaster; change in governmental law, ordinance, rule or regulation; inability to obtain electricity or other type of energy or raw materials; or any similar or different contingency beyond its reasonable control (collectively called "Event of Force Majeure"). For the Subcontractor, where there is a dependence on sourcing from external reactors in Europe, major unscheduled shutdowns of such reactors are considered to be events of Force Majeure.

8.2 Upon the occurrence of an Event of Force Majeure, the defaulting party shall:

(1) forthwith give notice to the other party of the occurrence of such Event of Force Majeure;

(2) use its best efforts to eliminate and/or minimize the effects of the Event of Force Majeure;

(3) forthwith give notice to the other party when such Event of Force Majeure has been eliminated, or has ceased to prevent the defaulting party from fulfilling such obligations.

8.3 In the event that any shortage of Product is anticipated, NTP shall provide notice to Lantheus by telephone (followed by written confirmation) as soon as reasonably possible. If either NTP or its Subcontractor is at short notice unable to supply scheduled Product, then NTP and its Subcontractor will liaise and move delivery on a best effort basis to the other supplier in as far as Lantheus is able to register the change in delivery with its regulatory authorities. If such efforts fail to yield satisfactory results, NTP shall relieve Lantheus of its purchase

obligations hereunder in connection with such specific order and all other orders hereunder that NTP or its Subcontractor cannot supply. NTP shall allow Lantheus to purchase the amount of such shortfall from any third party of its choice. In such case, Lantheus may, at its sole discretion, cancel the initial order equivalent to such shortfall.

8.4 If an Event of Force Majeure affects only a part of the capacity of the defaulting party to produce and deliver Product, NTP shall use best efforts pursuant to Section 8.3, and if NTP is nevertheless unable to fulfill Lantheus' requirement, the defaulting party shall allocate production and delivery of Product to Lantheus on a first priority basis, based on Lantheus' average purchases in the **** (****) days prior to the time such Event of Force Majeure affected production and delivery.

8.5 If an Event of Force Majeure shall continue to exist for more than [**** (****)] consecutive days, Lantheus shall be entitled to terminate this Agreement without advance notice of such termination to NTP.

SECTION 9 - CONFIDENTIALITY

9.1 Each party shall maintain in confidence and safeguard all business and technical information which is disclosed by one party to the other in connection with this Agreement and which is designated confidential at the time of disclosure, provided that the parties agree that the terms of this Agreement and all transactions conducted hereunder are deemed to be confidential information and subject to the protections set forth herein. The obligations under this Section shall not apply to:

(1) information now in the public domain or which hereafter becomes available to the public through no fault of the receiving party;

(2) information already known to the receiving party at the time of disclosure;

(3) information disclosed to the receiving party by any third party who has a right to make such a disclosure;

(4) information independently developed by the receiving party through the work carried by its employees, agent, or representatives;

(5) information approved for release in writing by disclosing party; or

(6) information as may be required to be disclosed by applicable law, regulation or order of a governmental authority of competent jurisdiction.

9.2 The parties acknowledge that any disclosure or misappropriation of confidential information in violation of this Article may cause irreparable harm, the amount of which may be difficult to determine, thus potentially making any remedy at law

or in damages difficult to determine, thus potentially making any remedy at law or in damages inadequate, Each party, therefore, agrees that the other party shall have the right to apply to any court of competent jurisdiction for an order restraining any breach or threatened breach of the confidentiality provisions of this letter agreement and for any other appropriate relief. This right shall be in addition to, and not in lieu of, any other remedy available in law or equity.

9.3 The obligation under this Article shall continue for five (5) years after the expiry or termination of this Agreement.

9.4 NTP and its Subcontractor agree that Lantheus may disclose information with its shareholders upon their request. This Section shall survive termination or expiration of this Agreement.

SECTION 10 - INDEMNITY AND INSURANCE

10.1 Each party ("Indemnifying Party") shall indemnify the other ("Indemnified Party") in respect of any costs, losses, judgments or any other liabilities incurred by the Indemnified Party, including, without limitation, any personal injury or death, or loss of or damage to property, suffered by a third party or by the Indemnified Party hereto, arising out of or as a result of the negligent acts or omissions of, or breach or alleged breach of this Agreement by, the Indemnifying Party, its directors, officers, employees or agents, during the performance of the Indemnifying Party's obligations pursuant to this Agreement.

10.2 NTP and its Subcontractor shall each maintain, at all times during the term of this Agreement, at their own expense, Product Liability Insurance with a per occurrence limit of not less than the equivalent of **** U.S. dollars ($****) under a liability policy and/or under an umbrella policy. NTP and its Subcontractor shall provide Lantheus with certificates evidencing such insurance as soon as practicable after the effective date of this Agreement and after subsequent renewals of the policies.

Lantheus will maintain, at all times during the term of this Agreement, at Lantheus' own expense, Product Liability Insurance with a per occurrence limit of not less than the equivalent of **** U.S. dollars ($****) under a liability policy and/or under an umbrella policy. Lantheus will provide NTP with certificates evidencing such insurance as soon as practicable after the effective date of this Agreement and after subsequent renewals of the policies.

SECTION 11 - TERM

11.1 The term of this Agreement shall commence on the effective date of this agreement and end at midnight GMT on the 31st day of December 2013. Lantheus may terminate this Agreement for convenience by giving six (6) months written notice prior to the expiry of each term. Lantheus may also terminate this

Agreement immediately after three (3) supply failures in the space of any twelve (12) month period. Supply failures shall be considered to be events where an amount not exceeding 50% of the ordered activity of Mo-99 is delivered to Lantheus provided that the root cause of such failures was within or should have been within the control of NTP and its Subcontractor.

11.2 Either party may terminate this Agreement (i) upon thirty (30) days written notice to the other party in the event of any material breach of any provision of this Agreement, provided that the breaching party is unable to cure the breach within such thirty (30) day period or (ii) immediately upon written notice if a trustee or receiver or similar officer of any court is appointed for a party or for a substantial part of the property of such party, whether with or without consent; or bankruptcy, composition, reorganization, insolvency or liquidation proceedings are instituted by or against such party without such proceedings being dismissed within ninety (90) days from the date of the institution thereof.

11.3 Upon termination for any reason set forth herein, Lantheus shall have the option to purchase additional quantities of Product from NTP for an additional **** (****) month period, which orders shall be subject to the terms and conditions of this Agreement.

11.4 Should NTP and Lantheus agree on a new Agreement prior to the termination date of this Agreement, then this Agreement shall terminate on the effective date of the new replacement Agreement.

11.5 Should no notice be given by either party as per Section 11.1, then this Agreement, including without limitation the price terms in Section 5.1, will be automatically renewed for another term pending agreement being reached by both parties on pricing and volume issues.

SECTION 12 - NOTICE

12.1 All notices, demands and other communications by one party to the other with respect to this Agreement shall be made in writing by registered airmail, postage prepaid, or facsimile, or electronic mail, or personal delivery at the addresses below, or at such other address as may be notified by such other party pursuant to the provisions of this Article from time to time, Note: For reasons of efficiency, certain communications relating to deliveries, QA and regulatory matters (and others that are relavant) will be made directly between the Subcontractor and Lantheus (with a simultaneous copy to NTP).

To Lantheus:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road
North Billerica, MA 01862 U.S.A.

Attention: William Dawes, Jr.

with a copy to:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road
North Billerica, MA 01862 U.S.A.
Attention: Michael Duffy, Esq.

To NTP:

Building 1700
Private Bag 582
PRETORIA
0001
South Africa
Attention: RG von Gogh or PA Louw

12.2 All notices, demands and other communications mentioned above shall be deemed to have been given at the time of receipt when made by personal delivery, at the time of confirmation when made by facsimile or electronic mail, and seven (7) days after posting when made by registered airmail.

SECTION 13 - GENERAL TERMS

13.1 No Party shall be entitled to assign all or any of its rights or obligations under this Agreement without the consent of the other Party hereto which shall not be unreasonably withheld. Any transfer or assignment of this Agreement made without the consent as required herein shall be of no effect whatsoever. Notwithstanding the foregoing, (i) either party may assign its rights and obligations under this Agreement, without the prior written consent of the other Party, to an affiliate or a successor of the relevant portion of the assigning party's business by reason of merger, consolidation, change of control, sale of all or substantially all of its assets or any similar transaction, provided that such successor agrees in writing to be bound by this Agreement and (ii) Lantheus may assign this Agreement for the benefit of any lenders under any financing arrangement (including, without limitation, with Ableco Finance LLC), without the prior written consent of NTP. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the Parties hereto.

13.2 This Agreement constitutes the entire understanding between the Parties with respect to the subject matter hereof.

13.3 Any modification, or addition, to any of the terms and conditions of this Agreement shall not be effective unless in writing and signed by the duly authorized representatives of all Parties.

13.4 If any provision of this Agreement is found to be unenforceable under any of the laws or regulations applicable thereto, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or unenforceable, it will be substituted with such provision as will most fully realize the intent of the Parties as expressed in this Agreement, to the fullest extent permitted by law.

13.5 This Agreement shall be of no effect and shall not become binding on each Party until signed by the duly authorized representatives of all Parties. The obligations of NTP hereunder shall be binding on NTP's Subcontractor, and NTP shall cause such Subcontractor to comply with such obligations.

13.6 The waiver of strict compliance or performance of any of the terms of this Agreement or of any breach thereof on the part of each Party shall not be held or deemed to be a waiver of:

(1) Any subsequent failure to comply strictly with or perform the same or any other term and condition of this Agreement; or

(2) Any subsequent breach hereof.

13.7 This Agreement shall be governed by and construed in accordance with the laws of England without out reference to its choice of law rules.

13.8 Any and all disputes arising from this Agreement shall be amicably and promptly settled upon consultation among the parties. The parties agree that if an amicable settlement is not reached within sixty (60) days after commencing consultation, the disputes shall be settled by arbitration in London (under the rules of Arbitration of the International Chamber of Commerce as in force on the execution date of this agreement by one or more arbitrators appointed in accordance with the said rules. The award shall be final and binding upon the parties.

13.9 Except as otherwise provided herein, neither party shall have any right, express or implied, to use in any manner the name or other designation of the other party or any other trade name or trademark of the other party for any purpose in connection with the performance of this Agreement.

13.10 A party shall not make any public announcement with respect to this Agreement specifically identifying the other party or referencing the trade name or trademark of the other party without the prior written consent of the other party, which shall not be unreasonably withheld or delayed, provided further that each party shall have the right to make any public statements related to market supply without the consent of the other party provided there is no reference specifically identifying the other party or referencing the trade name or trademark of the other party. In the event of required consent to an announcement required by this Section, the party making such announcement shall provide the other party with a copy of the proposed text prior to such announcement at least ten (10) days in advance of the scheduled release of such announcement to afford such other party a reasonable opportunity to review and comment upon the proposed text.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement as of the date first written above.

For and on behalf of NTP:

/s/ DG Robertson
DG Robertson
Managing Director

For and on behalf of Lantheus:

/s/ Michael Duffy
Michael Duffy
VP and General Counsel

Witnessed by IRE:

/s/ Jean-Michel Vanderhofstadt
Jean-Michel Vanderhofstadt
General Manager

EXHIBIT A

PURCHASING SPECIFICATION 08-040-998

PURCHASING SPECIFICATION

1. DESCRIPTION

Code: **** ****

Code: **** ****

1.1 The following container systems are acceptable to Lantheus Medical Imaging, Inc. (LMI).

1.1.1 Primary Container-**** or NTP

1.1.1.1 Fission produced Mo-99 solution contained in a ****

1.1.2 Secondary Containment

1.1.2.1 Approved by LMI and certified by appropriate regulatory agencies.

2. MATERIAL

2.1 Contents

2.1.1 ****

2.1.2 ****

2.2 Purity (Ref. **** hours post receipt at **** Eastern Time (ET) LMI receipt)

2.2.1	1-131/Mo-99	**** microcurie/millicurie Mo-99 or ****
2.2.2	Ru-103/Mo-99	**** microcurie/millicurie Mo-99 or ****
2.2.3	Other Gammas/Mo-99	**** microcurie/millicurie Mo-99 or ****
2.2.4	Se-89/Mo-99	**** microcurie/millicurie Mo-99 or ****
2.2.5	Sr-90/Mo-99	**** microcurie/millicurie Mo-99 or ****
2.2.6	Alpha/Mo-99	**** microcurie/millicurie Mo-99 or ****
2.2.7	Concentration	**** at reference/activity calibration

3. OTHER REQUIREMENTS

3.1 Subcontracting of orders, or any proposed changes to materials or shipping package, must be submitted in writing to LMI Purchasing and Quality Assurance departments for consideration and approval prior to implementation.

3.2 The vendor must notify LMI in the event of a shortfall or inability to deliver a confirmed order as soon as it is known.

3.3 As part of a supplier quality management program, LMI reserves the right to perform an audit of the supplier's facilities and programs which impact upon the quality of the supplied material. Current Good Manufacturing Practices (cGMPs) are to be observed by the supplier.

3.4 **Certificate of Analysis:** A Certificate of Analysis (C of A) for the molybdenum solution must be provided for each master lot and contain information per section 2.2 at time of receipt. The C of A will state the actual values versus specifications. The C of A must state that the material has been manufactured and packaged in accordance with this Purchasing Specification.

NOTE: In process C of A may be submitted at time of shipment but all test results are required for release on day of receipt.

3.5 **Technical Data Sheet:** A Technical Data Sheet stating specific product information must be provided for each lot **** In each shipment and arrive with shipment. Information contained on the Technical Data sheet must reference **** Eastern Time (ET) on vendor's reference or calibration date. The Technical Data Sheet at a minimum must state the following information:

3.5.1 Supplier name/address

3.5.2 Order Number

3.5.3 Catalogue Number

3.5.4 Product Name/Chemical Form

3.5.5 Physical Form

3.5.6 Shipment Date

3.5.7 Lot/Batch Number

3.5.8 Container I.D.

3.5.9 Volume (mL) of:

3.5.9.1 **** (Mo-99)

3.5.9.2 **** Added (equivalence)

3.5.9.3 Total volume in ****

3.5.10 Mo-99 Concentration (mCi/mL) at vendor's Calibration or reference date/time ET

3.5.11 Ordered Activity (Ci) at Calibration date/time ET

3.5.12 Total Activity (Ci) at vendor's calibration or reference date

3.5.13 Calibration Date and Time (time zone (ET))

4. PACKAGING

4.1 **** containers must be licensed under US Nuclear Regulatory Commission (NRC) and Department of Transportation (DOT) regulations (Type B container program).

4.2 Containers must be compatible with LMI manufacturing systems and be properly labeled with contents, activity, calibration and I.D. number.

4.3 Mo-99 solution cannot be blended with material from other manufacturers unless approved by LMI.

5. TRANSPORTATION: See current purchase order.

NOTE: This is a time sensitive shipment. The vendor must notify LMI as soon as possible of any potential and/or actual shipping delays.

EXHIBIT B

Subcontractor

NTP and Lantheus agree that the following Subcontractor be used by NTP for alternative supply of Product to Lantheus under the rules of this Agreement:

- **** of ****. (hereafter "****")

EXHIBIT C

Quality Assurance Agreement

NTP Quality
Agreement July 2008

QUALITY AGREEMENT

Parties to this Agreement:

(1) Lantheus Medical Imaging Company
(2) NTP Radioisotopes (Pty) Ltd.

1. GUIDING PRINCIPLES

This quality agreement, (written in accordance with the principles defined in Section 16 of the ICH Q7A Guideline "Good Manufacturing Practice Guide for Active Pharmaceutical Ingredients"), specifies the relationship between NTP Radioisotopes (Pty) Ltd., Pelindaba, Pretoria, South Africa and Lantheus Medical Imaging Company, 331 Treble Cove Rd., North Billerica, MA 01862 USA for the final materials, listed in Appendix A. These final materials are manufactured, packaged, QC tested and released by NTP to LMI and/or its affiliates or partners around the world.

Unless otherwise specified, "LMI" refers to Lantheus Medical Imaging Company, represented by its affiliates or agents who are signatories to this agreement. "Material Supplier" refers to NTP, represented by its agents, who are signatories of this document.

Quality Contacts are listed in Appendix B.

2. PRIMARY RESPONSIBILITIES

2.1 NTP has the responsibility to purchase all starting/raw materials and to ensure that the final material is manufactured, packaged, quality control tested and released in compliance with cGMPs, the Product Registration, applicable laws or regulations and LMI requirements.

2.2 A summary of the division of responsibilities between LMI and NTP is listed in Appendix C.

3. CHANGE CONTROL

3.1 NTP will not make any changes that affect the validated state of the final material without first notifying LMI and obtaining LMI's prior written consent. All change controls will be managed in accordance with NTP's requirements.

4. MATERIAL RELEASE PROCEDURES

4.1 Starting/Raw Materials

NTP will purchase, inspect, test and release starting/raw materials according to approved in house procedures and technical specifications. When applicable, all starting/raw materials will be tested to comply with the requirements defined in pharmacopoeias relevant to the markets being supplied. Where the starting Material is not defined in a pharmacopoeia, it will be tested to comply with the specifications registered by NTP.

4.2 Final Material

4.2.1 NTP will ensure that all manufacturing operations are in compliance with ICH Q7A and applicable regulatory agency requirements, NTP shall inform LMI immediately of any deviations from such regulatory guidelines that effect product quality.

4.2.2 NTP will notify LMI immediately in the event of any deviation(s) that may affect Final Material integrity. Any significant problems experienced during manufacturing and any test that reveals contamination, degradation, or other failure in any batch of Final Material, will be notified to LMI prior to shipment.

4.2.3 Raw Material testing, batch record review and batch release of Final Material to LMI will be the responsibility of NTP's Quality unit who will ensure that the Final Material meets specification and was manufactured in accordance with master manufacturing documents, the product registrations, applicable laws or regulations and cGMPs.

4.2.4 For each batch of Final Material released to LMI by NTP, a *Certificate of Analysis (CoA) and a Certificate of Conformance (CoC)* will be supplied to LMI (these may be combined into a single document). The CoA will contain the Final Material name, lot number, reference/calibration date, test name, numerical result vs. LMI specification. The Technical Data Sheet supplied by NTP. contains the activity concentration and diluent amounts for the products supplied. In addition, it will include the Final Material name, lot number, date, volume per bottle of Raw Material supplied and total number of containers supplied. The CoC will include a statement that the Final Material has been manufactured and packaged in compliance with cGMP, the product registration, applicable laws or regulations and tested according to the approved specifications. The CoC will include a statement indicating whether any deviations were experienced during manufacturing with the deviation report attached. Rework or reprocessing is not applicable to the products supplied. Also, NTP's Quality unit must sign all Final Material release documents.

4.15 NTP must have a formal retest policy and procedure in place for handling out of specification test results that is in accordance with applicable laws and regulations.

5. BATCH RECORD RETENTION

5.1 Originals of all batch and laboratory documents (including raw data) will be retained by NTP or their contract laboratory for nine (9) years or in accordance with any applicable laws or regulations, whichever is longer.

5.2 LMI will have access to the complete original batch documents upon site visit or audit, for all Final Material supplied to LMI when requested within a reasonable time frame.

6. RETAIN SAMPLES

NTP will retain samples of Final Material under the proper storage conditions as required to comply with retain sample requirements and/or registration commitments but in no case less than the amount needed to perform two complete sets of Raw Material testing. The retain samples will be stored in containers that simulate the same packaging system in which the Final Material is stored or one that is equivalent. Any issues will be immediately notified to LMI.

NTP will have written records to support the final material shelf life. Stability testing will be performed on the product in accordance with approved SOPs for stability testing.

7. COMPLAINTS

7.1 Final Material complaint reports received by LMI from its customers that relate to the Final Material supplied by NTP will be summarized and sent to NTP.

7.2 NTP will investigate all complaints related to the manufacture of the Final Material for LMI and provide a written report within fifteen (15) business days. In the event that NTP receives a Product complaint, NTP will forward the complaint to LMI within three (3) business days. NTP will provide LMI with confirmation of closeout for individual complaints, and summaries of complaints received at least annually.

8. RECALL

LMI will be ultimately responsible for performing recalls of product sold by LMI that contain the Final Material. NTP and LMI have the responsibility to provide any date or information that could result in product recall within an appropriate time frame.

9. AUDITS

9.1 LMI will schedule periodic audits of NTP facilities used to manufacture the Final Material supplied to LMI. LMI shall have the right to visit the facility where the Final Material products are manufactured on any business day upon reasonable prior notice provided that the visit does not unreasonably interfere with the operations at NTP's facility. During any such visit, LMI auditors shall have the right to audit the manufacturing, quality system, material handling, packaging, records, laboratories and facilities to ensure that NTP complies with the product registrations, cGMPs, applicable laws or regulations and LMI requirements.

9.2 NTP shall cooperate fully in such an inspection and shall take a course of action and resolution acceptable to LMI in the event that LMI finds any contractual or regulatory deficiencies during the audit. LMI shall be entitled to continue auditing the facility until the contractual or regulatory deficiency is resolved to LMI satisfaction.

10. VENDOR QUALIFICATION

NTP must maintain a formal vendor qualification and management program for materials procured by NTP. Selection, qualification and management of vendors is the responsibility of NTP but shall be reviewed from time to time by LMI during audits.

11. STORAGE

11.1 NTP will ensure that the Final Materials are stored and shipped within the material label storage range.

12. SUBCONTRACTING

NTP will not subcontract any final product or testing services related to Raw Materials to a third party without receiving prior written approval from LMI.

13. TRAINING

13.1 Each person engaged in the manufacturing, processing, packing or testing of a Raw Material shall have education, training, and experience, or any combination thereof, to enable that person to perform the assigned functions.

13.2 Training shall be in the particular operations that the employee performs and in current applicable manufacturing regulations as they relate to the employee's functions. Training in cGMPs shall be conducted by qualified individuals on a continuing basis and with sufficient frequency to ensure that employees remain familiar with requirements applicable to them. This training must be documented in a training record for each employee and NTP shall retain evidence of the employee's full understanding.

14 VALIDATION / QUALIFICATION

Validation studies should be prospective in nature and in accordance with FDA and ICH Guidelines. Critical parameters and acceptance criteria must be documented. NTP must maintain a formal validation program including a validation plan, where applicable, for:

- Facilities
- Equipment
- Analytical Methods
- Cleaning Processes
- Cleaning Methods
- Manufacturing Process
- Computer Systems (where applicable)
- Laboratories
- Utilities (HVAC, Process Water, Clean Steam, Clean Compressed Air, etc.)

15. TSE

15.1. NTP shall immediately provide written notification to LMI of the use or the planned use of any animal-derived raw materials, intermediates, or components to be manufactured in the Facility. Under no circumstance shall NTP use any animal-derived material unless proper documentation is accepted by LMI.

15.2. In addition, NTP shall take any and all precautions to prevent the transmission of Transmissible Spongiform Encephalopathy (TSE) in its Facility. TSE includes Bovine Spongiform Encephalopathy (BSE) and all other forms of animal or human spongiform encephalopathies. These precautions must extend to TSE-associated prior proteins, and any other material associated with TSE.

15.3. NTP shall on a periodic basis provide TSE compliance documentation to LMI stating that all of the raw materials and the products in its Facility are TSE-free, i.e., compliance documentation may include the completed LMI TSE Questionnaire, vendor declarations, certifications, and/or European Pharmacopoeia TSE Certificates of Suitability. NTP shall maintain all required TSE declarations and certifications for their starting materials, intermediates, cleaning agents, and product-contact materials, and these shall be subject to audit by LMI.

16. COMPLIANCE WITH LOCAL REGULATIONS

NTP undertakes to obtain and maintain the appropriate authorization to manufacture the Final Materials. NTP shall inform LMI about any change or withdrawal of such authorization without undue delay.

17 GOVERNMENTAL AND REGULATORY INSPECTIONS

NTP shall notify LMI of any inspections by a regulatory authority relating to the manufacturing, packaging and testing of Raw Materials supplied to LMI, within five (5) business days of the inspection. When Final Materials supplied to LMI are implicated in regulatory inspection findings, NTP will provide redacted copies of all correspondence, reports, notices, findings and any other material pertinent to such inspections or otherwise relating to the production, use, or sale of the LMI products.

18. HISTORY

Version Number	Comment	Issue Date
0	First issue of the Quality Agreement between LMI and NTP	01 July 2008

Issue date: This is defined as the date the document received final signature

Lantheus Medical Imaging Company Approval:

Name: Thomas Feller

Position: Manager, QA

Signature: /s/ Thomas Feller Date: 6/12/2008

Name: Valerie Heeter

Position: Director Quality

Signature: /s/ Valerie Heeter Date: 12-June-2008

NTP Approval:

Name: DG Robertson

Position: Managing Director

Signature: /s/ DG Robertson Date: 1-07-2008

APPENDIX A:

List of Final Materials:

Molybdenum Mo-99

APPENDIX B:

Quality Contact Lantheus Medical Imaging Company:

Thomas Feller
Manager QA Operations & Support
Lantheus Medical Imaging Company

Phone: (978) 436-7554
Fax: (978) 436-7075
e-mail: thomas.feller@bms.com

Quality Contact NTP:

Gerhard Bruwer
Quality Assurance Manager
NTP Radioisotopes

Phone: [+27] (0) 12 305 5195
Fax: [+27] (0) 12 305 5680
e-mail: gerhardb@utp.co.za
cell phone: [+27] (0) 82 901 1344

APPENDIX C:

Division of pharmaceutical responsibilities*

LMI: **Lantheus Medical Imaging**

NTP: **Final Material Supplier**

	NTP	LMI
Maintenance of registration documents	****	****
Starting/Raw Materials (s):		
Key Raw Material	****	****
Specification	****	****
Supply/Procurement	****	****
Testing	****	****
Release		
Other Raw Materials:		
Specification	****	****
Supply/Procurement	****	****
Testing	****	****
Release	****	****
Process Intermediates:		
Specification	****	****
Manufacturing directions	****	****
In-process control	****	****
Manufacture/manufacturing record	****	****
Review of manufacturing documentation	****	****
Testing directions	****	****
Quality control/test record	****	****
Release	****	****
Final Material		
Specification	****	****
Manufacturing directions	****	****
Assignment of batch number	****	****
In-process control	****	****
Manufacture/manufacturing record	****	****
Review of manufacturing documentation	****	****
Quality control/test record	****	****
Release	****	****
Certificate of analysis	****	****
Certificate of conformance	****	****
Release for dispatch	****	****
Retain Samples	****	****
Stability Testing	****	****
Qualification and Validation	****	****
Transportation to LMI	****	****
Storage Specification	****	****
Written notification of the use or planned use of animal-derived components or materials	****	****
Periodic notification of TSE compliance	****	****

Exhibit 10.12

CONFIDENTIAL TREATMENT REQUESTED

INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND NOTED WITH "**".**
AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.

Execution Version / Nordion DOC # 84734

MOLYBDENUM-99 PURCHASE & SUPPLY AGREEMENT

THIS AGREEMENT (this "**Agreement**") is made and entered into effect as of April 1, 2010 (the "**Effective Date**") by and between:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road,
North Billerica, MA 01862
("LMI")

and

MDS Nordion, a division of MDS (Canada) Inc.
447 March Road
P.O. Box 13500
Kanata, Ontario K2K 1X8
("Nordion")

A. WHEREAS, Nordion is a supplier of Sodium Molybdate Molybdenum- 99 (fission) (defined herein as **"Product"**)

B. WHEREAS, Nordion desires to make available quantities of Product to LMI for purchase by LMI pursuant to the terms of this Agreement;

C. WHEREAS, LMI desires to purchase certain quantities of Product from Nordion on a non-exclusive basis pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, mutual covenants, agreements, representations and warranties contained herein, the parties hereby agree as follows:

1. Definitions

1.1 In this Agreement, the following terms shall have the respective meanings set forth in this Section 1:

1.1.1. **"Agreement"** shall mean this Agreement and Schedules attached hereto.

1.1.2. **"Calendar Week"** means the period beginning on Sunday and ending the following Saturday.

1.1.3. **"CDA"** means the Confidential Disclosure Agreement between Nordion and LMI dated as of the 1st day of April, 2010, a copy of which is attached as Schedule A to this Agreement.

1.1.4. "**Commencement Date**" means the first date after the Effective Date on which Atomic Energy of Canada Ltd. (" **NRU Reactor**") begins to supply to Nordion commercial quantities of Molybdenum-99 material used in the production of Product following the cessation of the shutdown of the NRU Reactor in effect as of the Effective Date, which date shall be notified by Nordion to LMT in writing.

1.1.5. "**Confidential Information**" shall have the meaning ascribed to such term in the CDA.

1.1.6. "**Contract Term**" means the term of this Agreement, which shall commence as of the Effective Date and terminate as of July 31, 2011 unless otherwise extended or terminated pursuant to this Agreement.

1.1.7. "**Effective Date**" shall have the meaning ascribed in the preamble.

1.1.8. "**Firm Order(s)**" shall have the meaning ascribed in Section 3.1

1.1.9. "**Force Majeure**" shall have the meaning ascribed in Section 17.1

1.1.10. "**Forecast**" shall have the meaning ascribed in Section 3.1.

1.1.11. "**Generator(s)**" shall mean a LMI generator containing Product, which Product has been supplied by Nordion pursuant to this Agreement.

1.1.12. "**Governmental Agencies**" means various applicable federal, state, provincial and local governmental agencies that control the manufacture, transit, distribution and usage of Product in any country. Governmental Agencies include, but are not limited to: U.S. Food and Drug Administration ("**FDA**"), U.S. Nuclear Regulatory Commission ("**NRC**"), U.S. Department of Transportation ("**DOT**"), U.S. Customs and Border Patrol, Health Canada, Canadian Nuclear Safety Commission (" **CNSC**"), Transport Canada, IATA, IAEA, or corresponding governmental agencies in any country Product may pass through, and any successor agency thereto.

1.1.13. "**Product(s)**" means Sodium Molybdate Molybdenum-99 (fission).

1.1.14. "**Product Fee**" shall have the meaning ascribed in Section 5.1.

1.1.15. "**Specifications**" means the characteristics of the Product, in conformance with Schedule C, as amended by the mutual written agreement of the parties from time to time.

Schedules:

Schedule A - Confidential Disclosure Agreement
Schedule B - Form of LMI Purchase Order

Schedule C - Product Specifications
Schedule D - Product Fees
Schedule E - Shipping Schedule

1.2 The headings in this Agreement are inserted only for convenience and shall not affect the construction hereof.

1.3 Where appropriate, words denoting a singular number only shall include the plural and vice versa.

1.4 Reference to any statute, regulation, regulatory provision or statutory provision includes a reference to the statute, regulation, regulatory provision or statutory provision, as from time to time amended, extended or re-enacted.

1.5 The words "herein", "hereof", "hereunder", "hereby" and other words of similar import refer to this Agreement as a whole, including the schedules, annexes of and exhibits to this Agreement, and not to any particular provision.

2. Appointment

2.1 Pursuant to and subject to the terms and conditions of this Agreement, LMI agrees on a non-exclusive basis, to purchase Product from Nordion.

3. Forecast; Orders

3.1 Orders. LMI shall, in writing, submit to Nordion on the 1st day of each month during the Contract Term, a good faith, non binding rolling forecast of the estimated quantity of Product LMI expects to order from Nordion during the **** (****) day period following the date of the forecast (each such forecast, a **"Forecast"**). LMI shall issue a purchase order **("Firm Order")** in accordance with LMI's **** purchase volume commitments in Section 3.4. LMI's Firm Order shall be provided to Nordion at least **** (****) days in advance of the required date of Product shipment. Nordion shall use commercially reasonable efforts to accept LMI's Firm Orders (issued in accordance with this Agreement) with respect to LMI's **** purchase volume commitments in accordance with Section 3.4. Each Firm Order shall be subject to confirmation of acceptance by Nordion in writing. LMI may revise a Firm Order accepted by Nordion by no more than ****% (subject to and not to exceed or be inferior to, LMI's **** purchase volume commitments in accordance with Section 3.4) up to seven (7) days prior to shipment of Product by Nordion. Any adjustment upward requested by LMI for Product in a Firm Order is subject to availability and acceptance by Nordion. Nordion shall use commercially reasonable efforts to fill such Firm Orders. LMI expects to provide the first forecast in connection with the execution of this Agreement with the understanding that this forecast will provide at least **** days notice as of the Commencement Date.

Subject to the terms of this Agreement, Nordion shall notify LMI promptly in writing if at any time Nordion has reason to believe that it will not be able to accept or fulfill a Firm Order.

3.2 Form of Order. LMI shall submit purchase orders for Product in the form of the purchase order set out in Schedule B (the **"Form Purchase Order "**). Unless expressly agreed to by Nordion, any standard terms and conditions appearing in LMI's purchase order (or reverse side thereof) in conflict with or different from the terms and conditions contained in this Agreement, shall not apply.

3.3 Acceptance of Orders. Nordion shall indicate its acceptance of LMI's purchase orders for the Product by promptly acknowledging acceptance of each purchase order in writing. Each such acceptance shall include the anticipated ship date of the Product ordered. No Firm Order issued and/or accepted pursuant to this Agreement shall extend to delivery of Product beyond the Contract Term.

3.4 Purchase Volumes. Subject to the terms of this Agreement including but not limited to Sections 4.4, 4.7 and 6.2 hereof and as of the Commencement Date and subject to Nordion's ability to supply Product to LMI meeting the requirements of this Agreement and acceptance by Nordion of LMI's Firm Orders sufficient to meet LMI's **** purchase volume commitments in this Section 3.4:

3.4.1. during the portion of the Contract Term when HFR Petten reactor is shut down and unable to produce Molybdenum- 99 (the **"HFR Shutdown Period"**), LMI hereby commits to purchase from Nordion **** to **** **** of Product (****-day ****) per **** during the HFR Shutdown Period, and

3.4.2. during the portion of the Contract Term after the HFR Shutdown Period and return to service, which date shall be acknowledged by the parties in writing, LMI hereby commits to purchase from Nordion **** to **** **** of Product (****-day ****) per ****.

3.5 Spot Market Purchases. In addition to the foregoing, LMI may, from time to time during the Contract Term, desire to purchase from Nordion incremental orders for Product in a given **** in excess of the LMI's **** purchase volume commitments in Section 3.4. Notwithstanding Section 3.1, acceptance by Nordion of any incremental orders for Product issued by LMI in a given **** in excess of the **** LMI purchase volume commitment in Section 3.4, shall be entirely at the unfettered discretion of Nordion. Any such incremental order accepted (or not accepted) by Nordion in a given **** shall not, in such **** or any other ****, serve to diminish any LMI purchase volume commitment as set out in Section 3.4. If such incremental orders are accepted by Nordion, the price for all Product pursuant to such orders shall be the Product Fee (as hereinafter defined) and Nordion shall use commercially reasonable efforts to fill such accepted purchase orders.

4. Terms of Supply

4.1 Shipping Schedule. Commencing on the Commencement Date, Nordion shall deliver Product in accordance with the initial shipping schedule set out on Schedule E. Nordion and LMI agree to enter into good faith discussions, from time to time, to negotiate in good faith a revised shipping schedule that reflects the needs of LMI's customers and, the parties as required and agreed, shall amend the shipping schedule as reasonably necessary to meet those needs taking into account Nordion's Product production schedule, regulatory requirements, the availability of carriers and other logistical circumstances that may impact the manufacture and shipping of Product. In the event that the parties do not agree to a revised shipping schedule, Nordion shall continue to ship Product in accordance with the initial shipping schedule set out in Schedule E as unamended.

4.2 Product Delivery. Nordion shall deliver Product to LMI on the date of shipment **** **** (INCO Terms 2000), provided further, that it shall be LMI's responsibility to load Product into the air carrier. All right, title and interest in and to the Product and risk of loss and damage to Product shall pass to LMI, **** **** (INCO Terms 2000).

4,3 Containers. Nordion shall supply Product to LMI in containers which meet all applicable regulations of Governmental Agencies having jurisdiction over transport of the Product. LMI shall not use such containers for any other purpose.

4.4 Conformance to Specification; Warranty. Nordion shall manufacture and supply the Product in conformance with the Specifications and all applicable laws. Nordion hereby provides a Product warranty such that on the date of receipt of the Product at LMI's facility, the Product shall be free from defects in material and workmanship, provided further however that Nordion shall have no warranty obligation in the event that the Product is subject to accident, misuse, abuse or alteration. Any such warranty claim shall be notified to Nordion in writing within seven (7) days of the receipt by LMI of Product, specifying the details of the alleged defect. In the event that the warranty claim is well founded, Nordion shall replace the defective Product at no charge (if the purchase price therefore has already been paid by LMI) or alternatively LMI may cancel such order and Nordion shall not require that LMI pay for such defective Product that fails to meet the Specification (with a consequential reduction with respect to the affected Calendar Week purchase volume commitment requirement as set out in Section 3.4, as the case may be).

LMI ACKNOWLEDGES THAT NORDION IS MANUFACTURING AND SUPPLYING PRODUCT TO MEET SPECIFICATION. EXCEPT AS EXPRESSLY SET OUT IN THIS AGREEMENT, NORDION HEREBY DISCLAIMS ALL OTHER WARRANTIES OR CONDITIONS, WHETHER EXPRESS OR IMPLIED STATUTORY OR OTHERWISE INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE, APPLICATION OR USE.

4.5 Quality Control Release. LMI shall upon receipt of the Product at its facility have the ability and responsibility to verify, test, or otherwise inspect the Product, for the purpose of determination of conformance to Specifications. LMI shall test or cause to be tested all Products prior to LMI quality control (QA) release of Product for sale to its customers. Notwithstanding the foregoing, the Product shall be deemed conforming by LMI upon LMI quality control (QC) release of Product for Generator manufacturing.

4.6 Dispute Resolution. In the event that Nordion disputes LMI's determination that the Product does not conform to Specification or there is an unresolved measurement discrepancy, the parties will appoint a joint technical team to review the issue and provide a recommendation. In the event the joint technical team is unable to agree on a recommendation then the parties will select a mutually acceptable outside consulting firm which will be instructed to make a determination. If the consulting firm confirms LMI's determination, Nordion will in accordance with this Agreement be considered to have failed to meet Specification, and Nordion will pay the fees of such consulting firm. If the consulting firm dissents from LMI's determination, Nordion shall be entitled to be paid for such Product and LMI shall pay the fees of the consulting firm.

4.7 Allocation of Product. In the event during any **** that the total volume of Product available for sale by Nordion is not sufficient to meet order commitments to all Nordion customers for such **** because of any occurrence affecting supply of Molybdenum-99 to or supply of Product from Nordion, then notwithstanding an accepted Firm Order or accepted purchase order LMI's allocation of Product available for purchase from Nordion during such entire period of insufficiency will be based on the Allocation Percentage (as hereinafter defined). **"Allocation Percentage"** means, with respect to any ****, the percentage of Product purchased by LMI from Nordion in the immediately previous **** (****) calendar **** period (or, in the absence of a **** (****) calendar **** period, such portion thereof) prior to such **** determined as the ratio of (i) LMI's Product purchases from and delivered by Nordion divided by (ii) the total amount of Product purchased from and delivered by Nordion to all Nordion customers (including LMI) during such **** (****) calendar **** period (or, in the absence of a **** (****) calendar **** period, such portion thereof).

5. Pricing and Terms of Payment

5.1 Price. The purchase price of Product shall be as set forth on Schedule D attached hereto (the **"Product Fee"**). During the Contract Term after the Commencement Date, the Product Fee LMI pays for the Product shall not be **** than the purchase price (as calculated consistent with calibration as set out in Schedule C) paid by each **** (excluding purchases for research or other non-commercial purposes) from Nordion for delivery into ****. For purposes of calculating the purchase price paid by **** (excluding purchases for research or other non-commercial purpose) for delivery into **** pursuant to a written contract with Nordion, the parties agree that the purchase price, paid by such **** for delivery into **** in a different currency than is applicable in this Agreement, shall be determined taking into account the exchange rate of the United

States dollar against such different currency as at the execution date of such contract. At any time reasonably requested by LMI (but no more frequently than **** per calendar ****), Nordion will furnish to LMI a certificate, executed by a duly authorized officer of Nordion, stating that such officer has reviewed all of the sales of Product by Nordion during the Contract Term and that Nordion has complied with this Section 5.1. To the extent it is determined that Nordion is not in compliance with this Section 5.1, Nordion will credit LMI with the difference between the Product Fee and the amount otherwise contemplated by the second sentence of this Section 5.1, and any such difference will, be paid by Nordion to LMI in the form of a **** and shall only bear interest at the annual rate of ****%, calculated ****% monthly, commencing from and after the date which is **** (****) days after the date that LMI would have been entitled to such adjustment. In addition, the parties acknowledge that noncompliance with this Section 5.1 will result in an adjustment to the **** by LMI for Product purchased by LMI only during the period in which the purchase price of Product to **** (excluding purchases for research and other non-commercial purposes) for delivery into ****, was **** than the ****.

5.2 LMI Payment. Upon or after shipment of Product Nordion shall invoice LMI for any Product that LMI orders and LMI shall pay such invoice within **** (****) days of the date of the invoice. Nordion shall provide LMI with a copy of each invoice by electronic mail (e.g., a "pdf" file) or other mutually agreed upon form of electronic communication within **** (****) hours of the applicable invoice date. Overdue accounts shall bear interest at the annual rate of ****%, calculated ****% monthly.

5.3 Payment Adjustments. In the event the quantity of the Product shipped is greater or less than the quantity reflected in Nordion's invoice for such shipment, then within **** (****) days after LMI's receipt of such shipment, LMI shall notify Nordion concerning such overage or shortage, and, unless Nordion disputes such notice (in which case the dispute resolution mechanism in Section 4.6 shall apply), the amount of such invoice shall be increased or reduced, as the case may be, to reflect the actual quantity of the Product contained in such shipment and received by LMI. In the event that LMI has already overpaid such invoice any amount of overpayment shall be reimbursed or credited to LMI at LMI's election. LMI and Nordion shall work together to establish a procedure to validate the instrumentation respectively used by each party to accurately verify the amount of Product shipped by Nordion and received by LMI.

6. Term; Termination

6.1 Term. The supply of Product by Nordion pursuant to this Agreement shall commence as of the Commencement Date and shall continue thereafter during the Contract Term. Any extension of this Agreement shall be in writing and shall require the mutual agreement of the parties.

6.2 Termination for Breach. Except as specifically otherwise provided, the failure by either Party (the **"Defaulting Party")** to comply with its material obligations under this Agreement shall entitle the other Party (the **"Non-Defaulting Party")** to give to the

Defaulting Party notice specifying the nature of the default and requiring the Defaulting Party to cure such default. Subject to the provisions of Section 17 hereof, if such default (i) is not cured within 30 days after the receipt of such notice or, (ii) if such default cannot reasonably be cured within such 30-day period and the Defaulting Party shall not have commenced and be diligently continuing actions to cure such default during such 30-day period, the Non-Defaulting Party shall be entitled, without prejudice to any of the other rights conferred on it by this Agreement or available to it at law or in equity to terminate this Agreement by giving further notice to the Defaulting Party, to take effect immediately upon receipt of such termination notice by the Defaulting Party.

In addition to and notwithstanding any remedies set out in this Agreement or available in law or equity, in the event that LMI, in accordance with this Agreement, fails to purchase any or all of its **** purchase volume commitments in accordance with (and subject to the terms of) Section 3.4 (and except in the event of an ongoing bona fide dispute regarding a shipment of Product from Nordion to LMI), (i) Nordion shall during the Contract Term be entitled to claim (and invoice) payment from LMI at the Product Fee for an amount of such Product equal to the shortfall in such purchase volume commitments and LMI shall make full payment for such Product and/or (ii) Nordion, upon written notice to LMI, may immediately suspend further supply of Product to LMI until such time as such amounts are paid in full. In the event that Nordion suspends supply of Product to LMI, supply of Product may, at Nordion's election, not be resumed by Nordion until one (1) Calendar Week after amounts due and owing by LMI to Nordion are paid in full. Notwithstanding the foregoing, for the sake of clarity, the parties acknowledge and agree that, to the extent Nordion exercises its right to suspend further supply of Product to LMI pursuant to this Agreement, LMI shall have no obligation to purchase the aforementioned purchase volume commitments during the period of suspended supply of Product or make any payments with respect thereto.

The right of termination as provided in this Section 6.2, shall not be affected in any way by either party's waiver or failure to take action with respect to any previous default.

6.3 Termination for Bankruptcy. Subject to any limitations imposed by applicable law, a party shall have the right to terminate this Agreement by giving notice to the other party in the event that such other party files a petition in bankruptcy, is adjudicated a bankrupt, makes an assignment for the benefit of its creditors, or otherwise seeks relief under or pursuant to any bankruptcy, insolvency or reorganization statute or proceeding, or if a petition in bankruptcy is filed against it which is not dismissed within ninety (90) days or proceedings are taken to liquidate the assets of such party or a supervisor, receiver, administrator, administrative receiver or other encumbrancer taking possession of or being appointed over, or any distress, execution or other process being levied or enforced (and not being discharged within seven days) upon, the whole or any substantial part of the assets of the other party.

7. Compliance, Certification, and Related Matters

7.1 Compliance with Law. While Product is in Nordion's possession or under its control, Nordion shall be responsible for complying with and shall comply with all applicable statutory and regulatory requirements of the United States and Canada regarding the manufacture, handling, storage, packaging, transportation, shipment and exporting of Product. In performing its obligations under this Agreement, Nordion shall comply with all applicable environmental and health and safety laws. Except as otherwise set forth in this Agreement, Nordion shall be solely responsible for determining how to carry out these obligations.

7.2 Licenses. Nordion shall be responsible at its own expense for obtaining and maintaining all necessary licenses including, without limitation, facility licenses, registrations, authorizations and approvals, which are necessary to develop, manufacture, handle, store, label, package, and transport Product under the applicable regulatory requirements including, but not limited to, the possession, storage, and transportation of radioactive materials. Nordion shall maintain and update its existing regulatory filings with the FDA, NRC, DOT, CNSC, and any other regulatory agency as may be required by applicable law.

7.3 Certification. For each shipment of Product, Nordion shall certify in writing that each lot of Product shipped was produced and tested in compliance with the Specifications.

7.4 Access to Nordion's Facility. LMI shall have reasonable access to Nordion's facility and procedures no more frequently than once per Contract Term (except in the event of Product recall or safety concerns, in which case as reasonably required) for the sole purpose of auditing Nordion's Product manufacturing process. All such information disclosed during such audit to LMI or its employees or agents shall be deemed to be Nordion's Confidential Information as such term is defined in this Agreement.

7.5 Quality Assurance Program. Nordion shall maintain production and quality assurance as required by government or regulatory bodies with jurisdiction over Nordion's manufacture of Product and its sale and distribution. It is acknowledged by Nordion and LMI that as a result of any in-house manufacturing and testing of Product, that the Specifications may require amendment or modification. LMI and Nordion agree that any such amendment or modification shall be discussed in good faith, and shall be subject to the approval of LMI which shall not be unreasonably withheld.

8. Manufacturing Process

8.1 Change in Nordion's Processes. The parties acknowledge that this Agreement is based on the current Nordion process for manufacturing and shipping of Product. Any change in the processes used by Nordion, including, but not limited to, the reactor used as the source of supply and the characteristics of the materials used may or will require a new validation of the Product to confirm that it meets the Specifications. Accordingly, Nordion shall notify LMI at least sixty (60) days prior to instituting any change in its

processes. Subject to Nordion approval of the change in process, where LMI has requested or necessitated the change in process, LMI will bear the cost of validation. Where Nordion has requested or necessitated the change in process, Nordion will bear the cost of validation.

9. Contract Currency

9.1 All prices and payments herein by LMI to Nordion shall be in ****.

10. Confidentiality

10.1 The CDA is incorporated by reference and made a part of this Agreement.

11. Nordion's Representations

11.1 Nordion represents and warrants as of the Effective Date that:

(i) it has full right, power and authority to enter into this Agreement;

(ii) to its knowledge it is in material compliance with all applicable laws and regulations of all relevant Governmental Agencies in connection with the manufacture, distribution and sale of the Product as contemplated by this Agreement and has not received any notice or other correspondence from any relevant Governmental Agency in connection with any alleged non-compliance in connection therewith;

(iii) it has not received any notice of adverse claim of infringement of any patent or other intellectual property right, including, without limitation, misappropriation of trade secret, in connection with the use and sale of Product or the data, information and technology used with respect to the manufacture of Product;

(iv) to the best of its knowledge and belief (i) it is the owner or has the right to use all of the data, information, know-how, intellectual property and technology to be used by Nordion in carrying out its obligations hereunder, and (ii) development and implementation of the process used in the manufacture of Product, and the performance of Nordion's obligations hereunder, do not infringe any valid third party patent or pending published patent application or other intellectual property right; and

(v) there is no action or proceeding pending or, to the best of its knowledge, threatened against Nordion before any court, administrative agency or other tribunal which would have a material adverse effect on Nordion's ability to perform under this Agreement.

12. LMI's Representations

12.1 LMI represents and warrants as of the Effective Date that:

(i) it has full right, power and authority to enter into this Agreement;

(ii) it has not received any notice of adverse claim of infringement of any patent or other intellectual property right, including, without limitation, misappropriation of trade secret, in connection with the use of the Product or the data, information and technology used with respect to the manufacture and sale of Generators; and

(iii) there is no action or proceeding pending or, to the best of its knowledge, threatened against LMI before any court, administrative agency or other tribunal which would have a material adverse effect on LMI's ability to perform under this Agreement.

(iv) to its knowledge it is in material compliance with all applicable laws and regulations of all relevant Governmental Agencies in connection with the use and sale of the Product and has not received any notice or other correspondence from any relevant Governmental Agency in connection with any alleged non-compliance in connection therewith.

13. Regulatory Compliance

13.1 In the event that a Governmental Agency in any country shall allege or prove that a Product does not comply with applicable rules and regulations in a country where the Product is marketed, distributed and sold, LMI shall notify Nordion immediately, and both parties shall cooperate fully regarding the investigation and disposition of any such matter. If LMI is required to recall or should deem it appropriate, acting reasonably, to voluntarily withdraw a Product or a Generator, then Nordion's liability shall be limited to reimbursement to LMI of the actual cost of the quantity of Product purchased by LMI subject to the recall to the extent that such recall or withdrawal is due to Nordion's negligence, recklessness or wrongful intentional acts or omissions by, or strict liability of, or breach of any representation and warranty; otherwise, LMI shall bear all costs and expenses associated with such recall or withdrawal. For purposes of clarity, the parties acknowledge that nothing in this Section 13 shall affect or limit any right that a party may have to seek indemnification from the other party under Section 14 of this Agreement.

14. Indemnification

14.1 Nordion Indemnification Obligations. Nordion agrees to indemnify, defend and hold harmless LMI and its affiliates and their respective directors, officers, employees and agents from and against any damages, claims, liabilities and expenses (including, but not limited to, reasonable attorney's fees and disbursements) resulting from any third party claims or suits **("General Claims against LMI")** arising out of (a) Nordion's manufacturing, handling, storage, labeling, or packaging of Product; (b) Nordion's breach

of any of its obligations, warranties or representations hereunder; (c) Nordion's negligent acts or omissions or willful misconduct; (d) any failure of Product to meet the Specifications; or (e) any failure of Nordion to manufacture, handle, store, label, package, transport or ship Product in accordance with any applicable laws, regulations or other requirements of any applicable Governmental Agency, including, but not limited to, any violation of applicable laws or regulations concerning radioactive material. Notwithstanding the foregoing, Nordion will not be required to indemnify, defend and hold harmless LMI and its affiliates and their respective directors, officers, employees and agents from and against any General Claims against LMI to the extent that such claims arise out of (i) LMI's breach of any of its obligations, warranties or representations hereunder; (ii) LMI's or its employees, representatives, agents contractors or customers negligent acts or omissions or willful misconduct, including but not limited with respect to the use, handling or sale, storage combination, labeling, packaging, transport or disposal of Product or Generators, or (iii) any failure of LMI, its employees, representatives, agents, contractors or customers to manufacture, handle, store, label, package, transport or ship Generators (including Product) in accordance with any applicable laws, regulations or other requirements of any applicable Governmental Agency, including, but not limited to, any violation of applicable laws or regulations concerning radioactive material. Notwithstanding anything in this Section 14.1, General Claims against LMI shall not include intellectual property claims against LMI as described in Section 14.4.

14.2 LMI Indemnification Obligations. LMI agrees to indemnify, defend and hold harmless Nordion and its affiliates and their respective directors, officers, employees and agents from and against any damages, claims, liabilities and expenses (including, but not limited to, reasonable attorney's fees and disbursements) resulting from any third party claims or suits **("General Claims against Nordion")** arising out of (a) LMI's or its customer's use, handling or sale, storage, combination, labeling, packaging, transport or disposal of Product or Generators; (b) LMI's breach of any of its obligations, warranties or representations hereunder; (c) LMI's negligent acts or omissions or willful misconduct; or (d) any failure of LMI to manufacture, handle, store, label, package, transport or ship Product or Generators in accordance with any applicable laws, regulations or other requirements of any applicable Governmental Agency, including, but not limited to, any violation of applicable laws or regulations concerning radioactive material. Notwithstanding the foregoing, LMI will not be required to indemnify, defend and hold harmless Nordion and its affiliates and their respective directors, officers, employees and agents from and against any General Claims against Nordion to the extent that such claims arise out of (i) Nordion's breach of any of its obligations, warranties or representations hereunder; (ii) Nordion's or its employees, representatives, agents, contractors negligent acts or omissions or willful misconduct, including but not limited with respect to the manufacture, handling, storage, labeling or packaging of Product, (iii) any failure of Product to meet the Specifications attributable to Nordion; or (iv) any failure of Nordion, its employees, representatives, agents, contractors to manufacture, handle, store, label, package, transport or ship Product in accordance with any applicable laws, regulations or other requirements of any applicable Governmental Agency, including, but not limited to, any violation of applicable laws or regulations concerning

radioactive material. Notwithstanding anything in this Section 14.2 General Claims against Nordion shall not include intellectual property claims against Nordion as described in Section 14.3.

14.3 Intellectual Property Claims Against Nordion. LMI agrees to indemnify, defend and hold harmless Nordion and its affiliates and their respective directors, officers employees and agents from and against any damages, claims, liabilities and expenses (including, but not limited to, reasonable attorney's fees and disbursements) resulting from any third party claims or suits arising out of any proceeding instituted by or on behalf of a third party based upon a claim that,

(i) the use or sale of LMI's Generators or use, method of use or application of the Product sold by LMI in combination with another substance, and

(iii) the performance of any of LMI's obligations hereunder,

infringes any United States or other patent or any other proprietary rights of a third party.

14.4 Intellectual Property Claims Against LMI. Nordion agrees to indemnify, defend and hold harmless LMI and its affiliates and their respective directors, officers, employees and agents harmless from and against any damages, claims, liabilities and expenses (including, but not limited to, reasonable attorney's fees and disbursements) resulting from any third party claims or suits arising out of any proceeding instituted by or on behalf of a third party based upon a claim that the process used in manufacturing Product, the Product, or the performance of any of Nordion's obligations hereunder infringes a United States or other patent or any other proprietary right of a third party.

14.5 Indemnification Procedures. A party (the **"Indemnitee")** which intends to claim indemnification under this Section 14 shall promptly notify the other party (the **"Indemnitor")** in writing of any action, claim or other matter in respect of which the Indemnitee or any of its directors, officers, employees or agents intend to claim such indemnification; provided, however, the failure to provide such notice within a reasonable period of time shall not relieve the Indemnitor of any of its obligations hereunder except to the extent the Indemnitor is prejudiced by such failures. The Indemnitee shall permit, and shall cause its directors, officers, employees and agents to permit the Indemnitor, at its discretion, to settle any such action, claim or other matter. The Indemnitee agrees to the complete control of such defense or settlement by the Indemnitor, provided, however, such settlement does not adversely affect the Indemnitee's rights hereunder, admit liability by Indemnitee or impose any obligations on the Indemnitee. No such action, claim or other matter shall be settled without the prior written consent of the Indemnitee, and the Indemnitee shall not be responsible for any attorney's fees or other costs incurred other than provided herein. The Indemnitee and its directors, officers, employees and agents shall co-operate fully with the Indemnitor and its legal representatives in the investigation and defense of any action, claim or other matter covered by this indemnification. The Indemnitee shall

have the right, but not the obligation, to be represented by counsel of its own selection and at its own expense.

15. Effect

15.1 This Agreement, together with the Schedules embodies and sets forth the entire agreement and understanding of the parties with respect to the subject matter hereof and there are no promises, terms, conditions or obligations, oral or written, expressed or implied, other than those contained in this Agreement, the Schedules and the CDA. The terms of this Agreement supersede all previous oral or written agreements that may exist or have existed between the parties relating to the subject matter of this Agreement. Neither party shall be entitled to rely on any agreement, understanding or arrangement that is not expressly set forth in this Agreement, the Schedules and the CDA. If LMI issues any purchase orders in connection with this Agreement, this Agreement shall be deemed to be incorporated by reference into the purchase order.

16. Miscellaneous

16.1 Binding Effect. The terms of this Agreement shall bind Nordion and LMI and their respective successors and permitted assigns.

16.2 Use of Name. Except as otherwise provided herein, neither party shall have any right, express or implied, to use in any manner the name or other designation of the other party or any other trade name or trademark of the other party for any purpose in connection with the performance of this Agreement.

16.3 Public Announcements. The parties agree that, except as set out in this Agreement or may otherwise be required by applicable law, no information concerning this Agreement and the transactions contemplated herein shall be made public by either party without the prior written consent of the other party. Each party shall however, have the right to make any public statements related to market supply without the consent of the other party provided there is no anticipated adverse impact or effect on the reputation of the other party and there is no reference specifically or which could reasonably be implied identifying the other party or referencing the trade name or trademark of the other party. In the event either party decides to issue a press release announcing the execution of this Agreement, it shall not do so without the prior written approval of the other party. A copy of any proposed press release shall be provided to the other party for approval at least four (4) business days prior to any proposed release. In the event that a disclosure is required pursuant to security exchange rules and regulations or rules and regulations of other Governmental Agencies or stock exchanges, LMI or Nordion as the case may be, shall provide reasonable notice to the other party prior to any such disclosure in order to permit, to the extent possible, such party to purge or otherwise redact the disclosure of Confidential Information to the extent permitted by applicable law, while enabling the other party to comply with the applicable Governmental Agency or applicable law. Each party may disclose this Agreement and the commercial relationship

contemplated herein to potential successors and permitted assigns or financing sources as may be required in connection with the due diligence (and after receipt of a bona fide expression of interest) obligations of such persons having a need to know such information. Prior to LMI or Nordion disclosing this Agreement and the commercial relationship contemplated herein to a potential successor or permitted assign that is a direct competitor or customer of the non-assigning party, the assigning party shall provide the non-assigning party an opportunity to redact or otherwise protect its information of commercially sensitive nature. In any event any such permitted disclosure shall be subject to confidentiality obligations of the type substantially similar to those contained in this Agreement including the CDA.

16.4 Amendment or Modification. This Agreement may not be amended, modified, varied or supplemented, nor any provision hereof waived, except in writing signed by duly authorized representatives of the both parties.

16.5 Assignment. Neither party shall be entitled to assign its rights under this Agreement hereunder without the express written consent of the other party hereto, which shall not be unreasonably withheld, except that LMI or Nordion may respectively assign their rights under this Agreement without consent to (i) an Affiliate (as defined in the CDA); or (ii) any assignee who acquires all or substantially all of its assets or the relevant product line or business division to which the Product pertains; or (iii) in the event of such party's merger or consolidation or similar transaction. No such assignment shall be valid and effective unless and until the assignee shall agree in writing to be bound by the provisions of this Agreement. Any assignment not in accordance with this Section 16.5 shall be null and void.

16.6 Sub-contracting. Either party may sub-contract any of the work to be performed hereunder by such party with the prior written consent of the other party, which consent shall not be unreasonably withheld. No such sub-contracting shall relieve such party of its obligations hereunder.

16.7 Severability. If any provision or term of this Agreement is found unenforceable under any of the laws or regulations applicable thereto, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement to effect the original intent of the parties as closely as possible, in a mutually acceptable manner, in order that the transaction contemplated hereby be consummated as originally contemplated to the greatest extent possible.

16.8 No Waiver. No failure or delay on the part of either Nordion or LMI to exercise or enforce any rights conferred on it by this Agreement shall be construed or operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege or further exercise thereof operate so as to bar the exercise or enforcement thereof at any time or times thereafter. Any waiver of a breach of any provision

hereof shall not be effective unless in writing and shall not affect either party's rights in the event of any additional breach.

16.9 No Consequential Damages. In no event shall either party or its respective employees, officers, directors or representatives be liable for indirect, contingent, special, incidental or consequential damages (including loss of profit or business opportunity). For purposes of clarity and notwithstanding the immediately foregoing sentence, the parties acknowledge that nothing in this Section 16.9 shall affect or limit any right that Nordion may have to seek full payment from LMI for failure by LMI to purchase and/or pay for its purchase volume commitments in accordance with Sections 3.4 and 6.2 of this Agreement.

16.10 Survival. Sections 5.2, 14, 16.1 through 16.3, 16.5, 16.7 through 16.9, 18 (in accordance with its terms), and 20.1 and such other sections which by their nature survive, shall survive termination or expiration of this Agreement.

17. Force Majeure

17.1 Neither party shall be liable to the other for failure to perform or delay in performing its obligations under this Agreement by virtue of the occurrence of an event of Force Majeure. In the event of Force Majeure, the party affected shall promptly notify the other and shall exert commercially reasonable efforts to eliminate, cure or overcome such event and to resume performance of its obligations. In the event such Force Majeure affecting either party continues for more than **** (****) days, either party may terminate this Agreement. **"Force Majeure"** shall mean an occurrence which prevents, delays or interferes with the performance by a party of any of its obligations hereunder, if such event occurs by reason of any act of God, flood, power failure, fire, explosion, casualty or accident, or war, revolution, civil commotion, acts of public enemies, acts of terrorism, blockage or embargo, or any law, order or proclamation of any government, failure of suppliers or usual suppliers to provide materials, equipment or machinery, or interruption of or delay in transportation, strike or labor disruption, or other similar cause beyond the reasonable control of such party.

LMI has been informed, acknowledges and agrees that as of the Effective Date, Nordion was, is and continues to currently be subject to an event of Force Majeure in that its usual supplier, the NRU Reactor, is unable to supply Molybdenum-99 material used in the production of Product, which Force Majeure may endure for a period of time, and as such Nordion may not be in a position to accept and/or fulfill any purchase order issued by LMI under this Agreement. LMI further acknowledges and agrees that Nordion has exerted commercially reasonable efforts to eliminate, cure or overcome such current Force Majeure.

18. Insurance

18.1 Comprehensive General Liability Insurance. During the Contract Term of this Agreement and for a period of **** (****) **** thereafter each party at its own cost shall

maintain in full force and effect Comprehensive General Liability insurance coverage with a reputable insurer including without limitation product liability, bodily injury, death and property damage, in an amount of not less than US$**** per occurrence and in the aggregate. Nothing contained in this Section 18 shall be deemed to limit in any way the indemnification provisions contained in this Agreement. Upon request each party shall provide to the other a certificate of insurance evidencing such coverage.

19. Notices

19.1 Contact Information. Any notice required or authorized to be given by a party to the other in accordance with the provisions of this Agreement shall, unless otherwise specifically stipulated, be in writing and delivered personally, by a nationally recognized overnight courier, or if by electronic facsimile confirmed by certified or registered mail. Notice shall be deemed delivered upon receipt.

If to NORDION, to:
MDS Nordion
447 March Road
P.O. Box 13500
Ottawa, Ontario K2K 1X8

Attention: Vice President Global Sales
Telephone: (613) 592-2790
facsimile: (613) 592-0767

and

Attention: Associate General Counsel
Telephone: 613 592-2790
Facsimile: 613 592-0571

If to LMI, to:
Lantheus Medical Imaging, Inc.
331 Treble Cove Road,
North Billerica, MA 01862

Attention: Vice President, Manufacturing
Telephone: (978) 671-8853
Facsimile: (978) 671-9577

and

Attention: Vice President and General Counsel
Telephone: (978) 671-8408
Facsimile: (978) 671-8724

20. Governing Law

20.1 Applicable Law. The construction, validity and performance of the Agreement shall be governed and construed in accordance with the laws of Ontario and the laws of Canada applicable therein, without giving effect to its choice of law rules. The application of the United Nations Convention on the International Sale of Goods is expressly excluded.

21. Dispute Resolution

21.1 Except as set forth in Section 4.6 hereof, any and all disputes arising from this Agreement shall be amicably and promptly settled upon consultation among the parties. The parties agree that if an amicable settlement is not reached within seven

(7) days after commencing consultation, the disputes shall be escalated to the officers named in Section 19.1 hereof or their respective designees. In the event such officers fail to meet or, if they meet, fail to resolve the dispute within an additional ten (10) business days, then the dispute may be submitted to a court of competent jurisdiction.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their representatives thereunto duly authorized as of the Effective Date.

Lantheus Medical Imaging, Inc.		**MDS Nordion, a division of MDS (Canada) Inc.**		
By:	/s/ William C. Dawes, Jr.	By:	/s/ Steven M. West	
Name:	William C. Dawes, Jr.	Name:	Steven M. West	
Title:	V.P. Manufacturing & Supply Chain	Title:	CEO MDS INC.	[SEAL]
Date:	4-23-10	Date:	4-26-10	

Exhibit 10.13

CONFIDENTIAL TREATMENT REQUESTED

INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND NOTED WITH "**".**
AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.

Execution Counterpart

AMENDED AND RESTATED
CARDIOLITE® LICENSE AND SUPPLY AGREEMENT

by and between

LANTHEUS MEDICAL IMAGING, INC.

and

CARDINAL HEALTH 414, LLC

dated January 1, 2004

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(continued)

Amended and Restated Cardiolite® License and Supply Agreement

This Amended and Restated Cardiolite® License and Supply Agreement (this " Agreement"), entered into as of January 1, 2009 ("Amendment Date") and effective as of January 1, 2004 (the "Effective Date"), is made by and between Lantheus Medical Imaging, Inc., a corporation duly organized and existing under the laws of the state of Delaware, with its offices located at 331 Treble Cove Road, North Billerica, Massachusetts (" LMI"), and Cardinal Health 414, LLC, a limited liability company duly organized and existing under the laws of the state of Delaware doing business as Cardinal Health Nuclear Pharmacy Services, with its principal place of business located at 7000 Cardinal Place, Dublin, Ohio (" Company" together with LMI, the "Parties" and, individually, each a "Party").

WHEREAS, LMI (formerly known as Bristol Myers Squibb Medical Imaging, Inc.) and Company (formerly known as Cardinal Health 414, Inc.) previously entered into that certain Cardiolite® License and Supply Agreement, dated January 1, 2004, and as amended from time to time (including as of March 17, 2008) ("Prior Agreement"); and

WHEREAS, the Parties now wish to replace and supersede the Prior Agreement in its entirety by the terms and conditions of this Agreement as set forth herein.

In consideration of the mutual covenants established herein, the Parties hereby agree as follows:

1. Definitions

1.01 "Additional License Fee" has the meaning set forth in Section 2.09.

1.02 "Additional Special License Fee" has the meaning set forth in Section 2.10.

1.03 "AE" means any untoward medical occurrence in a patient or clinical investigation subject, which results in any unfavorable and unintended sign, symptom, or disease temporally associated with the use of a medicinal product, whether or not considered, related to the medicinal product. All noxious and unintended responses to a medicinal product related to any dose should be considered adverse drug reactions. Responses to a medicinal product means that a causal relationship between the product and AE is at least a reasonable possibility (i.e., the relationship cannot be ruled out or cannot be determined). The failure of a Sestamibi Product to localize as expected shall not be deemed an adverse experience, whereas a significant failure of expected pharmacologic action would be considered an adverse event.

1.04 "Affiliate," when used with reference to any Party, means any other entity, which Controls, is Controlled by or is under common Control with such Party.

1.05 "Amendment Date" has the meaning set forth in the Preamble.

1.06 "Anti-kickback Provisions" has the meaning set forth in Section 5.06.

1.07 "Approved Sampling Program" has the meaning set forth in Section 2.15.

1.08 "**** Sestambi Product" means Sestamibi Product ****.

1.09 "Cardiolite®" means the trademark "Cardiolite®."

1.10 "cGMP" means all current good manufacturing practices under Title 21 of the United States Code of Federal Regulations, as amended from time to time.

1.11 "Company" has the meaning set forth in the Preamble.

1.12 "Competitor" means a commercial enterprise that, as of the Amendment Date, owns (or an Affiliate of which owns) a new drug application or an abbreviated new drug application for a technetium-based myocardial perfusion imaging agent.

1.13 "Confidential Information" has the meaning set forth in Section 5.11

1.14 "Control", when used with respect to any Party or entity, means the power to direct the management and policies of such Party or entity, directly or indirectly whether through the ownership of voting securities, by contract, or otherwise. "Controlled" and "Controlling" have correlative meanings.

1.15 "Demand" has the meaning set forth in Section 5.10.

1.16 "Dispute" has the meaning set forth in Section 5.10.

1.17 "Effective Date" has the meaning set forth in the Preamble.

1.18 "FDA" has the meaning set forth in Section 2.02.

1.19 "Federal Food, Drug, and Cosmetic Act" means the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 321 et seq., as amended, and any regulations promulgated or adopted thereunder.

1.20 "Fee Per Dose" means the Fee Per Dose set forth on Exhibit B.

1.21 "Force Majeure" means any war, rebellion, mutiny, terrorist attack, epidemic, act of God (e.g., landslide, lightning, earthquake, fire or hurricane, flood, sinking, drought), explosion, act or decision of any duly constituted municipal, state or national governmental authorities or of any court of law, supply or batch failure, equipment failure or malfunction, shortages of fuel, power or raw materials, which failure, malfunction or shortage is not under the reasonable control of the affected party, or any other cause or event which is not under the reasonable control of the affected party.

1.22 "including", "includes" and derivates thereof shall be deemed to be followed by "without limitation".

1.23 "Indemnified Party" has the meaning set forth in 4.04(a).

1.24 "Indemnifying Party" has the meaning set forth in 4.04(a).

1.25 "Licensed Pharmacy Locations" means the radiopharmacies controlled by Licensee that are located in the United States at the addresses set forth on Exhibit A, as such Exhibit may be modified from time to time pursuant to Section 2.12.

1.26 "Licensee" means the Company and all Affiliates of Company that own and operate one or more radiopharmacies, and restricted to the operations of the foregoing in the United States.

1.27 "Parties" has the meaning set forth in the Preamble.

1.28 "Party" has the meaning set forth in the Preamble.

1.29 "Patents" means U.S. Patent Nos. 4,452,774, 4,894,445 and 4,988,827.

1.30 "**** Product" means Sestamibi Product that will be ****.

1.31 "Quarter" means each of the three (3) month periods ending on March 31, June 30, September 30 and December 31 of any Year provided that the last quarter shall end on the date of termination of this Agreement.

1.32 "Quarterly Share Calculation Report" has the meaning set forth in Section 2.07.

1.33 "Reporting Quarter" means the Quarter with respect to which Required Monthly reports and Quarterly Share Calculation Reports are submitted.

1.34 "Required Monthly End User Data Report" has the meaning set forth in Section 2.07.

1.35 "Required Monthly Reports" means the Required Monthly Vial and Unit Dose Report and the Required Monthly End User Data Report.

1.36 "Required Monthly Vial and Unit Dose Report" has the meaning set forth in Section 2.07.

1.37 "Serious AE" means any untoward medical occurrence that at any dose: results in death; is life-threatening (defined as an event in which the subject or patient was at risk of death at the time of the event; it does not refer to an event which hypothetically might have caused death if it were more severe); requires inpatient hospitalization or causes prolongation of existing hospitalizations; results in persistent or significant disability/incapacity; results in a congenital anomaly/birth defect; is an important medical event (defined as a medical event(s) that may not be immediately life-threatening or result in death or hospitalization, but based upon appropriate medical and scientific judgment, may jeopardize the patient/subject or may require intervention, e.g., medical surgical, to prevent one of the other serious outcomes listed in the definition above). Examples of such events include, but are not limited to, intensive treatment in an emergency room

or at home for allergic bronchospasm; blood dyscrasias or convulsions that do not result in hospitalization. For reporting purposes, LMI also considers the occurrences of cancer, pregnancy, or overdose (accidental or intentional and regardless of adverse outcome) as events that must be expeditiously reported as important medical events.

1.38 "Sestamibi Products" means Sestamibi sold by LMI to Licensee, comprising **** Product and **** Product.

1.39 "Sestamibi Unit Dose" means a syringe of technetium and any Sestamibi Product that is prepared in Licensee's place of business and is intended to be injected into a single patient during one administration of an injection.

1.40 "Special License Fee" has the meaning set forth in Section 2.10.

1.41 "Specifications" has the meaning set forth in Section 2.19.

1.42 "Third Party Claim" has the meaning set forth in 4.04(a).

1.43 "Trademarks" means trademarks, service marks, trade dress, logos and other identifiers of source, including all goodwill associated therewith and all common law rights, registrations and applications for registration thereof.

1.44 "Unit Dose Equivalent" means, with respect to reconstituted (multidose or hot) vials transferred pursuant to Section 2.23, the aggregate volume of such transfers (in mCi), divided by ****.

1.45 "Usage Guidelines" has the meaning set forth in Section 2.02(b).

1.46 "Vial Price" means the Vial Price set forth on Exhibit B.

1.47 "Vial Utilization Base" the initial Vial Utilization Base set forth on Exhibit B, as such Vial Utilization Base is modified from time to time pursuant to Section 2.11.

1.48 "VUB Adjustment Percentage" means the VUB Adjustment Percentage set forth on Exhibit B.

1.48 "Year" means a calendar year commencing on January 1 and ending on December 31 during the term of this Agreement.

2. SESTAMIBI PRODUCTS

2.01 Patent License. LMI hereby grants to Licensee, subject to Section 2.22, a non-exclusive, non-transferable, non-sublicenseable license under the Patents, through expiration of the Patents, to (a) reconstitute and radiolabel with technetium solely at the Licensed Pharmacy Locations the Sestamibi Products supplied in vials by LMI to Licensee pursuant to the provisions of this Article 2, and (b) prepare at, and sell or otherwise supply from, the Licensed Pharmacy Locations, Sestamibi

Unit Doses prepared from such vials of Sestamibi Products to end-user customers solely for their own use in the United States. However, the rights granted Licensee hereunder to use the Patents shall in no way affect LMI's ownership of such Patents. No other right, title or interest in the Patents is established hereby, and nothing herein shall be construed to grant any right or license to Licensee to use the LMI Patents other than as specifically set forth herein. In the event that the terms of this Agreement conflict or are inconsistent with the terms of the label license affixed to a package of vials of the Sestamibi Products supplied by LMI, the terms of this Agreement shall control.

2.02 Trademark Licensee, Trade Dress, etc. and Promotional Materials .

(a) Subject to Section 2.22, unless LMI otherwise agrees in writing, Licensee shall have the right to sell from the Licensed Pharmacy Locations, in packages bearing the applicable Trademark, Sestamibi Unit Doses prepared from vials of Sestamibi Products supplied by LMI to Licensee and the right to use said Trademarks in any advertising circulars or other promotional materials relating to the Sestamibi Products in the United States, provided that such circulars or materials comply with all applicable laws, including all rules and regulations of the U.S. Food and Drug Administration (the "FDA") and all terms and conditions of the FDA's approval of LMI's Sestamibi Products. However, the rights granted Licensee hereunder to use the Trademarks shall in no way affect LMI's ownership of such Trademarks. No other right, title or interest in the Trademarks is established hereby, and nothing herein shall be construed to grant any right or license to Licensee to use the Trademarks other than as may be specifically set forth herein.

(b) Licensee shall provide to LMI for its review and consent copies of all proposed uses of the Trademarks, in any form, in connection with any product or any activity, except when used in accordance with any usage guidelines that may be provided by LMI from time to time (the "Usage Guidelines"). Without limiting the foregoing, (i) Licensee shall indicate in connection with any usage of any Trademark that the Trademark is the registered Trademark of LMI and (ii) Licensee shall ensure that all packaging, labeling, trade dress, advertising circulars and other promotional materials or materials used in connection with the distribution of the Sestamibi Products or Sestamibi Unit Doses (whether or not bearing any of the Trademarks) shall comply with all applicable laws, including all rules and regulations of the FDA and all terms and conditions of the FDA's approval of LMI's Sestamibi Products.

(c) LMI may modify the Usage Guidelines from time to time in its sole discretion upon not less than forty-five (45) days' written notice to Licensee, and, except for deviations consented to in writing by LMI, Licensee shall comply with such Usage Guidelines in all respects, provided that in the event of a modification of the Usage Guidelines Licensee shall be entitled to continue to use any then existing stocks of packaging, labeling, trade dress, advertising circulars and other promotional materials or in other materials used in connection with the

distribution of the Sestamibi Products or Sestamibi Unit Doses that bear any of the Trademarks and that comply with the Usage Guidelines that were superseded by such modified Usage Guidelines and with applicable law until such stocks are exhausted.

(d) If Licensee fails to follow in any material respect any of the Usage Guidelines provided by LMI or has otherwise misused the Trademarks or has failed to comply in any material respect with this Section, then LMI may terminate this Agreement by giving written notice to Licensee effective on such date as may be specified in such notice if Licensee fails to cure such breach within twenty (20) days notice thereof from LMI,

2.03 Supply of Vials. During the term of this Agreement LMI shall supply vials of Sestamibi Products in accordance with Sections 2.16 and 2.17, provided that **** Product will be supplied after ****. Delivery by LMI of such vials of Sestamibi Products to Licensee is made pursuant to the license and other terms set forth herein in consideration for payment of the Vial Price, Additional Fee, Special License Fee, and Additional Special License Fee, as provided for in Sections 2.08, 2,09 and 2.10 but shall not be construed as a sale. The contents of each vial delivered hereunder shall remain the property of LMI until such time as the contents are reconstituted, radiolabeled and removed from such vial as a Sestamibi Unit Dose. Title to the Sestamibi Products included in any Sestamibi Unit Dose shall pass to Licensee when doses are removed from the vial. Upon removal from a vial of the last Sestamibi Unit Dose prepared by Licensee from such vial, title to such vial and to any remaining contents shall pass to Licensee solely for purposes of disposing of such vial and its contents. Licensee shall bear all risk of loss with respect to the Sestamibi Products following delivery thereof to (or to the order of) Licensee. Licensee hereby represents and warrants that Licensee will properly dispose of such material in accordance with the rules and regulations promulgated by the U.S. Nuclear Regulatory Commission and all other applicable state and federal Government regulations, including those covering pollution, hazardous substances, or the protection of human health, the environment or natural resources.

2.04 Price by Licensee. Licensee shall have sole control and discretion as to the price that its customers will pay for each Sestamibi Unit Dose that Licensee sells.

2.05 Limitations. In no event shall Licensee sell, loan, transfer, give or otherwise supply a vial of Sestamibi Products to any third party. In no event shall Licensee reconstitute or radiolabel with technetium any Sestamibi Products at any location other than the Licensed Pharmacy Locations. In no event shall Licensee or any of its subsidiaries or Affiliates sell, loan, transfer, give or otherwise supply a Sestamibi Unit Dose from any location other than the Licensed Pharmacy Locations. LMI may terminate this Agreement immediately by giving written notice to Licensee, effective on such date as may be specified in such notice, in the event of a failure to comply with the foregoing covenants.

2.06 Bailment Abuse. Licensee shall not engage in or facilitate dose splitting with respect to any Sestamibi Unit Dose or engage in or facilitate any other bailment abuse. Licensee shall use commercially reasonable efforts to prevent its end-user customers from engaging in dose splitting with respect to any such Sestamibi Unit Dose or engaging in any other bailment abuse. Licensee shall promptly notify LMI in the event Licensee learns of any dose splitting or other bailment abuse by any of Licensee's end-user customers.

2.07 Reports.

(a) Weekly Dose Volume Reports. Not later than five (5) business days after the end of each week that ends during the period from the Effective Date through December 31, 2009, Licensee shall provide to LMI a timely and accurate report, in substantially the form of Exhibit C, that sets forth the total number of Sestamibi Unit Doses sold or supplied by Licensee during such week in such detail as described in such Exhibit and such other data specified in such Exhibit, as the same may be modified from time to time pursuant to Section 2.07(e) (the "Weekly Dose Volume Reports").

(b) Quarterly Reports. Not later than fifteen (15) calendar days after the end of each quarter that ends during the term hereof, Licensee shall provide to LMI a timely and accurate report, in substantially the form of Exhibit D, that sets forth the total number of Sestamibi Unit Doses sold or supplied by Licensee during such quarter in such detail as described in such Exhibit and such other data specified in such Exhibit, as the same may be modified from time to time pursuant to Section 2.07(e) (the " Quarterly Share Calculation Reports").

(c) Required Monthly Reports.

(i) Not later than fifteen (15) days after the end of each month that ends during the term hereof, Licensee shall provide to LMI timely and accurate reports for **** Sestamibi Product and separately for **** Product, each in substantially the form of Exhibit E, that set forth the vial usage data, unit dose data, charge and billing information and other data specified in such Exhibit, as the same may be modified from time to time pursuant to Section 2.07(e) (the " Required Monthly Vial and Unit Dose Report").

(ii) Not later than thirty (30) days after the end of each month that ends during the term hereof, Licensee shall provide to LMI reports for **** Sestamibi Product and separately for **** Product, each in substantially the form of Exhibit F, that sets forth (A) name, street, address, city, state and zip code of each customer of Licensee that purchased Sestamibi Unit Doses or received no-charge Sestamibi Unit Doses during such month but does not include the name (or personal identifying information) of any patient to whom any Sestamibi Unit Dose

may be administered, (B) the number of Sestamibi Unit Doses purchased or otherwise received by such customer during such month, and (C) and other data specified in such Exhibit, as the same may be modified from time to time pursuant to Section 2,07(e) (the "Required Monthly End User Data Report").

(d) Form of Reports. Such reports shall be provided in electronic form reasonably satisfactory to LMI or in such other form as the Parties may agree to from time to time and shall be sent to such person at such address as LMI may specify from time to time.

(e) Modifications to Reporting Form. LMI may modify the required format of such reports upon at least ninety (90) days' written notice to Licensee. Licensee shall use reasonable efforts to accommodate such modifications. The data required to be reported in such reports may be modified only by mutual agreement of the Parties. At the beginning of each Year, the Parties will review all such data required hereunder, and agree to such modifications that are necessary to meet business needs and to eliminate any unnecessary information.

(f) Separate Reports for Licensee's Affiliate. Licensee acknowledges and agrees that reports required in this Section 2.07 shall be submitted for all Licensed Pharmacy Locations in the aggregate; provided, however, that such reports may be submitted separately for the following Licensed Pharmacy Locations controlled by Licensee's Affiliate ****,: ****.

(g) Certification. All reports provided by Licensee hereunder will be signed and certified by a duly authorized officer of Licensee, to the effect that all information in such reports is true, correct and complete.

2.08 License Fee. Licensee shall pay a license fee to LMI equal to the then effective Vial Price for each vial of each Sestamibi Product delivered to it by LMI during the term of this Agreement. Such payment shall entitle Licensee to prepare and sell from the Licensed Pharmacy Locations a number of Sestamibi Unit Doses from each vial equal to the Vial Utilization Base. Such payment shall be due and payable as set forth in LMI's invoice.

2.09 Additional License Fee. Licensee also shall pay to LMI an additional license fee every month during the term of this Agreement (the "Additional License Fee") calculated in accordance with Exhibit G. Any Additional License Fee shall be due and payable as set forth in LMI's invoice.

2.10 Special License Fee. Company shall pay LMI **** U.S. dollars (US $****) (the " Special License Fee") simultaneously with the

execution of this Agreement, which fee shall be fully refunded to Company if LMI does not make available to Licensee the **** Product by ****. Licensee

further shall pay to LMI **** U.S. dollars (US $****) (the "Additional Special License Fee") immediately upon LMI's delivery of **** Product to Licensee, provided that such delivery occurs on or prior to ****.

2.11 Modification of VUB. The Parties may from time to time mutually agree to modify the Vial Utilization Base and shall act in a commercially reasonable manner and work cooperatively to set a Vial Utilization Base that meets commercially reasonable market norms; provided that such Vial Utilization Base shall (i) not exceed a percentage equal to the then effective VUB Adjustment Percentage of the average number of Sestamibi Unit Doses per vial sold by Licensee during the **** (****) **** period immediately preceding such notice or, if this Agreement has been effective for a period of time less than **** (****) ****, such shorter period or during such other period as the Parties may mutually elect to use from time to time, and (ii) shall in no event be lower than **** (****).

2.12 Modification of Licensed Pharmacy Locations. LMI may at its sole option and discretion, effective immediately upon notice by LMI to Licensee, remove any radiopharmacy from Exhibit A that fails to maintain all necessary state, federal and local licenses or that is no longer owned or controlled by Licensee. If Licensee acquires a radiopharmacy in the United States, such radiopharmacy shall be included in Exhibit A upon notice to Supplier, subject to LMI's right, as provided above, to remove such radiopharmacy.

2.13 Taxes. Licensee shall be responsible for any and all federal, state, county, or municipal sales or use tax, healthcare tax, excise, customs charges, duties or similar charges, or any other tax assessment (other than that assessed against LMI's income), license, fee or other charge lawfully assessed or charged on the sale, license or transportation of each Sestamibi Product licensed pursuant to this Agreement or the license fees or other amounts payable to LMI hereunder.

2.14 Radiopharmacy Status. Licensee represents and warrants to LMI that each radiopharmacy listed on Exhibit A holds all state, federal and local licenses necessary for the lawful conduct of its business as a radiopharmacy. Licensee shall notify LMI promptly in the event that any such radiopharmacy fails to maintain all necessary state, federal, and local licenses, but in any event not later than ten (10) days following the expiration, suspension, termination, cancellation, non-renewal or other loss of any such license.

2.15 Approved Sampling Programs. LMI may in its sole discretion develop one or more programs to provide or facilitate the provision of samples of Sestamibi Products (or Sestamibi Unit Doses) to promote the development of the market for Sestamibi in compliance with the Prescription Drug Marketing Act of 1987, 21 U.S.C. § 301 et seq., its implementing regulations, and any applicable state laws. Any such sampling program is referred to herein as an "Approved Sampling Program."

2.16 Purchase Orders; Acceptance; Cancellation

(a) LMI shall use commercially reasonable efforts to supply Sestamibi Products in the quantities ordered by Licensee, subject at all times to the reasonable capacity and supply constraints of LMI. Licensee shall place orders for Sestamibi Products hereunder in written, electronic or verbal form which shall specify: (i) the amount of each Sestamibi Product being ordered, (ii) the requested shipping date, (iii) the location of delivery (e.g., F.O.B. LMI's dock) and (iv) the shipping destination and requested method of shipment. Licensee may order Sestamibi Products in each purchase order only in quantities of **** (****) vial kits or greater or in such other minimum quantities as may be agreed upon by the Parties from time to time. All orders are subject to (1) LMI's normal ordering requirements and lead times as in effect from time to time, (2) LMI's discretion to determine the method of shipment and (3) acceptance by LMI, which shall not be unreasonably withheld. In the event of any conflict between the terms of any purchase order, purchase order acceptance or purchase order confirmation and the terms of this Agreement, the terms of this Agreement shall control.

(b) Subject to Section 2.15(a), LMI may cancel any outstanding purchase order submitted by Licensee (or any portion thereof) upon at least fourteen (14) days prior written notice to Licensee. In such case LMI shall not be required to sell to Licensee any Sestamibi Products to be supplied pursuant to such purchase order after the date of cancellation.

2.17 Shipments. Delivery of each Sestamibi Product shall be as follows:

(a) ****. (****), if the purchase order for such Sestamibi Product specifies LMI's dock as its delivery location. In such case, freight and insurance shall be for the account of Licensee, and the risk of loss, delay or damage in transit shall be with Licensee from and after delivery to Licensee's carrier (which must be a qualified carrier) at LMI's dock;

(b) ****. (****), if the purchase order for such Sestamibi Product specifies a Licensed Pharmacy Location as its delivery location. In such case, freight and insurance shall be for the account of LMI, and the risk of loss, delay or damage in transit shall be with LMI until delivery to the Licensee radiopharmacy; or

(c) ****. (any other location, as agreed to in writing by the Parties) if the purchase order for such Sestamibi Product specifies any other location as its delivery location. Freight and insurance shall be for the account of LMI, unless otherwise agreed by the Parties, and the risk of loss, delay or damage in transit shall be LMI, unless otherwise agreed to by the Parties, until delivery to the location specified in the purchase order for such Sestamibi Product.

2.18 Invoicing and Payment. LMI shall provide an invoice to Licensee for the Sestamibi Products then delivered. All payments shall be due and payable as set forth in LMI's invoice.

2.18 Specifications. Each Sestamibi Product supplied to Licensee pursuant to this Agreement shall be manufactured by LMI in accordance with LMI's specifications for such Sestamibi Products as in effect from time to time (the "Specifications").

2.19 Non-Conforming Product. Licensee may reject a shipment of any Sestamibi Product only if such shipment fails to conform to (A) the type and quantity of Sestamibi Products ordered by Licensee or (B) the Specifications; provided that Licensee notifies LMI in writing of any such rejection within ten (10) days after receipt by Licensee of such shipment of Products. Licensee's sole remedy with respect to any non-conforming Products shall be to receive replacement quantities for any non-conforming Product or credit for the purchase price thereof against future purchases of Products; provided that LMI shall be entitled to make reasonable substitutions. Licensee may reject any such shipment by following the customary procedures for rejection of Sestamibi Products as is established by LMI or as otherwise agreed to by the Parties from time to time.

2.21 Compliance. Company shall cause its Affiliates to comply with this Agreement.

2.22 Territorial Limitations on Scope of Licenses. The licenses granted under Sections 2.01 and 2.02 are granted solely under and with respect to United States patents and United States trademarks. Nothing herein shall be construed as granting Licensee any rights under non-United States patents, trademarks or otherwise to (a) reconstitute, radiolabel, prepare, sell or otherwise supply Sestamibi Unit Doses outside the United States, (b) sell Sestamibi Unit Doses under the Trademarks outside the United States, (c) use said Trademarks in any advertising circulars or other promotional materials outside the United States or (d) undertake any activities with respect to Sestamibi Products outside the United States. Accordingly, the reconstitution, radiolabeling, preparation, sale, transfer, delivery or supply by Licensee of any Sestamibi Unit Doses outside the United States is strictly prohibited.

2.23 Transfer of Vials. Notwithstanding Section 2.05, Licensee may, on an emergency basis or at LMI's discretion in circumstances, where because of the location of Licensee's customer, the delivery of Sestamibi Unit Doses is not commercially practical and consistent with Licensee's past practice, transfer vials of Sestamibi Products to a customer (including vials that have been reconstituted or radiolabeled with technetium by Licensee). Licensee shall pay to LMI an amount equal to (a) ****% of Licensee's aggregate revenue from such transfers of unreconstituted (cold) vials, less (b) the aggregate Vial Price paid hereunder with respect to such vials and plus (c) the product of (i) the number of reconstituted (multidose or hot) vial Unit Dose Equivalents transferred pursuant to this Section, multiplied by (ii) the Fee Per Dose, in each case as part of the additional license fee as provided in Section 2.09. LMI may, at any time by written notice to

Licensee, terminate Licensee's right to transfer vials of Sestamibi Products pursuant to this Section.

2.24 Minimum Purchase Obligation. Licensee guarantees, subject to LMI's ability to supply, a minimum purchase of Sestamibi Products as set forth in this Section.

(a) Licensee shall purchase from LMI at least the Minimum Quantity (as hereinafter defined) of Sestamibi Products. Compliance with such Minimum Quantity will be determined on ****, ****, and at the end of each **** thereafter (each a "Compliance Period"). In any Compliance Period in which Licensee does not purchase at least the applicable Minimum Quantity of Sestamibi Products from LMI, Licensee shall within twenty (20) days of the end of such Compliance Period (i) purchase the Shortfall Amount (as hereinafter defined) for such Sestamibi Products and (ii) in the event any such Shortfall Amount is greater than **** percent (****%) of such applicable Minimum Quantity, in addition to such purchase obligation, shall pay LMI an additional **** ($****) per dose for all doses in such Shortfall Amount. Within three (3) weeks prior to the end of any Compliance Period, Licensee shall (i) make a good faith estimate of additional amounts of **** Sestamibi Product and **** Product necessary for Licensee to purchase to be in compliance with the Minimum Quantity for such Compliance Period, and (ii) use commercially reasonable efforts to place purchase orders for such additional amounts.

"Minimum Quantity" means:

January 1, 2009 to ****	****% of all Technetium99-based myocardial perfusion imaging doses sold by Licensee
**** to ****	****% of all Technetium99-based myocardial perfusion imaging doses sold by Licensee
**** to ****	****% of all Technetium99-based and thallium-based myocardial perfusion imaging doses sold by Licensee
**** to ****	****% of all Technetium99-based and thallium-based myocardial perfusion imaging doses sold by Licensee
**** for the duration of this Agreement	****% of all Technetium99-based and thallium-based myocardial perfusion imaging

doses sold by Licensee

provided that if the thallium-based myocardial perfusion imaging doses sold by Licensee exceed **** percent (****%) of all Technetium99-based and thallium-based myocardial perfusion imaging doses sold by Licensee during the applicable period, then such doses in excess of **** percent (****%) shall be excluded from the calculation of all Technetium99-based and thallium-based myocardial perfusion imaging doses for such period.

If LMI does not make available to Licensee a **** Product on or before ****, the Minimum Quantity shall be reduced to ****% for ****, ****% for **** and ****% for **** and the remaining duration of the Agreement.

"Shortfall Amount" means, with respect to an applicable Compliance Period, an amount of doses of Sestamibi Products for any remaining portion of the applicable Minimum Quantity not invoiced prior to the end of such Compliance Period. The Fee Per Dose for Sestamibi Products constituting a Shortfall Amount shall be the same as in effect during the Compliance Period to which the Shortfall Amount relates, and any purchases of doses of Sestamibi Products to satisfy the Shortfall Amount for such Compliance Period shall not count towards, and not be included in the calculation of, any Minimum Quantity for the next succeeding Compliance Period hereunder. In calculating the number of vials of Sestamibi Products doses to be purchased to satisfy the Shortfall Amount, doses per vial shall be calculated by reference to the most recently available Required Monthly Vial and Unit Dose Report by dividing line K thereon by line D thereon to determine the most recent vial utilization rate. Licensee shall specify to Supplier the destination for shipment of any excess vials purchased pursuant to this Section 2.24(a) otherwise in accordance with this Agreement.

(b) If, after giving effect to the purchase of additional doses as contemplated by Section 2.24(a) hereof, in the most recently completed Compliance Period, the **** Sestamibi Product doses purchased comprise less than the **** Product Percentage (as hereinafter defined) of the Minimum Quantity, Licensee will promptly pay to LMI an adjustment payment equal to: (i) the difference between the **** Sestamibi Product and the **** Product prices set forth on Exhibit B, multiplied by (ii) the difference between (a) the Minimum Quantity of doses multiplied by the **** Product Percentage and (b) the **** Sestamibi Product doses actually purchased.

"**** Product Percentage" means the following percentage of the Minimum Quantity of doses of Sestamibi Product purchased by Licensee hereunder:

July 1, 2009 to ****	****%
**** to ****	****%

**** to ****	****%
**** for the duration of this Agreement	****%

(c) For the final Compliance Period under this Agreement, notwithstanding the termination of this Agreement as of the last day of such Compliance Period, the provisions of this Section 2.24 shall be deemed to survive such termination and be binding upon the Parties until such time as all Sestamibi Product has been purchased and payments made pursuant hereto for such Compliance Period.

2.25 Sole Supplier. Neither Licensee nor its Affiliates shall purchase, have manufactured, or otherwise acquire sestamibi from any third party during the term of this Agreement until Licensee sells its own generic sestamibi in the United States manufactured pursuant to an approved abbreviated new drug application owned by Licensee or one of its Affiliates (but not under an abbreviated new drug application of any third party). For the avoidance of doubt, the minimum purchase obligations described in Section 2.24 will remain applicable for the duration of this Agreement notwithstanding any such sale of its own generic Sestamibi by Licensee.

2.26 **** Pricing. LMI shall offer to Licensee **** net pricing for **** Product and **** Sestamibi Product offered by LMI or any of its Affiliates to any third party non-governmental customer of LMI (not including radiopharmacies owned by LMI or its Affiliates) in the United States on the terms and conditions set forth herein. LMI agrees to notify Licensee promptly upon entering into any contract with any such third party that would provide such third party with such **** net pricing. Upon the written request of Licensee at the end of any Quarter during the term of this Agreement, an authorized officer of LMI shall certify in writing to Company that LMI did not enter into any such contract during such Quarter. The term "net pricing" as used herein shall mean the totality of (a) the price for **** Product or **** Sestamibi Product, as applicable, and (b) all other economic terms and conditions relating to the purchase of such **** Product or **** Sestamibi Product, as applicable, including volume commitments, warranty terms, payment terms, indemnification, and specific credits, rebates, allowances, refunds, and discounts. Company may elect to have all prices and corresponding economic terms and conditions adjusted hereunder pursuant to the terms and conditions of such third party contract, in which case the Parties shall amend this Agreement to reflect the same.

2.27 Sales of Sestamibi Products to Others. LMI shall not sell quantities of (i) **** Products to any other radiopharmacy account prior to **** or (ii) any Sestamibi Products to a Competitor during the term of this Agreement.

3.0 TERM AND TERMINATION

3.01 Term and Termination. This Agreement shall be effective commencing on the Effective Date and shall remain in effect until December 31, 2012, unless sooner terminated as provided below;

(a) Either Party may terminate this Agreement, by giving written notice to the other Party effective immediately or on such date as may be specified in such notice, if the other Party materially breaches any material provision of this Agreement and fails to cure such breach within twenty (20) days notice thereof from such non-breaching Party.

(b) LMI may terminate this Agreement, by giving at least one hundred eighty (180) days prior written notice to the Licensee effective on such date as may be specified in such notice, if Licensee ceases to do business, or otherwise terminates its business operations in the nuclear medicine industry.

(c) LMI may terminate this Agreement by giving written notice to Licensee effective on such date as may be specified in such notice if (A) Licensee does not submit to LMI all of the Required Monthly Reports and Quarterly Share Calculation Reports for the applicable Reporting Quarter by the deadline for the submission of such reports in accordance with Section 2.07 or (B) at any time Licensee has not paid LMI all amounts due to LMI as set forth on any invoices previously submitted to Licensee by LMI for Sestamibi Products in accordance with the terms of payment provided for in the invoices, and in the case of each of the foregoing (A) and (B) Licensee fails to cure such failure to make such submission or payment, as the case may be, within twenty (20) days notice thereof from LMI.

(d) LMI may terminate this Agreement as expressly permitted by Sections 2.02(d), 2.05, 5.05, 5.09, 5.12 and 5.15, and Licensee may terminate this Agreement as expressly permitted by Sections 5.12 and 5.15.

3.02 Survival. Any termination of this Agreement shall be without prejudice to any rights or remedies that have accrued prior to the date of termination, and Sections 2.09, 2.24(c), 3.03 and 2.13 and Articles 4 and 5 of this Agreement shall survive the termination of this Agreement.

3.03 Effect of Termination. Upon the termination of this Agreement, for any reason, Licensee shall return to LMI all vials of the Sestamibi Products provided hereunder that have not been reconstituted and radiolabeled with technetium. LMI shall refund to Licensee any consideration paid to LMI for such vials that are

returned by Licensee to LMI in their original, unopened packaging. Not later than fifteen (15) days after the end of the month in which the termination takes place, Licensee shall provide to LMI the Required Monthly Reports for such month. Not later than thirty (30) days after the end of the Quarter in which the termination takes place, Licensee may provide to LMI the Quarterly Share Calculation Reports for such Quarter.

4. WARRANTIES; INDEMNIFICATION

4.01 Warranties.

(a) LMI warrants that the Sestamibi Products supplied hereunder; will (i) be free from defects in material and workmanship; (ii) conform to the Specifications; (iii) not be (a) adulterated or misbranded within the meaning of the Federal Food, Drug, and Cosmetic Act, as amended, or (b) an article which may not be introduced in interstate commerce within the provisions of Sections 404 and 405 of such Act, as amended; (iv) otherwise be produced in accordance with applicable cGMPs to the extent such cGMPs affect salability of the Sestamibi Products; and (v) to LMI's knowledge, not infringe any patent, or trademark right of any third party.

(b) EXCEPT AS EXPRESSLY SET FORTH HEREIN OR STATED IN THE LABELING AND INFORMATION PROVIDED BY LMI AND ACCOMPANYING EACH VIAL OF THE SESTAMIBI PRODUCTS, LMI MAKES NO OTHER WARRANTY, EXPRESSED OR IMPLIED, WITH RESPECT TO THE SESTAMIBI PRODUCTS, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE AND ALL SUCH WARRANTIES ARE HEREBY EXCLUDED. Licensee shall not give or make any guarantees, warranties, or representations as to the condition, quality, durability, performance, merchantability or fitness for a particular use or purpose or any other feature of any Sestamibi Product or any Sestamibi Unit Dose other than or different from those provided by LMI hereunder. Any such other guarantee, warranty or condition, whether express or implied, made by Licensee to its customers shall be and remain the sole responsibility of Licensee and shall not impose any obligation on LMI.

(c) NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR, AND EACH PARTY WAIVES ANY AND ALL CLAIMS AGAINST THE OTHER PARTY FOR, ALL SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, OR EXEMPLARY DAMAGES, WHICH MAY BE CAUSED BY, OR IN ANY WAY RESULT FROM, THE SESTAMIBI PRODUCTS OR THAT MAY ARISE UNDER OR AS A RESULT OF THIS AGREEMENT, INCLUDING ANY SUCH DAMAGES RESULTING FROM DELAYS IN DELIVERY, OR FAILURE TO DELIVER, ANY PRODUCT, OR FAILURE TO PURCHASE ANY PRODUCT, WHETHER BASED ON

NEGLIGENCE, TORT, BREACH OF WARRANTY, STRICT LIABILITY OR ANY OTHER CAUSE OF ACTION.

4.02 Indemnification by Licensee. Licensee, jointly and severally, shall indemnify and hold harmless LMI, its Affiliates, and their respective directors, officers, employees and agents from and against any suits, claims, losses, demands, liabilities, damages, costs and expenses (including reasonable attorney's fees and reasonable investigative costs) in connection with any suit, demand or action by any third party arising out of or resulting from (a) any breach of this Agreement by Licensee or (b) any negligence or willful misconduct by Licensee, except to the extent that any of the foregoing arises out of or results from the breach of this Agreement by LMI or the negligence or willful misconduct of LMI.

4.03 Indemnification by LMI. LMI shall indemnify and hold harmless Licensee, its Affiliates, and their respective directors, officers, employees and agents from and against any suits, claims, losses, demands, liabilities, damages, costs and expenses (including reasonable attorney's fees and reasonable investigative costs) in connection with any suit, demand or action by any third party arising out of or resulting from (a) any breach of this Agreement by LMI or (b) any negligence or willful misconduct by LMI, except to the extent that any of the foregoing arises out of or results from the breach of this Agreement by Licensee or the negligence or willful misconduct of Licensee.

4.04 Indemnification Procedures. All claims for indemnification under this Agreement shall be asserted and resolved as follows:

(a) Party claiming indemnification under this Agreement (the "Indemnified Party") shall promptly notify the Party from whom indemnification is sought (the "Indemnifying Party") of any claim by a third party against the Indemnified Party that could give rise to a right of indemnification under this agreement ("Third Party Claim"). The Indemnifying Party shall have the right to defend, at its sole cost and expense, such third party claim, on its own behalf and on the behalf of the Indemnified Party, by all appropriate proceedings, which proceedings shall be prosecuted diligently by the Indemnifying Party to a final conclusion or settled at the discretion of the Indemnifying Party; provided, however, that the Indemnifying Party may not enter into any compromise or settlement that involves equitable relief against the Indemnified Party unless the Indemnified Party consents thereto, which consent shall not be unreasonably withheld, delayed or conditioned. If requested by the Indemnifying Party, the Indemnified Party shall, at the sole cost and expense of the Indemnifying Party (excluding the internal costs and expenses of the Indemnified Party), cooperate with the Indemnifying Party and its counsel in contesting any third party claim that the Indemnifying Party elects to contest, including, without limitation, the making of any related counterclaim against the Person asserting the third party claim or any cross-complaint against such person.

(b) Notwithstanding the Indemnifying Party's election to assume the defense of any third party claim, the Indemnified Party shall have the right to employ separate counsel and to participate in the defense of such third party claim, and shall bear the costs and expenses of such separate counsel, if (i) the use of counsel chosen by the Indemnifying Party to represent both the Indemnifying Party and the Indemnified Party would present such counsel with a conflict of interest, (ii) the actual or potential defendants in, or targets of, any such third party claim include both the Indemnifying Party and the Indemnified Party, and the Indemnified Party shall have reasonably concluded that there may be a legal defense available to it which is different from or additional to the defenses available to the Indemnifying Party in which case the Indemnifying Party shall not have the right to assume the defense of such third party claim on behalf of the Indemnified Party), (iii) the Indemnifying Party shall not have employed counsel reasonably satisfactory to the Indemnified party to represent the Indemnified Party within a reasonable time after notice of the institution of such third party claim or (iv) the Indemnifying Party authorizes the Indemnified Party to employ separate counsel at the Indemnified Party's cost and expense.

(c) If the Indemnifying Party fails to notify the Indemnified Party within ninety (90) days after receipt of notice in accordance with Section 4.04(a) hereof that the Indemnifying Party elects to defend the Indemnified Party pursuant to this Section 4.04, or if the Indemnifying Party elects to defend the Indemnified Party pursuant this Section 4.04 but fails to defend the third party claim diligently and promptly, then the Indemnified Party shall have the right to defend, at the sole cost and expense of the Indemnifying Party, the third party claim by all appropriate proceedings, which proceedings shall be promptly and vigorously defended by the Indemnified Party with respect to a third party claim for which the Indemnified Party is entitled to indemnification hereunder.

(d) No Indemnified Party shall have the right to recover punitive or consequential damages in a claim against an Indemnifying Party pursuant to this Agreement; provided, however, that such limitation shall not apply to damages paid or payable to a third party by an Indemnified Party for which the Indemnified Party is entitled to indemnification hereunder.

5. MISCELLANEOUS

5.01 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to the conflict of laws provisions thereof.

5.02 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof, and supersedes any and all prior or contemporaneous agreements (whether written or oral).

5.03 Recalls. In the event that LMI determines that a recall or withdrawal of the Sestamibi Products from the market is necessary, Licensee shall take all actions appropriate in order to reasonably assist LMI with such recall or withdrawal. The costs of the recall (including all costs of collecting, shipping and disposing of the recalled Product) shall be borne by LMI unless the circumstances leading to the recall result from the fault of Licensee.

5.04 Adverse Event Reporting. Licensee shall report AEs to LMI within 24 hours of the date that Licensee first becomes aware of an AE associated with a Sestamibi Product that is reported to Licensee or of which Licensee or any of its agents, including sales representatives or local radiopharmacists, are otherwise made aware.

In addition, Licensee shall provide LMI with immediate (or as soon as practicable) notification by telephone of any fatal or life-threatening Serious AE. If an answering machine is encountered, a message should be left providing detailed information regarding such Serious AE and further attempts to speak directly with LMI should be made.

The telephone report should contain as much information as is available concerning such event to permit LMI to file a MedWatch Form 3500A report that satisfies regulatory guidelines for content and timeliness.

Licensee shall insure prompt follow-up as necessary to provide LMI with reasonably complete information known or otherwise available to Licensee with respect to any Serious AE or AEs. If follow-up information is received after reporting an AE, Licensee also must report such information within 24 hours of the date that Licensee first became aware of such information.

All reports and any related communications made hereunder shall be sent to:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road
North Billerica, Massachusetts 01862
Attn: General Counsel
Facsimile: (978) 671-8724

5.05 Audit Rights. Licensee shall maintain records documenting the information required to be provided in the Required Monthly Reports and Quarterly Share Calculation Reports provided by Licensee, including but not limited to invoices. Such records shall be maintained for a period of not less than three (3) years after the end of such applicable month or Quarter. For three (3) years after the end of

the period covered by any such report, Licensee shall permit an independent accounting firm retained by LMI to examine such records and other information to confirm the accuracy of such reports and to confirm that Licensee has not used, sold, lent, transferred, given, delivered or otherwise supplied or disposed of any vial of any Sestamibi Product in ways not expressly permitted by Article 2 and that Licensee has otherwise complied with this Agreement. Such examination shall be conducted not more than once each Year at each Licensed Pharmacy Location and once Each Year at the corporate offices of Licensee and shall be conducted during normal business hours and after reasonable written notice to Licensee of not less than three (3) business days. Such accounting firm shall be permitted to disclose to LMI only that information that relates to the accuracy of such report and facts pertaining to any use, sale, delivery or disposition of any vial of any Sestamibi Product in ways not expressly permitted by Article 2. If such examination indicates that additional monies are owed to LMI with respect to the period of time covered by such report, Licensee shall pay any such additional money as set forth in LMI's invoice. If at any time Licensee is in violation of its obligations under Article 2 hereof, LMI may, at its sole option, terminate this Agreement by giving written notice to Licensee effective on such date as may be specified in such notice if Licensee fails to cure such violation within twenty (20) days notice thereof from LMI.

5.06 Compliance with Safe Harbors. It is the intent of the Parties for any financial relationship between the Parties under this Agreement to comply with any state and the federal anti-kickback statute (42 U.S.C. §1320a-7b(b)) and the federal "safe harbor" regulations regarding discounts, rebates, or other reductions in price (42 C.F.R.§1001.952(h)) (collectively, the "Anti-kickback Provisions"). Any prices offered by LMI under this Agreement may include from time to time a reduction in prices as that phrase is defined under the Anti-kickback Provisions. Should there be a reduction in price, then under the Anti-kickback Provisions, Licensee may have an obligation to report any such reduction in price, and must provide such information upon request, to any state or federal health care program or other government agency. Licensee represents and warrants that it will satisfy any and all requirements that may be imposed on Licensee by the Anti-kickback Provisions including, when required by law, to accurately report under any state or federal health care program the net cost actually paid by Licensee and to appropriately reflect such net costs if cost reporting such governmental program is applicable.

Licensee further represents and warrants that it will inform its customers of its customers' obligations to properly report any reductions in price and will use reasonable efforts to assist its customers in properly reporting and appropriately reflecting the amount of any reductions in price in its customers' claims for payment filed with any state or federal health care program.

5.07 Severability. In the event that any provision of this Agreement is found to be invalid or unenforceable, then the offending provision shall not render any other

provision of this Agreement invalid or unenforceable, and all other provisions shall remain in full force and effect and shall be enforceable, unless the provisions which have been found to be invalid or unenforceable shall substantially affect the rights or obligations granted or undertaken by either Party.

5.08 No Partnership. Both Parties are independent contractors under this Agreement. Nothing contained in this Agreement is to be construed so as to constitute LMI and Licensee as partners or agents with respect to this Agreement or to create a partnership or joint venture. Neither Party hereto shall have any right or authority to assume or create any obligations on behalf of, or in the name of, the other Party or to bind the other Party to any contract, agreement or undertaking with any third party.

5.09 Compliance with Laws. Licensee represents and warrants that it shall ascertain and comply in all material respects with (i) all applicable laws, statutes, rules, regulations, orders, judgments, or injunctions imposed by regulations or laws of any government or governmental authority, (ii) with Licensee's internal policies and procedures regarding marketing and sales, (iii) the Pharmaceutical Research and Manufacturers of America (PhRMA) Code on Interactions with Healthcare Professionals and (iv) any guidance from the Health and Human Services (or any successor agency) Office of Inspector General relating to Licensee's obligations under this Agreement, including, without limitation, the use and handling of Sestamibi Products, the provision of no-charge Sestamibi Unit Doses and use, sale and distribution of any Sestamibi Unit Dose. In the event Licensee fails to comply with this Section in any material respect, LMI may terminate this Agreement, effective upon notice by LMI to Licensee on such date as LMI may specify in such notice, and provided if such non-compliance is curable, Licensee fails to cure such non-compliance within twenty (20) days of the notice thereof from LMI.

5.10 Arbitration. Any dispute, controversy or claim arising out of or relating to compliance with, or alleged breach, interpretation or validity of this Agreement, (each a "Dispute") shall be exclusively resolved by binding arbitration, which arbitration may be commenced by sending a written notice to the other Party demanding arbitration of such Dispute (the " Demand"). In that event, the Dispute shall be finally resolved by arbitration in accordance with the United States Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association. The place of the arbitration shall be New York, New York. The arbitration will be conducted in the English language before a panel of three arbitrators. Each Party shall name one arbitrator, and the two so named shall name the third arbitrator, who will act as chairman. If the two party arbitrators cannot agree on a third arbitrator within thirty (30) days after the Demand, such third arbitrator shall be selected by the American Arbitration Association. The arbitrators will promptly meet, fix the time, date and place of the hearing and notify the Parties. The arbitration shall be conducted within ninety (90) days after any Demand. All documents, exhibits, testimony or other

information that is not in the English language shall be translated into the English language at the expense of the Party proffering the evidence requiring translation. The decision of the arbitrators may (depending on the equities of the case) include an award of legal fees, costs of arbitration and interest. The panel of arbitrators will promptly transmit an executed copy of its decision to the Parties. The decision of the arbitrators will be final, binding and conclusive upon the Parties. Judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Each Party retains the right to seek from a court any interim or provisional relief that may be necessary to protect the rights or property of that Party pending the establishment of the arbitrators' determination of the merits of the controversy, and any such action shall not be deemed incompatible with this Agreement to arbitrate or a waiver of the right to arbitration. The obligations of the Parties under this Section are specifically enforceable and will survive any termination of this Agreement. Unless the decision of the arbitrators provides otherwise, the Parties shall bear their own costs in preparing for the arbitration and the costs of the arbitrators shall be equally divided between the Parties.

Each Party waives any right to claim special, indirect, consequential, incidental, punitive or exemplary damages against each other and in the event of a dispute, each shall be limited to recovery of actual damages.

5.11 Confidentiality. LMI acknowledges that the data concerning Licensee contained in the reports provided to LMI pursuant to Section 2.07 are confidential and proprietary to Licensee, and such data shall be considered Confidential Information of Licensee. Each Party acknowledges that the disclosure of the content of this Agreement (including the terms and conditions hereof and all pricing information related to the Sestamibi Products under this Agreement, including actual prices, price differentials between **** Product and **** Sestamibi Product, and the occurrence, timing or amount of any price reductions), would be detrimental to the other Party and that the content of this Agreement shall be considered Confidential Information of each Party. Each Party shall (i) maintain the Confidential Information of the other Party in confidence from and after the Effective Date until the seventh anniversary of the termination of this Agreement and (ii) use such Confidential Information solely for the purpose of performing its obligations or exercising its rights under this Agreement, promoting the growth of the Sestamibi business and marketing Sestamibi Products and for internal and administrative purposes. Each of the Parties covenants that (i) it shall not disclose any of the Confidential Information of the other Party except to its parent company or any of its parent company's employees, agents, board of directors, or any other person under its authorization who are obligated to maintain the confidentiality of such Confidential Information, and (ii) it shall establish and implement a commercialization plan within such Party's respective organization that will indicate serious disciplinary action including and up to dismissal in the event that a representative makes an unauthorized disclosure. The foregoing confidentiality obligations shall not apply

to information that (i) is required to be disclosed by a court or tribunal, legal process, applicable law or the rules of any applicable stock exchange, in which case the Party obligated to make and disclose such information, shall promptly notify the other Party of such disclosure and the procedures, such as a protective order, instituted to protect the confidentiality of such information to be disclosed, (ii) is or hereafter becomes generally available to the public other than by reason of any default by a Party with respect to a confidentiality obligation or (iii) is disclosed to the recipient by a third party that is not in default of any confidentiality obligation to the disclosing Party. The Parties agree that should the foregoing confidentiality obligations be breached, money damages may be inadequate to remedy such a breach, and the non-breaching Party shall be entitled to seek, and a court of competent jurisdiction may grant, specific performance and injunctive or other equitable relief as a remedy for any such breach or threatened breach. Such remedy shall be in addition to all other remedies, including money damages, available to a non-breaching Party at law or in equity.

5.12 Force Majeure. No Party shall be liable for any failure to perform its obligations under this Agreement or pursuant to any purchase order submitted pursuant to this Agreement by reason of Force Majeure. Such Party shall give the other Party prompt notice of any interruption of performance on account of Force Majeure, and of the resumption of such performance, and shall keep the other Party informed on a current basis as to the steps being taken to remove, and the anticipated time of removal of, the circumstances resulting in such Force Majeure. Notwithstanding the foregoing, nothing in this Section shall excuse or suspend the obligation to make any payment due under this Agreement in the manner and at the time provided herein, provided that Licensee shall be allowed to purchase from another supplier such quantities of Sestambi that LMI is unable to supply hereunder on account of a Force Majeure and Licensee shall not be in violation of Section 2.24 (Minimum Purchase Obligation) in connection with such quantities. In the case of a Force Majeure that prevents performance of this Agreement by a Party for a period of **** (****) consecutive days, the other Party shall be entitled to terminate this Agreement upon prior written notice to the affected Party.

5.13 Notices. All notices to be provided to LMI hereunder shall be delivered to:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road
North Billerica, Massachusetts 01862
Attn: President
Facsimile: (978) 671-8079

with copies to:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road

North Billerica, Massachusetts 01862
Attn: General Counsel
Facsimile: (978) 671-8724

All notices to be provided to Licensee hereunder shall be delivered to the address set forth on Exhibit B. Either Party may change its notice address by giving notice to the other Party pursuant to this Section.

5.14 Failure or delay in performance. Except for the payment of money, neither Party shall be liable to the other for failure or delay in performance of its obligations (including shipping delays) if such performance is prevented or delayed by any cause beyond such Party's reasonable control.

5.15 Assignment. Neither this Agreement, nor any right, interest or obligation hereunder, may be assigned, or otherwise transferred by either Party, whether by operation of law or otherwise, without the prior written consent of the other Party; provided, however that (x) either Party may assign or otherwise transfer any or all of its rights, or delegate any or all of its respective duties or obligations, under this Agreement without the prior written consent of the other Party to (i) an acquirer of, or successor to, all or substantially all of the assets of such Party, or (ii) the surviving entity in any merger, consolidation, equity exchange or reorganization to which such Party is a party, provided that, in each case contemplated by this clause (x), (a) such acquirer, successor or surviving entity, as the case may be, agrees to he bound by all of the obligations of such Party under this Agreement, and (b) the acquirer, successor or surviving entity is not a Competitor, or if such assignee, successor, or surviving entity is a Competitor, such other Party shall be deemed to have consented to such assignment and transfer in all respects unless such other Party shall elect to terminate this Agreement in writing within **** (****) days of receipt of written notice of such assignment or transfer to such Competitor; and (y) LMI may assign or otherwise transfer any or all of its rights, or delegate any or all of its duties or obligations, under this Agreement to an acquirer of, successor to, or other transferee with respect to all or substantially all of the assets used in or related to the manufacture, sale and distribution of the Sestamibi Products or otherwise to the business of LMI to which this Agreement relates, provided that, in each case contemplated by this clause (y), (1) such acquirer, successor or transferee, as the case may be, agrees to be bound by all of the obligations of LMI under this Agreement, and (2) such acquirer, successor or transferee is not a Competitor, or if such assignee, successor, or transferee is a Competitor, Licensee shall be deemed to have consented to such assignment and transfer in all respects unless Licensee shall elect to terminate this Agreement in writing within **** (****) days of receipt of written notice of such assignment or transfer to such Competitor.

5.16 Amendments. Except as permitted by Sections 2.07 and 2.11, this Agreement may not be supplemented, amended or modified except in a writing executed by all the Parties. Notwithstanding the preceding sentence but without limiting the

rights of the Parties under Article 3 of this Agreement, the Parties agree that in the event that there is a change in law or regulation that makes this Agreement (or any terms hereof) or the performance of any of the terms of this Agreement illegal in any respect, the Parties shall negotiate in good faith to amend this Agreement in a manner consistent with such change in applicable law or regulation.

5.17 Absence of Presumptions. The Parties hereto understand and agree that each and every term and condition of this Agreement, have or has been mutually negotiated, prepared and drafted, and in connection with the interpretation of construction of any such term or condition or this Agreement, no consideration will be given to the issue of which Party prepared, drafted or requested any term or condition of this Agreement.

5.18 Third Party Beneficiaries. None of the provisions of this Agreement shall be for the benefit of or enforceable by any third party including, without limitation, any creditor of any Party hereto. No third party shall obtain any right under any provision of this Agreement or shall by reason of any such provision make any claim in respect of any debt, liability or obligation (or otherwise) against any Party hereto.

5.19 Consents. Any consent or approval to any act or matter required under this Agreement must be in writing and shall apply only with respect to the particular act or matter to which such consent or approval is given and shall not relieve any Party from the obligation to obtain consent or approval, as applicable, wherever required under this Agreement to any other act or matter.

5.20 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

5.21 Compliance with terms. If any of the radiopharmacies operated at the Licensed Pharmacy Location is operated by an entity other than Licensee, Licensee shall cause such entity to comply with the terms of this Agreement.

5.22 Headings. Headings in this Agreement are for convenience of reference only and shall not be considered in interpreting or construing this Agreement.

5.23 Exhibits. The Exhibits attached to this Agreement are an integral part hereof and all references to this Agreement include such Exhibits.

5.24 Counterparts. This Agreement may be executed in one or more counterparts, and by the different Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which when taken together shall constitute one and the same agreement.

5.25 Publicity. Neither Party will make any press release or other public disclosure regarding this Agreement or the transactions contemplated hereby that mentions

or identifies the other Party without the other Party's prior written consent, except as required by a government or governmental authority and applicable law or the rules of any applicable stock exchange, in which case the Party required to make the press release or public disclosure shall use commercially reasonable efforts to obtain the approval of the other Party as to the form, nature and extent of the press release or public disclosure prior to issuing the press release or making the public disclosure. Promptly after the execution of this Agreement, the Parties shall collaborate to develop a mutually satisfactory press release concerning transactions contemplated by this Agreement. Each Party agrees, on behalf of itself and its Affiliates, not to do, or authorize to be done, any act or thing that disparages the other Party or the Sestamibi Products, and Licensee agrees, on behalf of itself and its Affiliates, not to do, or authorize to be done, any act or thing which may reduce or dilute the value or distinctiveness of the Trademarks of LMT licensed under this Agreement.

IN WITNESS WHEREOF, the undersigned duly authorized representatives have executed this Agreement as of the date first above written

LANTHEUS MEDICAL IMAGING, INC

By: /s/ Donald R. Kiepert
Name: Donald R. Kiepert
Title: President and CEO

CARDINAL HEALTH 414, LLC

By: /s/ John C. Rademacher
Name: John C. Rademacher
Title: President

EXHIBIT A
LICENSED PHARMACY LOCATION(S)

Location Code	BUSINESS STREET	BUSINESS STREET 2	CITY	ST	ZIP
1001	****		****	****	****
1002	****		****	****	****
1003	****	****	****	****	****
1004	****		****	****	****
1005	****		****	****	****
1007	****		****	****	****
1008	****		****	****	****
1010	****		****	****	****
1011	****		****	****	****
1012	****		****	****	****
1013	****		****	****	****
1014	****		****	****	****
1016	****		****	****	****
1017	****		****	****	****
1020	****		****	****	****
1021	****		****	****	****
1022	****		****	****	****
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1024	****		****	****	****
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1038	****		****	****	****
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1098	****	****	****	****
1100	****	****	****	****
1102	****	****	****	****
1103	****	****	****	****
1104	****	****	****	****
1106	****	****	****	****
1108	****	****	****	****
1109	****	****	****	****
1110	****	****	****	****
1112	****	****	****	****
1113	****	****	****	****
1115	****	****	****	****
1118	****	****	****	****
1119	****	****	****	****
1120	****	****	****	****
1123	****	****	****	****
1126	****	****	****	****
1127	****	****	****	****
1128	****	****	****	****
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2212	****	****	****	****
2214	****	****	****	****
2215	****	****	****	****
2216	****	****	****	****
2217	****	****	****	****
2218	****	****	****	****
2222	****	****	****	****
2224	****	****	****	****
2227	****	****	****	****
2229	****	****	****	****
3306	****	****	****	****
3309	****	****	****	****
3341	****	****	****	****
5045	****	****	****	****
5080	****	****	****	****
5250	****	****	****	****
5260	****	****	****	****
5300	****	****	****	****
5350	****	****	****	****
6200	****	****	****	****
6201	****	****	****	****

EXHIBIT B

PRICING INFORMATION

From and after the Amendment Date, the "Fee Per Dose" means:

January 1, 2009 to ****	$****
**** to ****	$**** for **** Product $**** for **** Sestamibi Product, unless LMI does not make available to Company **** Product on or before ****, in which case the Fee Per Dose for **** Sestamibi Product will be $****
**** to ****	$**** for **** Product $**** for **** Sestamibi Product
**** to ****	$**** for **** Product $**** for **** Sestamibi Product
**** for the duration of this Agreement	$**** for **** Product $**** for **** Sestamibi Product

Vial Price = Fee Per Dose multiplied by the Vial Utilization Base

Vial Utilization Base = **** Sestamibi Unit Doses from each vial of Sestamibi Products.

VUB Adjustment Percentage = ****%

LICENSEE NOTICE ADDRESS

Cardinal Health, Nuclear Pharmacy Services
7000 Cardinal Place
Dublin, Ohio 43017
Attention: President
Facsimile: 614-757-7105
Telephone: 614-757-7467

with a copy to:

Cardinal Health 414, LLC
7000 Cardinal Place
Dublin, Ohio 43017
Attention: Vice President, General Counsel - NPS
Facsimile: 614-757-5051
Telephone: 614-757-5187

EXHIBIT C

WEEKLY DOSE VOLUME REPORT

Licensee Name: _____ Reporting Period:(1) _____
MM/DD/YY

Completed By: _____ Title: _____

Contact Phone #: _____ Date: _____

AGGREGATE DATA FOR ALL LICENSED PHARMACY LOCATIONS

Total number of **** Sestamibi Unit Doses sold during the reporting period:
Total number of **** Sestamibi Unit Doses sold during the reporting period:

(1) The Reporting Period must be a period of seven days beginning on a Saturday and ending on the following Friday.

EXHIBIT D

QUARTERLY SHARE CALCULATION REPORT

Licensee Name: _____ Reporting Period:(2) _____

MM/DD/YY

Completed By: _____ Title: _____

Contact Phone #: _____ Date: _____

AGGREGATE DATA FOR ALL LICENSED PHARMACY LOCATIONS

Total number of Sestamibi Unit Doses sold during the reporting period:

Total number of **** Unit Doses sold during the reporting period:

Total number of Technetium99-based myocardial perfusion imaging doses sold during the reporting period*:

Total number of Technetium99-based and thallium-based myocardial perfusion imaging doses sold during the reporting period**:

(2) The Reporting Period must be a calendar quarter.
* This particular entry terminates as of quarter ending December 31, 2009
** This particular entry commences January 1, 2010

EXHIBIT E

REQUIRED MONTHLY VIAL AND UNIT DOSE REPORT

Licensee Name: Account Number:
P.O. Number: P.O. Expires:
Reporting Period:
MM/YY(3)
AGGREGATE DATA FOR ALL LICENSED PHARMACY LOCATIONS
VIAL USAGE DATA (SESTAMIBI PRODUCTS)

(A) Vials in inventory on begin date:	
(B) Plus (+), Vials invoiced during reporting period:	
(C) Minus (-), Vials inventory on end date:	
(Cl) Minus (-), Unconstituted (cold) Vials transferred (pursuant to Section 2.23):	
(D) Equals (=), Vials used or consumed for unit dose preparation and reconstituted (multidose or hot) vials transferred (pursuant to Section 2.23) (V):	
UNIT DOSE DATA	
(E) Total Sestamibi Unit Doses Compounded during reporting period (the sum of lines (F), (G), (H), (K), and (L)):	
(F) Total Sestamibi Unit Doses sold (net of returns) (excluding samples for LMI approved clinical trails and Approved Sampling Programs) during reporting period:	
(G) Total no-charge Sestamibi Unit Doses supplied (excluding samples for LMI approved clinical trials and Approved Sampling Programs) during reporting period:(4)	
(H) Total Sestamibi Unit Doses returned during reporting period:	
(I) Total Sestamibi Unit Doses supplied for LMI approved clinical trials during reporting period:	
(J) Total Sestamibi Unit Doses supplied for Approved Sampling Programs during reporting period:	
(K) Total Sestamibi Unit Doses for calculating ALF (sum of lines (F), (G), and (J)) (SUD):	
(L) Total Unit Dose Equivalents represented by reconstituted (multidose or hot) vials transferred pursuant to Section 2.23 (UDE):	
CHARGE AND BILLING INFORMATION	
(M) Fee Per Dose (FPD):(5)	$ x.xx
(N) Vial Utilization Base (VUB)(6)	
(S1) Aggregate charges by Licensee for unreconstituted (cold) vials transferred pursuant to Section 2.23	$ x.xx

Completed By: Title:
Contact Phone # Date:

(3) Must be a calendar month.
(4) Note: No-charge Sestamibi Unit Doses are subject to Section 5.09 (Compliance with Laws.)
(5) “Fee Per Dose” means the Fee Per Dose as set forth in Exhibit B, or modified pursuant to the Agreement and in effect at the time such vial is delivered.
(6) “Vial Utilization Base” means the Vial Utilization Base as set forth in Exhibit B.

DATA FOR EACH LICENSED PHARMACY LOCATION

Pharmacy Name: _____

_____

Street Address: _____

City: _____

State: _____

Zip Code: _____

Reporting Period: _____
MM/YY

UNIT DOSE DATA:

Total Sestamibi Unit Doses sold during period:

Completed By: _____ Title: _____

Contact Phone # _____ Date: _____

EXHIBIT F

REQUIRED MONTHLY END USER DATA REPORT

License Name: _____ Reporting Period: _____

MM/YY

Completed By: _____ Title: _____

Contact Phone# _____ Date: _____

Cardinal Account Number	End Customer Name	Street Address	City	State	Zip Code	Number of Sestamibi Unit Doses Sold

EXHIBIT G
COMPUTATION OF MONTHLY ADDITIONAL LICENSE FEE

The "Additional License Fee" or "ALF" shall be calculated based on the information required to be contained in the Required Monthly Vial and Unit Dose Report (see Exhibit E) for such month. The ALF for a month shall be calculated as follows:

ALF = (FPD x (SUD – (V x VUB))

Where

FPD = the Fee Per Dose applicable during such month (line (M) on Exhibit E).

SUD = the number of Sestamibi Unit Doses sold or supplied by Licensee in such month, net of returns (line F, Exhibit E), and any no charge Sestamibi Unit Doses supplied by Licensee for clinical trials approved by LANTHEUS (line G on Exhibit E). (Also see paragraph (iv) below.)

V = the number of vials of Sestamibi Products used or consumed by Licensee in such month (line (D) on Exhibit E). (See paragraph (iv) below.)

VUB = the Vial Utilization Base applicable to those vials used or consumed by Licensee in such month (line N on Exhibit E). (See paragraph (iv) below.)

The Additional License Fee may not be less than zero. Negative amounts may not be carried over to subsequent periods. The foregoing restriction is not intended to prohibit subsequent adjustments to the Additional Licensee Fee in the event of a miscalculation or other error in the calculation of the Additional License Fee for a period.

(i) For purposes of determining such number of Sestamibi Unit Doses (SUD) and such number of vials (V) used or consumed by Licensee in the applicable month, Licensee shall aggregate the number of Sestamibi Unit Doses (SUD) and the number of vials used or consumed from all of the Licensed Pharmacy Locations.

(ii) In the event that Licensee provides no-charge Sestamibi Unit Doses to end user customers other an approved clinical trial, such no-charge Sestamibi Unit Doses shall be included in the number of Sestamibi Unit Doses (SUD) sold or supplied for purposes of determining any Additional License Fee (ALF).

(iii) In the event that any Sestamibi Unit Doses are returned to Licensee, such returned Sestamibi Unit Doses shall not be included in the number of Sestamibi Unit Doses (SUD) sold or supplied for purposes of determining any Additional License Fee (ALF).

(iv) If a new Vial Utilization Base (VUB) is established in accordance with Section 2.11, the new Vial Utilization Base (VUB) shall apply only to vials delivered during such month (and thereafter) and the former Vial Utilization Base (VUB) shall apply to vials delivered prior to such month. The Additional License Fee (ALF) shall be calculated separately for the vials to which the new Vial Utilization Base (VUB) applies and the vials to which the former Vial Utilization Base (VUB) applies. For purposes of such separate computation, (A) the Sestamibi Unit Doses (SUD) shall be the number of Sestamibi Unit Doses sold or supplied by Licensee in such month from the vials to which such computations are applicable, determined in the manner described in paragraph (ii) above and (B) the vials held in Licensee's inventory shall be deemed to be used or consumed on a first-in-first-out (FIFO) basis.

(v) If ALF, as calculated above, is a negative number, no Additional Licensee Fee shall be payable and Licensee shall not be entitled to any refund.

Exhibit 10.14

CONFIDENTIAL TREATMENT REQUESTED

INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND NOTED WITH "**". AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.**

Execution Counterpart

AMENDED AND RESTATED SUPPLY AGREEMENT
(Thallium and Generators)

by and between

LANTHEUS MEDICAL IMAGING, INC.

and

CARDINAL HEALTH 414, LLC

dated October 1, 2004

ARTICLE 8
MISCELLANEOUS

Amended and Restated Supply Agreement
(Thallium and Generators)

This Amended and Restated Supply Agreement (this "Agreement"), entered into as of January 1, 2009 (the "Amendment Date") and effective as of October 1, 2004 (the "Effective Date"), is made by and between Lantheus Medical Imaging, Inc., a corporation duly organized and existing under the laws of Delaware with its offices located at 331 Treble Cove Road, North Billerica, Massachusetts ("Supplier"), and Cardinal Health 414, LLC, a Delaware limited liability company doing business as Cardinal Health Nuclear Pharmacy Services, with its principal place of business located at 7000 Cardinal Place, Dublin, Ohio ("Cardinal" and, together with Supplier, the "Parties" and, individually, each a "Party").

WHEREAS, Supplier (formerly known as Bristol Myers Squibb Medical Imaging, Inc.) and Cardinal (formerly known as Cardinal Health 414, Inc.) previously entered into that certain Supply Agreement, dated October 1, 2004, and as amended from time to time (including as of March 17, 2008) ("Prior Agreement"); and

WHEREAS, the Parties now wish to replace and supersede the Prior Agreement in its entirety by the terms and conditions of this Agreement as set forth herein.

In consideration of the mutual covenants established herein, the Parties agree as follows.

ARTICLE 1
DEFINITIONS

1.1. Defined Terms.

As used in this Agreement, the following terms shall have the following meanings:

"AE" means any untoward medical occurrence in a patient or clinical investigation subject, which results in any unfavorable and unintended sign, symptom, or disease temporally associated with the use of a medicinal product, whether or not considered, related to the medicinal product. All noxious and unintended responses to a medicinal product related to any dose should be considered adverse drug reactions. Responses to a medicinal product means that a causal relationship between the product and AE is at least a reasonable possibility (i.e., the relationship cannot be ruled out or cannot be determined). The failure of a Product to localize as expected shall not be deemed an AE, whereas a significant failure of expected pharmacologic action would be considered an AE.

"Agreement" has the meaning set forth in the preamble.

"Amendment Date" has the meaning set forth in the preamble.

"Cardinal" has the meaning set forth in the preamble.

"cGMP" means all current good manufacturing practices under Title 21 of the United States Code of Federal Regulations, as amended from time to time.

"Effective Date" has the meaning set forth in the preamble.

"Force Majeure" means any war, rebellion, mutiny, terrorist attack, epidemic, act of God (e.g., landslide, lightning, earthquake, fire or hurricane, flood, sinking, drought), explosion, act or decision of any duly constituted municipal, state or national governmental authorities or of any court of law, supply or batch failure, equipment failure or malfunction, shortages of fuel, power or raw materials, which failure, malfunction or shortage is not under the reasonable control of the affected Party, or any other cause or event which is not under the reasonable control of the affected Party.

"Generator Purchase Price" has the meaning set forth in Section 3.2.

"Generators" means technetium Tc 99m generators sold under the trademark TechneLite®.

"including", "includes" and derivates thereof shall be deemed to be followed by "without limitation".

"Party" or "Parties" has the meaning set forth in the preamble.

"Products" means Thallium and Generators.

"Quarter" means each of the three (3) month periods ending on March 31, June 30, September 30 and December 31 of any year; provided that the last quarter shall end on the date of termination of this Agreement.

"Serious AE" means any untoward medical occurrence that at any dose: results in death; is life-threatening (defined as an event in which the subject or patient was at risk of death at the time of the event; it does not refer to an event which hypothetically might have caused death if it were more severe); requires inpatient hospitalization or causes prolongation of existing hospitalizations; results in persistent or significant disability/incapacity; results in a congenital anomaly/birth defect; is an important medical event (defined as a medical event(s) that may not be immediately life-threatening or result in death or hospitalization, but based upon appropriate medical and scientific judgment, may jeopardize the patient/subject or may require intervention, e.g., medical surgical, to prevent one of the other serious outcomes listed in the definition above). Examples of such events include, but are not limited to, intensive treatment in an emergency room or at home for allergic bronchospasm; blood dyscrasias or convulsions that do not result in hospitalization. For reporting purposes, Supplier also considers the occurrences of cancer, pregnancy, or overdose (accidental or intentional and regardless of adverse outcome) as events that must be expeditiously reported as important medical events.

"Specifications" has the meaning set forth in Section 4.5.

"Supplier" has the meaning set forth in the preamble.

"Term" has the meaning set forth in Section 5.1.

"Thallium" means thallous chloride (TI-201).

"Thallium Purchase Price" has the meaning set forth in Exhibit A.

ARTICLE 2
GENERAL TERMS OF PURCHASE AND SALE OF THALLUM.

2.1. Sale and Purchase of Thallium. All purchases of Thallium by Cardinal from Supplier during the Term shall be governed by and shall be subject to the terms of this Agreement.

2.2. Thallium Purchase Price. The purchase price to be paid by Cardinal for the Thallium it orders shall be the purchase price determined in accordance with Exhibit A (the "Thallium Purchase Price").

2.3. Cessation of Sale of Product. Supplier reserves the right to cease to manufacture or sell Thallium at any time during the Term upon at least **** (****) days prior written notice to Cardinal.

ARTICLE 3
GENERAL TERMS OF PURCHASE AND SALE OF GENERATORS

3.1. Sale and Purchase of Generators. All purchases of Generators by Cardinal from Supplier during the Term shall be governed by and shall be subject to the terms of this Agreement. Supplier will use commercially reasonable efforts to produce and sell to Cardinal sizes and quantities of Generators as requested by Cardinal (including Sunday calibrated Generators), taking into account Supplier's manufacturing capacity and availability of supply.

3.2. Purchase Price. The purchase price to be paid by Cardinal for the Generators it orders shall be the purchase price determined in accordance with Exhibit B (the "Generator Purchase Price"). If Cardinal purchases from Supplier **** percent (****%) or greater of its total technetium Tc 99m generators for one calendar **** beginning after ****, the Parties shall, in good faith, negotiate a reasonable price reduction commensurate with market conditions and the increased volume level.

3.3. Cessation of Sale of Product; New Product.

(a) Notwithstanding Section 3.1, Supplier reserves the right to cease to manufacture and sell Generators at any time during the Term upon at least **** (****) days prior written notice to Cardinal; provided, however, that this Section 3.3(a) shall not apply to a cessation as a result of the sale or transfer of all or substantially all of Supplier's assets used to manufacture, sell or distribute Generators, which shall be governed by Section 8.12 hereof.

(b) Supplier also reserves the right to modify Exhibit B to reflect the introduction of any new size of Generator (and to establish the initial price therefor) or the discontinuation of any size of Generator upon at least [**** (****) days] prior written notice to Cardinal.

3.4. Minimum Purchase Obligation. Cardinal guarantees, subject to Supplier's ability to supply, a minimum purchase of Generator curies as set forth in this Section.

(a) Cardinal shall purchase from Supplier at least the Minimum Quantities (as hereinafter defined) of Generators. Compliance with such Minimum Quantities will be determined on ****, and on a calendar **** basis thereafter. In any calendar **** in which Cardinal does not purchase at least the applicable Minimum Quantities of Generators from Supplier, Cardinal will promptly pay to Supplier the Minimum Payment (as hereinafter defined).

"Minimum Quantities" means:

January 1, 2009 to ****	****% of all technetium Tc 99m generator curies purchased by Cardinal and its Affiliates
**** and thereafter	****% of all technetium Tc 99m generator curies purchased by Cardinal and its Affiliates

"Minimum Payment" means, as of an applicable date, the payment calculated on such date pursuant to the terms of this Agreement (and based on the average curie price of all Generators purchased hereunder over the prior **** (****) month period) for any remaining portion of the applicable Minimum Quantities for which purchase orders were not received by Supplier prior to such date.

ARTICLE 4
GENERAL TERMS OF PURCHASE AND SALE OF PRODUCTS

4.1. Purchase Orders; Acceptance; Cancellation.

(a) Cardinal shall place orders for Products hereunder in written, electronic or verbal form which shall specify: (i) the amount of each Product being ordered, (ii) the requested shipping date, (iii) the location of delivery and (iv) the shipping destination (which must be a licensed radiopharmacy) and requested method of shipment. Cardinal may order Products in each purchase order only in Initial Minimum Quantities or in such other minimum quantities as may be agreed upon by the Parties from time to time. As used herein, " Initial Minimum Quantities" means **** (****) mCi for Thallium and **** (****) **** for Generators. All orders are subject to (1) Supplier's customary ordering requirements and lead times as in effect from time to time between Supplier and Cardinal, (2) Supplier's discretion to determine the method of shipment and (3) acceptance by Supplier, which shall not be unreasonably withheld. In the event of any conflict between the terms of any purchase order, purchase order acceptance or purchase order confirmation and the terms of this Agreement, the terms of this Agreement shall control.

(b) Subject to Section 3.1, Supplier may cancel any outstanding purchase order submitted by Cardinal (or any portion thereof) upon at least **** (****) days prior written notice to Cardinal. In such case Supplier shall not be required to sell to Cardinal any Products to be supplied pursuant to such purchase order after the date of cancellation.

4.2. Shipments. Delivery of each Product shall be ****. (****). All freight and insurance shall be for the account of Supplier, and the risk of loss, delay or damage in transit shall be with Supplier until delivery to the Cardinal radiopharmacy. Subject to the two preceding sentences of this Section 4.2, the delivery and shipping practices used by the Parties shall be substantially in accordance with the delivery and shipping practices between Supplier and Cardinal for the week ending December 26, 2008.

4.3. Invoicing and Payment. Supplier shall provide an invoice to Cardinal for the Products then delivered. All payments shall be due and payable as set forth in Supplier's Invoice.

4.4. Taxes. Cardinal shall be responsible for any and all federal, state, county or municipal sales or use tax, healthcare tax, excise, customs charges, duties or similar charges, or any other tax assessment (other than that assessed against Supplier's income), license, fee or other charge lawfully assessed or charged on the sale or transportation of each Product sold pursuant to this Agreement or on any amounts payable to Supplier hereunder.

4.5. Specifications. Each Product supplied to Cardinal pursuant to this Agreement shall be manufactured by Supplier in accordance with Supplier's specifications for such Products as in effect from time to time (the " Specifications").

4.6. Non-Conforming Product. Cardinal may reject a shipment of any Product only if such shipment fails to conform to (A) the type and quantity of Products ordered by Cardinal or (B) the Specifications; provided that Cardinal notifies Supplier by telephone (or any other method agreed to by the Parties from time to time) of any such rejection within two (2) days after receipt by Cardinal of such shipment of Products. Cardinal's sole remedy with respect to any non-conforming Products shall be to receive replacement quantities for any non-conforming Product or credit for the purchase price thereof against future purchases of Products; provided that Supplier shall be entitled to make reasonable substitutions, e.g., the provision of two (2) 2.500 curie Generators or one (1) 6.000 curie Generator in fulfillment of an order for one (1) 5.000 curie Generator. Cardinal may reject any such shipment by following the customary procedures for rejection of Products as is established by Supplier or as otherwise agreed to by the Parties from time to time.

4.7. Product Recalls. In the event that Supplier determines that a recall or withdrawal of the Products from the market is necessary, Cardinal shall take all actions appropriate in order to reasonably assist Supplier with such recall or withdrawal. The costs of the recall (including all costs of collecting, shipping and disposing of the recalled Product) shall be borne by Supplier unless the circumstances leading to the recall result from the fault of Cardinal.

4.8. Radiopharmacy Status. If any radiopharmacy owned or operated by Cardinal or its affiliates fails to maintain all necessary state, federal and local licenses, Cardinal shall notify Supplier promptly of such failure, but in any event not later than ten (10) days following the expiration, suspension, termination, cancellation, non-renewal or other loss of any such license.

ARTICLE 5
TERM AND TERMINATION; REPORTING

5.1. Term. The term of this Agreement shall commence on the Effective Date hereof and continue until December 31, 2012 (the " Term"). Either Party may terminate this Agreement (i) upon twenty (20) days prior written notice to the other Party if the other Party has committed a material breach of a provision in this Agreement and has failed to remedy such breach within such twenty (20) day period or (ii) as expressly permitted by Sections 7.1 and 8.12 hereof.

5.2. Consequences of Termination. Termination of this Agreement shall be without prejudice to any rights or remedies which shall have accrued to the benefit of any Party prior to such termination. Without limiting the foregoing, termination of this Agreement shall not terminate Cardinal's obligation to pay all invoices for Product that had been shipped during the Term. Such termination shall not relieve any Party from its obligations which are expressly indicated to survive the termination of this Agreement. All of the Parties' rights and obligations under Articles 5, 6 and 8 and Sections 4.4 and 4.7 hereof shall survive such termination.

5.3. Reporting by Supplier.

(a) Supplier shall provide Cardinal with reports approximately every **** (****) days of the volume of Generators shipped by Supplier (or deemed to have been shipped by Supplier as provided below) to each individual Cardinal radiopharmacy location. If Cardinal orders (consistent with Section 4.1(a)) a quantity of Generators for shipment during the period covered by such reports and Supplier (x) has accepted such order, (y) has not cancelled such order (or the applicable part thereof) as permitted by Section 4.1(b) and (z) fails to ship such quantity for any reason (other than Force Majeure) during such period, Supplier shall be deemed to have shipped such quantity during such period for reporting purposes.

(b) Cardinal will provide Supplier reports, in substantially the form of Exhibit C, promptly at the end of each calendar **** of (i) the total technetium Tc 99m curie volume purchased by Cardinal in such **** and (ii) the portion of such curie volume purchased from Supplier.

(c) All reports provided by Cardinal hereunder will be signed and certified by a duly authorized officer of Cardinal, to the effect that all information in such reports are true and complete.

ARTICLE 6
WARRANTIES; INDEMNIFICATION

6.1. Warranties. (a) Supplier warrants that the Products supplied hereunder will (i) be free from defects in material and workmanship; (ii) conform to the Specifications; (iii) not be (a) adulterated or misbranded within the meaning of the Federal Food, Drug, and Cosmetic Act, as amended or (b) an article which may not be introduced in interstate commerce within the provisions of Sections 404 and 405 of such Act, as amended; (iv) otherwise be produced in accordance with applicable cGMPs to the extent such cGMPs affect salability of the Products; and (v) to Supplier's knowledge, not infringe any patent, or trademark right of any third party.

(b) EXCEPT AS EXPRESSLY SET FORTH HEREIN OR STATED IN THE LABELING AND INFORMATION PROVIDED BY SUPPLIER AND ACCOMPANYING EACH OF THE PRODUCTS, SUPPLIER MAKES NO OTHER WARRANTY, EXPRESSED OR IMPLIED, WITH RESPECT TO THE PRODUCTS, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE AND ALL SUCH WARRANTIES ARE HEREBY EXCLUDED. CARDINAL ASSUMES ALL RISK AND LIABILITY THAT MAY RESULT FROM THE USE OF THE PRODUCTS WHETHER USED SINGLY OR IN COMBINATION WITH OTHER PRODUCTS. Cardinal shall not give or make any guarantees, warranties, or representations as to the condition, quality, durability, performance, merchantability or fitness for a particular use or purpose or any other feature of any Product or other than or different from those provided by Supplier hereunder. Any such other guarantee, warranty or condition, whether express or implied, made by Cardinal to its customers shall be and remain the sole responsibility of Cardinal and shall not impose any obligation on Supplier.

(c) NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR, AND EACH PARTY WAIVES ANY AND ALL CLAIMS AGAINST THE OTHER PARTY FOR, ALL SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES, WHICH MAY BE CAUSED BY, OR IN ANY WAY RESULT FROM, THE PRODUCTS OR WHICH MAY ARISE UNDER OR AS A RESULT OF THIS AGREEMENT, INCLUDING ANY SUCH DAMAGES RESULTING FROM DELAYS IN DELIVERY, OR FAILURE TO DELIVER, ANY PRODUCT. OR PURCHASE OR FAILURE TO PURCHASE ANY PRODUCT, WHETHER BASED ON NEGLIGENCE, TORT, BREACH OF WARRANTY, STRICT LIABILITY OR ANY OTHER CAUSE OF ACTION.

6.2. Indemnification by Cardinal. Cardinal, jointly and severally, shall indemnify and hold harmless Supplier, its Affiliates, and their respective directors, officers, employees and agents from and against any suits, claims, losses, demands, liabilities, damages, costs and expenses (including reasonable attorney's fees and reasonable investigative costs) in connection with any suit, demand or action by any third party arising out of or resulting from (a) any breach of this Agreement by Cardinal or (b) any negligence or willful misconduct by Cardinal, except to the extent that any of the foregoing arises out of or results from the breach of this Agreement by Supplier or the negligence or willful misconduct of Supplier.

6.3. Indemnification by Supplier. Supplier shall indemnify and hold harmless Cardinal, its Affiliates, and their respective directors, officers, employees and agents from and against all suits, claims, losses, demands, liabilities, damages, costs and expenses (including costs, reasonable attorney's fees and reasonable investigative costs) in connection with any suit, demand or action by any third party arising out of or resulting from (a) any breach of this Agreement by Supplier or (b) any negligence, or willful misconduct by Supplier, except to the extent that any of the foregoing arises out of or results from the breach of this Agreement by Cardinal, or the negligence or willful misconduct of Cardinal.

6.4. Indemnification Procedures. All claims for indemnification under this Agreement shall be asserted and resolved as follows:

(a) A Party claiming indemnification under this Agreement (the " Indemnified Party") shall promptly notify the Party from whom indemnification is sought (the "Indemnifying Party") of any claim by a third party against the Indemnified Party that could give rise to a right of indemnification under this agreement ("Third Party Claim"). The Indemnifying Party shall have the right to defend, at its sole cost and expense, such third party claim, on its own behalf and on the behalf of the Indemnified Party, by all appropriate proceedings, which proceedings shall be prosecuted diligently by the Indemnifying Party to a final conclusion or settled at the discretion of the Indemnifying Party; provided, however, that the Indemnifying Party may not enter into any compromise or settlement that involves equitable relief against the Indemnified Party unless the Indemnified Party consents thereto, which consent shall not be unreasonably withheld, delayed or conditioned. If requested by the Indemnifying Party, the Indemnified Party shall, at the sole cost and expense of the Indemnifying Party (excluding the internal costs and expenses of the Indemnified Party), cooperate with the Indemnifying Party and its counsel in contesting any third party claim that the Indemnifying Party elects to contest, including, without limitation, the making of any related counterclaim against the Person asserting the third party claim or any cross-complaint against such person.

(b) Notwithstanding the Indemnifying Party's election to assume the defense of any third party claim, the Indemnified Party shall have the right to employ separate counsel and to participate in the defense of such third party claim, and shall bear the costs and expenses of such separate counsel, if (i) the use of counsel chosen by the Indemnifying Party to represent both the Indemnifying Party and the Indemnified Party would present such counsel with a conflict of interest, (ii) the actual or potential defendants in, or targets of, any such third party claim include both the Indemnifying Party and the Indemnified Party, and the Indemnified Party shall have reasonably concluded that there may be a legal defense available to it which is different from or additional to the defenses available to the Indemnifying Party in which case the Indemnifying Party shall not have the right to assume the defense of such third party claim on behalf of the Indemnified Party), (iii) the Indemnifying Party shall not have employed counsel reasonably satisfactory to the Indemnified party to represent the Indemnified Party within a reasonable time after notice of the institution of such third party claim or (iv) the Indemnifying Party authorizes the Indemnified Party to employ separate counsel at the Indemnified Party's cost and expense.

(c) If the Indemnifying Party fails to notify the Indemnified Party within ninety (90) days after receipt of notice in accordance with Section 6.4(a) hereof that the Indemnifying Party elects to defend the Indemnified Party pursuant to this Section, or if the Indemnifying Party elects to defend the Indemnified Party pursuant to this Section but fails to defend the third party claim diligently and promptly, then the Indemnified Party shall have the right to defend, at the sole cost and expense of the Indemnifying Party, the third party claim by all appropriate proceedings, which proceedings shall be promptly and vigorously defended by the Indemnified Party with respect to a third party claim for which the Indemnified Party is entitled to indemnification hereunder.

(d) No Indemnified Party shall have the right to recover punitive or consequential damages in a claim against an Indemnifying Party pursuant to this Agreement; provided, however, that such limitation shall not apply to damages paid or payable to a third

party by an Indemnified Party for which the Indemnified Party is entitled to indemnification hereunder.

ARTICLE 7
FORCE MAJEURE

7.1. Force Majeure. No Party shall be liable for any failure to perform its obligations under this Agreement or pursuant to any purchase order submitted pursuant to this Agreement by reason of Force Majeure. Such Party shall give the other Party prompt notice of any interruption of performance on account of Force Majeure, and of the resumption of such performance, and shall keep the other Party informed on a current basis as to the steps being taken to remove, and the anticipated time of removal of, the circumstances resulting in such Force Majeure. Notwithstanding the foregoing, nothing in this Section shall excuse or suspend the obligation to make any payment due under this Agreement in the manner and at the time provided herein, provided that Cardinal shall be allowed to purchase from another supplier such quantities of technetium Tc 99m generators that Supplier is unable to supply hereunder on account of a Force Majeure and Cardinal shall not be in violation of Section 3.4 (Minimum Purchase Obligation) in connection with such quantities. In the case of a Force Majeure that prevents performance of this Agreement by a Party for a period of **** (****) consecutive days, the other Party shall be entitled to terminate this Agreement upon prior written notice to the affected Party.

ARTICLE 8
MISCELLANEOUS

8.1. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to the conflict of laws provisions thereof.

8.2. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes any and all prior or contemporaneous agreements (whether written or oral).

8.3. Adverse Event Reporting. Cardinal shall report all AEs to Supplier within 24 hours of the date that Cardinal first becomes aware of an AE associated with a Product that is reported to Cardinal or of which Cardinal or any of its agents, including sales representatives or local radiopharmacists, are otherwise made aware.

(a) In addition, Cardinal shall provide Supplier with immediate (or as soon as practicable) notification by telephone of any fatal or life-threatening Serious AE. If an answering machine is encountered, a message should be left providing detailed information regarding such Serious AE and further attempts to speak directly with Supplier should be made.

(b) The telephone report should contain as much information as is available concerning such event to permit Supplier to file a MedWatch Form 3500A report that satisfies regulatory guidelines for content and timeliness.

(c) Cardinal shall insure prompt follow-up as necessary to provide Supplier with reasonably complete information known or otherwise available to Cardinal with respect to any Serious AE or AEs. If follow-up information is received after reporting an AE, Cardinal also must report such information within 24 hours of the date that Cardinal first became aware of such information.

(d) All reports and any related communications made hereunder shall be sent to:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road
North Billerica, Massachusetts 01862
Attn: General Counsel
Facsimile: (978) 671-8724

8.4. Compliance with Safe Harbors. It is the intent of the Parties for any financial relationship between the Parties under this Agreement to comply with any state and the federal anti-kickback statute (42 U.S.C. § 1320a-7b(b)) and the federal "safe harbor" regulations regarding discounts, rebates, or other reductions in price (42 C.F.R. § 1001.952(h) (collectively, the "Anti-kickback Provisions"). Any prices offered by Supplier under this Agreement may include from time to time a reduction in price as that phrase is defined under the Anti-kickback Provisions. Should there be a reduction in price, then under the Anti-kickback Provisions, Cardinal may have an obligation to report any such reduction in price, and must provide such information upon request, to any state or federal health care program or other government agency. Cardinal represents and warrants that it will satisfy any and all requirements that may be imposed on Cardinal by the Anti-kickback Provisions including, when required by law, to accurately report under any state or federal health care program the net cost actually paid by Cardinal and to appropriately reflect such net costs if cost reporting to such governmental program is applicable. Cardinal further represents and warrants that it will inform its customers of its customers' obligations to properly report any reductions in price and will use reasonable efforts to assist its customers in properly reporting and appropriately reflecting the amount of any reductions in price in its customers' claims for payment filed with any state or federal health care program.

8.5. Severability. In the event that any provision of this Agreement is found to be invalid or unenforceable, then the offending provision shall not render any other provision of this Agreement invalid or unenforceable, and all other provisions shall remain in full force and effect and shall be enforceable, unless the provisions which have been found to be invalid or unenforceable shall substantially affect the rights or obligations granted or undertaken by either Party.

8.6. No Partnership. Both Parties are independent contractors under this Agreement. Nothing contained in this Agreement is to be construed so as to constitute Supplier and Cardinal as partners or agents with respect to this Agreement or to create a partnership or joint venture. Neither Party hereto shall have any right or authority to assume or create any obligations on behalf of, or in the name of, the other Party or to bind the other Party to any contract, agreement or undertaking with any third party.

8.7. Compliance with Laws. Cardinal represents and warrants that it shall ascertain and comply in all material respects with (i) all applicable laws, statutes, rules, regulations, orders, judgments, or injunctions imposed by regulations or laws of any government or governmental authority, including those covering pollution, hazardous substances, or the protection of human health, the environment, or natural resources, (ii) with Cardinal's internal policies and procedures regarding marketing and sales, (iii) the Pharmaceutical Research and Manufacturers of America (PhRMA) Code on Interactions with Healthcare Professionals and (iv) any guidance from the Health and Human Services (or any successor agency) Office of Inspector General relating to Cardinal's obligations under this Agreement, including, without limitation, the use, handling, sale and distribution of Products. In the event Cardinal fails to comply with this Section 8.7 in any material respect, Supplier may terminate this Agreement, effective upon notice by Supplier to Cardinal on such date as Supplier may specify in such notice, and provided if such non-compliance is curable, Cardinal fails to cure such non-compliance within twenty (20) days of the notice thereof from Supplier (with no such cure period required if the non-compliance is not curable).

8.8. Arbitration. Any dispute, controversy or claim arising out of or relating to compliance with, or breach or alleged breach, interpretation or validity of, this Agreement, (each a "Dispute") shall be exclusively resolved by binding arbitration, which arbitration may be commenced by sending a written notice to the other Party demanding arbitration of such Dispute (the " Demand"). In that event, the Dispute shall be finally resolved by arbitration in accordance with the United States Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association. The place of the arbitration shall be New York, New York. The arbitration will be conducted in the English language before a panel of three arbitrators. Each Party shall name one arbitrator, and the two so named shall name the third arbitrator, who will act as chairman. If the two party arbitrators cannot agree on a third arbitrator within thirty (30) days after the Demand, such third arbitrator shall be selected by the American Arbitration Association. The arbitrators will promptly meet, fix the time, date and place of the hearing and notify the Parties. The arbitration shall be conducted within ninety (90) days after any Demand. All documents, exhibits, testimony or other information that is not in the English language shall be translated into the English language at the expense of the Party proffering the evidence requiring translation. The decision of the arbitrators may (depending on the equities of the case) include an award of legal fees, costs of arbitration and interest. The panel of arbitrators will promptly transmit an executed copy of its decision to the Parties. The decision of the arbitrators will be final, binding and conclusive upon the Parties. Judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Each Party retains the right to seek from a court any interim or provisional relief that may be necessary to protect the rights or property of that Party pending the establishment of the arbitrators' determination of the merits of the controversy, and any such action shall not be deemed incompatible with this Agreement to arbitrate or a waiver of the right to arbitration. The obligations of the Parties under this Section are specifically enforceable and will survive any termination of this Agreement. Unless the decision of the arbitrators provides otherwise, the Parties shall bear their own costs in preparing for the arbitration and the costs of the arbitrators shall be equally divided between the Parties. Each Party waives any right to claim consequential, punitive or exemplary damages against each other and in the event of a dispute, each shall be limited to recovery of actual damages.

8.9. Confidentiality. Each party acknowledges that the disclosure of the terms of this Agreement (including the terms and conditions hereof and all pricing information related to the Products under this Agreement, including actual prices, and the occurrence, timing or amount of any price reductions) would be detrimental to the other party and that such terms shall be considered Confidential Information of each party. Each Party shall (i) maintain the Confidential Information of the other Party in confidence from and after the date hereof until the seventh anniversary of the termination of this Agreement and (ii) use such Confidential Information solely for the purpose of performing its obligations or exercising its rights under this Agreement. Each Party covenants that (i) it shall not disclose any of the Confidential Information of the other Party except to its employees, agents or any other person under its authorization who are obligated to maintain the confidentiality of such Confidential Information, and (ii) it shall establish and implement a commercialization plan within such Party's respective organization that will indicate serious disciplinary action including and up to dismissal in the event that a representative makes an unauthorized disclosure. The foregoing confidentiality obligations shall not apply to information that (i) is required to be disclosed by a court or tribunal, legal process, applicable law or the rules of any applicable stock exchange, in which case the disclosing Party shall promptly notify the other Party of such disclosure and the procedures, such as a protective order, instituted to protect the confidentiality of the such information to be disclosed, (ii) is or hereafter becomes generally available to the public other than by reason of any default by the disclosing Party with respect to a confidentiality obligation, (iii) is disclosed to the recipient by a third party that is not in default of any confidentiality obligation to the disclosing Party or (iv) is reasonably necessary to explain to customers of Cardinal any increases in Generator Purchase Prices due to increases in costs of molybdenum as provided in Exhibit B. Each Party agrees that should the foregoing confidentiality obligations be breached, money damages may be inadequate to remedy such a breach, and the other Party shall be entitled to seek, and a court of competent jurisdiction may grant, specific performance and injunctive or other equitable relief as a remedy for any such breach or threatened breach. Such remedy shall be in addition to all other remedies, including money damages, available to a non-breaching Party at law or in equity.

8.10. Notices. All notices to be provided to the Parties hereunder shall be delivered to the address of the relevant Party set forth below:

If to Supplier, to:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road
North Billerica, Massachusetts 01862
Attn: President
Facsimile: (978) 671-8079

with copies to:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road
North Billerica, Massachusetts 01862
Attn: General Counsel
Facsimile: (978) 671-8724

If to Cardinal, to:

Cardinal Health, Inc.
7000 Cardinal Place
Dublin, Ohio 43017
Attention: Vice President, General Counsel — NPS
Facsimile: 614-757-3142
Telephone: 614-757-5427

Either Party may change its notice address by giving a notice to the other Party pursuant to this Section.

8.11. Failure or Delay in Performance. Except for the payment of money, neither Party shall be liable to the other for failure or delay in performance of its obligations (including shipping delays) if such performance is prevented or delayed by any cause beyond such Party's reasonable control.

8.12. Assignment. Neither this Agreement, nor any right, interest or obligation hereunder, may be assigned, or otherwise transferred by either Party, whether by operation of law or otherwise, without the prior written consent of the other Party; provided, however that (x) either Party may assign or otherwise transfer any or all of its rights, or delegate any or all of its respective duties or obligations, under this Agreement without the prior written consent of the other Party to (i) an acquirer of, or successor to, all or substantially all of the assets of such Party, or (ii) the surviving entity in any merger, consolidation, equity exchange or reorganization to which such Party is a Party, provided that, in each case, such acquirer, successor or surviving entity, as the case may be, agrees to be bound by all of the obligations of such Party under this Agreement, and (y) Supplier may assign or otherwise transfer any or all of its rights, or delegate any or all of its duties or obligations, under this Agreement to an acquirer of successor to, or other transferee with respect to all or substantially all of the assets used in or related to the manufacture, sale and distribution of the Products or otherwise to the business of Supplier to which this Agreement relates, provided that, in each case, such acquirer, successor or transferee, as the case may be, agrees to be bound by all of the obligations of such Party under this Agreement.

8.13. Amendments. This Agreement may not be supplemented, amended or modified except in a writing executed by all the Parties. Notwithstanding the preceding sentence but without limiting the rights of the Parties under Sections 5.1 and 5.2 of this Agreement, the Parties agree that in the event that there is a change in law or regulation that makes this Agreement (or any terms hereof) or the performance of any of the terms of this Agreement illegal in any respect, the Parties shall negotiate in good faith to amend this Agreement in a manner consistent with such change in applicable law or regulation.

8.14. Absence of Presumptions. The Parties hereto understand and agree that each and every term and condition of this Agreement, have or has been mutually negotiated, prepared and drafted, and in connection with the interpretation or construction of any such term or condition or this Agreement, no consideration will be given to the issue of which Party prepared, drafted or requested any term or condition of this Agreement.

8.15. Third Party Beneficiaries. None of the provisions of this Agreement shall be for the benefit of or enforceable by any third party including, without limitation, any creditor of any Party hereto. No third party shall obtain any right under any provision of this Agreement or shall by reason of any such provision make any claim in respect of any debt, liability or obligation (or otherwise) against any Party hereto.

8.16. Consents. Any consent or approval to any act or matter required under this Agreement must be in writing and shall apply only with respect to the particular act or matter to which such consent or approval is given and shall not relieve any Party from the obligation to obtain the consent or approval, as applicable, wherever required under this Agreement to any other act or matter.

8.17. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

8.18. Compliance with Terms. If any radiopharmacy owned by Cardinal or its affiliates is operated by an entity other than Cardinal or its affiliates, Cardinal shall cause such entity to comply with the terms of this Agreement.

8.19. Headings. Headings in this Agreement are for convenience of reference only and shall not be considered in interpreting or construing this Agreement.

8.20. Exhibits. The Exhibits attached to this Agreement are an integral part hereof and all references to this Agreement include such Exhibits.

8.21. Counterparts. This Agreement may be executed in one or more counterparts, and by the Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which when taken together shall constitute one and the same agreement.

8.22. Waiver. Waiver by a Party of a breach hereunder by the other Party shall not be construed as a waiver of any succeeding breach of the same or any other provision. No delay or omission by a Party in exercising or availing itself of any right, power or privilege hereunder shall preclude the later exercise of any such right, power or privilege by such Party. No waiver shall be effective unless made in writing with specific reference to the relevant provision(s) of this Agreement and signed by a duly authorized representative of the Party granting the waiver.

8.23. Publicity. Neither Party will make any press release or other public disclosure regarding this Agreement or the transactions contemplated hereby that mentions or identifies the other Party without the other Party's prior written consent, except as required by a government or governmental authority and applicable law or the rules of any applicable stock exchange, in which case the Party required to make the press release or public disclosure shall use commercially reasonable efforts to obtain the approval of the other Party as to the form, nature and extent of the press release or public disclosure prior to issuing the press release or making the public disclosure. Each Party agrees, on behalf of itself and its Affiliates, not to do, or authorize to be done, any act or thing that disparages the other Party or the Products, and Cardinal agrees, on behalf of itself and its Affiliates, not to do, or authorize to be done, any act or thing which may reduce or dilute the value or distinctiveness of the TechneLite® trademark.

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement as of the day and year first above written.

LANTHEUS MEDICAL IMAGING, INC.

By: /s/ Donald R. Kiepert
Name: Donald R. Kiepert
Title: President and CEO

CARDINAL HEALTH 414, LLC

By: /s/ John C. Rademacher
Name: John C. Rademacher
Title: President

EXHIBIT A

INITIAL THALLIUM PURCHASE PRICE; ADJUSTMENTS

The initial Thallium Purchase Price shall be $**** per mCi of Thallium and shall remain in effect until ****.

The Parties will negotiate in good faith additional terms in connection with the purchase and sale of Thallium, including mutually acceptable volume commitments and pricing provisions.

EXHIBIT B

GENERATOR PURCHASE PRICE, ADJUSTMENTS

The initial Generator Purchase Price for each size of Generator shall be the price set forth in the table below corresponding to the size of such Generator (measured in curies of molybdenum (Mo99) at **** on the day of **** of such Generator) and shall remain in effect until ****

Size of Generator (in curies of Mo99)		**Generator Purchase Price (inclusive of shipping and freight)**	
	****	$	****
	****	$	****
	****	$	****
	****	$	****
	****	$	****
	****	$	****
	****	$	****
	****	$	****
	****	$	****
	****	$	****
	****	$	****
	****	$	****
	****	$	****
Sunday calibration		Generators requiring Sunday calibration will be priced at **** percent (****%) of the above prices, inclusive of shipping and freight costs.	

If Supplier certifies and places into production at least **** additional supplier of molybdenum (Mo99) by ****, then commencing on **** Generator Purchase Prices shall be increased **** by **** percent (****%) over the prior year's prices. If Supplier fails to certify and place such a supplier into production by ****, then commencing on **** the Generator Purchase Prices shall be increased **** in an amount equal to the **** of (i) the percentage change over the prior **** months in the most recently available Consumer Price Index data provided by the U.S. Bureau of Labor Statistics, or (ii) **** percent (****%) of the prior year's prices.

Supplier shall be entitled to increase the Generator Purchase Prices to reflect any material change in costs of molybdenum. A change in such costs shall be considered material if the increase in the cost of molybdenum over any **** (****) period (a "Moly Cost Increase Period") is more than **** percent (****%). In the event of such a material increase, Supplier shall be entitled to increase the Generator Purchase Prices to reflect the incremental increase in such costs over **** percent (****%), provided that Supplier provides Cardinal **** (****) days' written notice and reasonable documentation supporting such change in costs, which **** (****) day notice period can run simultaneously with the Moly Cost Increase Period.

EXHIBIT C

QUARTERLY SHARE CALCULATION REPORT

Licensee Name: _____ Reporting Period:(1) _____
MM/DD/YY

Completed By: _____ Title: _____

Contact Phone #: _____ Date: _____

AGGREGATE DATA

(A) Total of technetium Tc 99m curie volume purchased by Cardinal during the reporting period:

(B) Total number of curie volume purchased by Cardinal from Supplier during the reporting period:

(C) The portion of technetium Tc 99m curie volume purchased from Supplier during such reporting period, equal to the above (B) divided by the above (A):

(1) The Reporting Period must be a calendar quarter.

Exhibit 10.15

EXECUTION COPY

CONFIDENTIAL TREATMENT REQUESTED

INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND NOTED WITH "**". AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.**

AGREEMENT CONCERNING CARDIOLITE® AND TECHNELITE® GENERATOR SUPPLY, PRICING AND REBATES

This Agreement Concerning Cardiolite® and Technelite® Generator Supply, Pricing and Rebates (this " Agreement") is made effective as of February 1, 2008 (the "Effective Date"), by and between Lantheus Medical Imaging, Inc. (formerly known as Bristol-Myers Squibb Medical Imaging, Inc.), a corporation duly organized and existing under the laws of the state of Delaware, with its offices located at 331 Treble Cove Road, North Billerica, Massachusetts ("Medical Imaging") and UPPI, a corporation duly organized and existing under the laws of the state of Delaware, with its principal place of business located at 5400 Laurel Springs Parkway, Suite 405, Suwanee, Georgia 30024. UPPI and Medical Imaging shall be referred to collectively herein as the "Parties" and each individually as a "Party".

WHEREAS Medical Imaging and UPPI previously entered into the Agreement Concerning Cardiolite® Terms and Conditions, effective as of March 1, 2004 (the "Terms Agreement");

WHEREAS, pursuant to the Terms Agreement, Medical Imaging has offered to eligible UPPI members a Cardiolite® License and Supply Agreement (the "Individual Pharmacy Agreement") incorporating the Standard Cardiolite® Terms; and

WHEREAS, the Parties now desire to enter into certain arrangements relating to the pricing, rebates and supply of Cardiolite® and Technelite® Generators, including, without limitation, the provision by Medical Imaging to UPPI members of price rebates for purchases of Cardiolite® and Technelite® Generators, all on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual undertakings set forth herein and for other good and valuable consideration, the Parties agree as follows:

I. Defined Terms.

A. Capitalized terms not otherwise defined herein shall have the meanings specified in the Standard Cardiolite® Terms.

B. "Approved" means approved by the United States Food and Drug Administration pursuant to an Abbreviated New Drug Application as a generic Sestamibi Product.

C. "Competitive Entry" means the date of the first lawful sale to the public of an Approved generic sestamibi, following expiration of market exclusivity on July 29, 2008.

D. "Fee Per Dose" means the purchase price per dose of Cardiolite® set forth on Schedule B to Exhibit 1, as such price may be modified from time to time in accordance with the Pre-Existing Agreements.

E. "Members" means members of UPPI.

F. "Pre-existing Agreements" means collectively the Terms Agreement, the Individual Pharmacy Agreement and the Standard Cardiolite® Terms.

G. "Quarter" means (i) the initial period from February 1, 2008 through March 31, 2008 and (ii) each three completed month period of the Term, commencing upon April 1, 2008.

H. "Quarter Following Competitive Entry" means each three completed month period of the term of the applicable Agreement, commencing upon Competitive Entry.

I. "Technelite® Generators" means technetium Tc 99m generators sold under the trademark Technelite®.

J. "Technelite® Generator Purchase Price" means the purchase price for Technelite® Generators set forth on Schedule C of Exhibit 1, as such price may be modified from time to time in accordance with the terms of this Agreement.

II. Cardiolite® Supply and Pricing.

A. Pricing. Pursuant to Section 2.11 of the Standard Cardiolite® Terms, the Parties hereby agree that the current Exhibit I of the Standard Cardiolite® Terms is hereby amended as set forth in Exhibit 1 hereto, provided that if the conditions set forth in Article I of Exhibit 1 are not met and/or after expiration of the Term, such current Exhibit I will be automatically reinstated and will once again be in full force and effect.

B. Good Faith Negotiation. Within **** (****) business days following the end of each **** Following Competitive Entry, the Fee Per Dose shall be subject to change upon the mutual written agreement of Medical Imaging and UPPI. Medical Imaging and UPPI shall each negotiate any such changes to the Fee Per Dose in good faith based upon the then-existing selling conditions for Approved sestamibi products and with the aim of achieving competitive pricing. In addition, in the event that the acquisition of **** or **** Members by a third party results in a significant change in the number of Members, Medical Imaging and UPPI shall meet to discuss the possible amendment of the rebates set forth in Schedule D of Exhibit 1 hereto.

C. Preferred Supplier. UPPI hereby acknowledges that its contractual relationship with Medical Imaging affords UPPI with valuable access to a consistent supply of branded, high-quality products. Although not an exclusive relationship, commencing on the Effective Date, pursuant to the following terms and conditions, Medical Imaging shall become UPPI's preferred supplier of Sestamibi Products. In the event that UPPI receives, prior to ****, a bona fide, good faith proposal from (or provides or intends to provide such proposal to) a third party (a "Proposal") to provide Approved sestamibi product(s) to Members that are the same or substantially similar to the Sestamibi Products, UPPI shall notify Medical Imaging in writing thereof and provide sufficiently detailed information regarding the pricing terms thereof. For **** (****) business days thereafter (the "Exclusive Negotiation Period"), UPPI shall negotiate exclusively and in good faith with Medical Imaging, regarding the purchase of Sestamibi Products at a price competitive with that contained in the Proposal and shall not during such period negotiate with such third party. If the Parties agree in writing to an appropriately competitive price, such price shall become the new Fee Per Dose, and accordingly UPPI shall not accept (or shall withdraw, as applicable) the Proposal. If Medical Imaging and UPPI do not agree to an appropriately competitive price during the Exclusive Negotiation Period, UPPI shall have the right to accept the Proposal (or negotiate an agreement with the applicable third party on the pricing terms in the Proposal) free and clear of any obligation to Medical Imaging.

D. Administrative Fee. Commencing on the Effective Date and continuing through the expiration of the Term, unless earlier terminated, should UPPI and the Members qualify for the rebates provided pursuant to the Incentive Program attached hereto in Exhibit 1, then Medical Imaging shall pay to UPPI an administrative fee in the amount of ****% of (i) prior to Medical Imaging's response to pricing adjustments requested as a result of Competitive Entry, the aggregate dollar sales of Sestamibi Products and Technelite® Generators sold and delivered to Members pursuant to this Agreement and the Pre-existing Agreements and (ii) after Competitive Entry, the aggregate dollar sales of Technelite® Generators sold and delivered to Members pursuant to this Agreement.

III. Technelite® Generator Supply and Pricing.

A. Supply of Technelite® Generators. All purchases of Technelite® Generators by a Member from Medical Imaging during the Term of this Agreement shall be as provided for in this Agreement and purchase orders. The Members shall properly store, use and dispose of all Technelite® Generators in accordance with any instructions set forth on the applicable product labels, the rules and regulations promulgated by the U.S. Nuclear Regulatory Commission and all other applicable laws and regulations. A

Member may reject any non-conforming portion of a shipment of Technelite® Generators as allowed under applicable law within ten (10) days after its receipt of such shipment, provided that the Members sole remedy with respect to any such lawfully rejected portion will be to receive replacement quantities therefor or a credit for the purchase price thereof. All delivery, shipment and other terms will be as set forth in Technelite® Generator purchase orders.

B. Purchase Price. The Parties agree that each Member shall pay to Medical Imaging the Technelite® Generator Purchase Price as set forth in Exhibit 1 for Technelite® Generators and agree to the terms set forth on Exhibit 1. Such payment shall be due and payable as set forth in Medical Imaging's invoices. The Members will be responsible for any and all federal, state, county or municipal sales or use tax, healthcare tax, excise, customs charges, duties or similar charges, or any other tax assessment (other than that assessed against Medical Imaging's income), license, fee or other charge lawfully assessed or charged on the sale, transportation, or other disposition of Technelite® Generators.

C. Group Purchasing Organization Status. UPPI represents, warrants and covenants throughout the term of this Agreement: (a) that it is a group purchasing organization for purposes of 42 C.F.R. § 1001.952; (b) that it has a written agreement with each Member specifying that it will receive administrative fees from vendors of three percent (3%) or less of the total sales, or, if any vendor's fee is greater than three percent (3%), specifying the actual amount of the fee, stated as a percentage or a fixed sum (or, if the sum is unknown, the maximum amount); and (c) that it will provide each Member (and the Secretary of the U.S. Department of Health and Human Service, upon request) an annual statement specifying the exact dollar amount of the administrative fees earned from Medical Imaging relating to the purchases made by or on behalf of the Member. UPPI agrees to notify Medical Imaging promptly if UPPI no longer complies with the requirements of this Section. In the event that UPPI fails to comply with the requirements of this Section, at any time during the Term of this Agreement or during any period that Medical Imaging owes UPPI an administrative fee under this Agreement, Medical Imaging's obligation to pay such fees to UPPI shall automatically terminate, and may only be reinstated in writing by an authorized representative of Medical Imaging, following Medical Imaging's receipt of UPPI's written representation and certification that it is again in compliance with the requirements of this Section. Any administrative fees paid to UPPI with respect to any period during which UPPI does not comply with the requirements of this Section shall be promptly refunded to Medical Imaging. UPPI will cause its Members to comply with the terms of this Agreement.

IV. Rebates. The Parties agree that UPPI and the Members will be eligible for rebates as set forth in Exhibit 1.

V. Miscellaneous.

A. Term: Termination.

1. The term of this Agreement ("Term") shall commence on the Effective Date and shall expire upon the earlier of (i) December 31, 2010, (ii) termination of this Agreement pursuant to Section V(A)(2) below, or (iii) the first date that UPPI and the Members do not qualify and meet the conditions provided in Article I of Exhibit 1.

2. Medical Imaging may terminate this Agreement at any time upon not less than ninety (90) days' written notice to UPPI, effective on such date as may be specified in such notice. All accrued but unpaid amounts due to Medical Imaging shall survive any expiration or termination of this Agreement.

B. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to the conflict of laws provisions thereof.

C. Entire Agreement: Amendments: Waiver. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes any and all prior or contemporaneous agreements (whether written or oral). Except as expressly permitted herein, all amendments, modifications or supplements to this Agreement shall be in a writing executed by both Parties. UPPI shall provide each Member not less than thirty (30) days' prior written notice of all amendments, modifications or supplements to this Agreement and the Pre-Existing Agreements or forty-five (45) days' prior written notice if such amendment, modification or supplement changes any item that may be modified unilaterally by Medical Imaging. No waiver by any Party of any provision hereof shall be effective unless explicitly set forth in writing and executed by the Party so waiving. The waiver by either Party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other subsequent breach.

D. Confidentiality. UPPI agrees that the disclosure of the contents of this Agreement (other than to Members) and any information provided by Medical Imaging pursuant to this Agreement would be detrimental to Medical Imaging and shall be considered the confidential information of Medical Imaging. Such confidential information shall be subject to the terms of Section 6.05 of the Terms Agreement *mutatis mutandis*.

E. Notices. Medical Imaging shall be required to provide to UPPI (which will constitute notice to all Members) in writing any notices hereunder and any amendment, modification or supplement to this Agreement or any Pre-Existing Agreement that relates to any item that may be modified unilaterally by Medical Imaging at the following address:

United Pharmacy Partners, Inc.
5400 Laurel Springs Parkway
Suite 405
Suwanee, GA 30024
Attn: Perry Polsinelli

UPPI will be required to provide to Medical Imaging all notices hereunder in writing at the following address:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road,
North Billerica, Massachusetts
Attn: David Mann

Either Party may change its notice address by giving notice to the other Party pursuant to this Section. All notices shall be deemed effective upon delivery in person or overnight courier service; upon transmission by facsimile with receipt confirmed (followed by delivery of an original via overnight courier service); or five (5) days after being sent by registered or certified mail (postage prepaid, return receipt requested).

F. Assignment; No Third Party Beneficiaries. This Agreement, the Terms Agreement and the Standard Cardiolite® Terms may not be directly or indirectly assigned, pledged or otherwise transferred by UPPI, whether by operation of law or otherwise without the prior written consent of Medical Imaging. Any attempted assignment, pledge or transfer in violation thereof shall be void. This Agreement, the Terms Agreement and the Standard Cardiolite® Terms may be assigned by Medical Imaging, and this Agreement shall be binding upon and inure to the benefit of the Parties and all successors and permitted assigns of the Parties. None of the provisions of this Agreement shall be for the benefit of or enforceable against any third party, and no third party shall obtain any right under any provision of this Agreement.

G. Severability. If any provision of this Agreement is invalid, illegal or incapable of being enforced under any law, regulation or as a matter of public policy, all other provisions of this Agreement shall nevertheless remain in full force and effect, and the Parties shall negotiate in good faith

to modify this Agreement so as to effect the original intent of the Parties with respect to such invalid, illegal or unenforceable provision.

H. Compliance with Safe Harbors. The dollar value of the discounts, credits and reductions in price pursuant to this Agreement, and any other products and services not paid for by the Members and received by the Members are "discounts and reductions in price" under the federal anti-kickback statute (42 U.S.C. § 1320 a-7 b(b)) and the federal "safe harbor" regulations regarding discounts, rebates, or other reductions in price (42 C.F.R. § 1001.952 (h) (collectively along with all state and federal anti-kickback laws and regulations, the " Anti-kickback Provisions"), and Medical Imaging agrees, and UPPI agrees on behalf of itself and its Members, to comply with the terms thereof. Any prices and rebates offered by Medical Imaging under this Agreement may include from time to time a reduction in price as that phrase is defined under the Anti-kickback Provisions. Should there be a reduction in price, then under the Anti-kickback Provisions, Members may have an obligation to, report any such reduction in price, and must provide such information upon request, to any state or federal health care program or other government agency. UPPI represents and warrants that it will satisfy, and will cause the Members to satisfy, any and all requirements that maybe imposed on Members by the Anti-kickback Provisions including, without limitation, when required by law, to accurately report under any state or federal health care program the net cost actually paid by Member and to appropriately reflect such net costs if cost reporting to such governmental program is applicable. Licensee further represents and warrants that it will inform its customers of its customers' obligations to properly report any reductions in price and will use reasonable efforts to assist its customers in properly reporting and appropriately reflecting the amount of any reductions in price in its customers' claims for payment filed with any state or federal healthcare program.

I. Publicity. Neither Party will make any press release or other public disclosure regarding this Agreement or the transactions contemplated hereby that mentions or identifies the other Party without the other Party's prior written consent except as required by a government or governmental authority and applicable law or the rules of any applicable stock exchange, in which case the Party required to make the press release or public disclosure shall use commercially reasonable efforts to obtain the approval of the other Party as to the form, nature and extent of the press release or public disclosure prior to issuing the press release or making the public disclosure.

J. No Presumption; Counterparts. This Agreement has been mutually negotiated, prepared and drafted, and no consideration will be given to the issue of which Party prepared, drafted or requested any term or condition.

This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which when taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers as of the date first set forth above.

LANTHEUS MEDICAL IMAGING, INC.

By: /s/ Michael P. Duffy
Name: Michael P. Duffy
Title: Secretary

UNITED PHARMACY PARTNERS, INC.

By: /s/ Perry Polsinelli 3/13/05
Name: Perry Polsinelli
Title: CEO

Exhibit 1

NOTICE OF INCENTIVE PROGRAM AND PRICING
FOR CARDIOLITE® AND TECHNELITE® GENERATORS

Lantheus Medical Imaging, Inc. ("Medical Imaging") is pleased to make this Incentive Program and Pricing for Cardiolite® and Technelite® Generators available to you along with all members (each, a "Member") of United Pharmacy Partners, Inc. ("UPPI"). All capitalized terms used but not otherwise defined herein will have the meanings set forth on Schedule A. The terms of this notice are confidential and are subject to the confidentiality provisions of Section 5.11 of your Standard Cardiolite® Terms.

I. Program Requirements.

In accordance with Section 2.16(b) of your Standard Cardiolite® Terms, Medical Imaging is offering the Incentive Program (the "Program") described in Articles II and III of this notice. The Program detailed below is being offered to Members though December 31, 2010 (the "Term"), so long as the following pre-conditions are satisfied:

1. UPPI has a minimum of **** (****) Member-owned radiopharmacy locations in Good Standing to make purchases of Sestamibi Products and Technelite® Generators from Medical Imaging commencing April 1, 2008 and at all times thereafter. Should the foregoing requirements not be met for **** (****) consecutive Quarters, Medical Imaging may, in its sole discretion, immediately, upon written notice to UPPI, cease to offer the pricing herein.

2. All Members collectively purchase a minimum aggregate amount of **** Sestamibi Product doses and **** Technelite® Generator curies during each Quarter commencing April 1, 2008 and at all times thereafter; provided, however, that no individual Member shall be required to purchase any minimum amount. Should the foregoing requirements not be met for **** (****) consecutive Quarters, Medical Imaging may, in its sole discretion, immediately, upon written notice to UPPI, terminate this Program.

II. Pricing.

Subject to Article I above and the rebates and other adjustments described below, each Member shall, during the Term, pay an amount to Medical Imaging equal to the then-effective Fee Per Dose for each dose of Sestamibi Product delivered to it by Medical Imaging. Should Competitive Entry fail to occur by December 31, 2008, the Fee Per Dose set forth in Schedule B shall cease to apply, but shall be automatically reinstated upon Competitive Entry. In order to attempt to achieve competitive pricing, it is the intent of Medical Imaging and UPPI to re-evaluate the Fee Per Dose within **** (****)

business days of each **** Following Competitive Entry, and the Fee Per Dose may be changed upon the mutual written agreement of Medical Imaging and UPPI at that time.

Subject to Article I above and the rebates and other adjustments described below, each Member shall, during the Term, pay to Medical Imaging an amount equal to the then-effective Technelite® Generator Purchase Price for purchases of Technelite® Generators invoiced to it by Medical Imaging. Commencing ****, and following each **** (****) month period thereafter, the Technelite® Generator Purchase Price shall be subject to change by Medical Imaging, with **** (****) days' written notice to UPPI. However, Medical Imaging will not **** the Technelite® Generator Purchase Price by more than **** percent (****%) in any **** (****) month period.

III. Rebates and Reports.

For each Quarter during the Term, prior to Medical Imaging's response to pricing adjustments requested as a result of Competitive Entry, each Member in Good Standing that pays the invoices submitted by Medical Imaging on a timely basis may be entitled, in accordance with Schedule D, to a percentage rebate on total dollar sales for purchases of Sestamibi Products and Technelite® Generators invoiced and delivered to such Member. The amount of the percentage rebate will be determined based on the aggregate (i) UPPI Sestamibi Product doses sold by Medical Imaging to all Members during the Quarter (as set forth in the Quarterly report provided to Medical Imaging from UPPI) and (ii) purchases of Technelite® Generator (curies) invoiced and delivered to all Members during the Quarter (as set forth in a written Quarterly report to be provided by Medical Imaging to UPPI). In addition, prior to Medical Imaging's response to pricing adjustments requested as a result of Competitive Entry, the percentage rebate will be applied to the Member's (i) purchases of vials of Sestamibi Products during the applicable Quarter (as set forth in Medical Imaging invoices), (ii) additional unit doses of Sestamibi Products invoiced during the applicable Quarter, and (iii) purchases of Technelite® Generators invoiced and delivered to each Member during the applicable Quarter. Schedule D may be adjusted at the end of each Quarter beginning **** upon the mutual agreement of Medical Imaging and UPPI based on market conditions and UPPI membership. All earned rebates shall be issued to a Member by Medical Imaging as a credit against future purchases of products by the Member within **** (****) days of the end of each Quarter. Medical Imaging will not settle any such rebate in cash, except if a Member ceases to exist or is otherwise acquired and ceases to be a Member and there are no outstanding invoices payable by such Member to Medical Imaging.

After Medical Imaging's response to pricing adjustments requested as a result of Competitive Entry, the rebate as described above will still be determined based on the aggregate (i) UPPI Sestamibi Product doses sold by Medical Imaging to all Members during the Quarter (as set forth in the Quarterly report provided to Medical Imaging from UPPI) and (ii) purchases of Technelite® Generators (curies) invoiced and delivered to all Members during the Quarter (as set forth in a written Quarterly report to be provided by Medical Imaging to UPPI). The percentage rebate, however, will thereafter only be

applied to the Member's purchase of Technelite® Generators invoiced and delivered to each Member during the Quarter.

The terms of your existing Exhibit I of the Standard Cardiolite® Terms are being modified as set forth herein by each of the above terms. For so long as the conditions contained herein are met during the Term, your existing Exhibit I to the Standard Cardiolite® Terms is hereby deemed void and of no force or effect and all references to Exhibit I to the Standard Cardiolite® Terms will be understood to reference and incorporate the terms contain herein, provided when and if the pricing below ceases to apply, your existing Exhibit I will be automatically reinstated and will once again be in full force and effect.

In addition, effective immediately, Members will no longer be required to provide Medical Imaging with a Quarterly ANP Report (as described in Section 2.07(c)(ii)) in order to receive pricing concessions. In fact, Medical Imaging will no longer be collecting such reports.

Any and all terms and conditions, if any, contained within the Standard Cardiolite® Terms that are inconsistent with this notice are hereby deleted, void and of no further force or effect.

IV. Other Terms.

Each Member hereby represents and warrants that it will properly store, use and dispose of all materials provided pursuant to the Agreements in accordance with any instructions set forth on the applicable product labels, the rules and regulations promulgated by the U.S. Nuclear Regulatory Commission and all other applicable state and federal government regulations.

Notwithstanding anything in Agreements to the contrary, the Individual Pharmacy Agreement and the Standard Cardiolite® Terms may be freely assigned by Medical Imaging.

Notwithstanding anything in the Individual Pharmacy Agreements to the contrary, upon any amendment, modification or supplement to the Standard Cardiolite Terms, Medical Imaging shall be required at any time to provide written notice thereof solely to UPPI at the following address:

United Pharmacy Partners, Inc.
5400 Laurel Springs Parkway, Suite 405
Suwanee, GA 30024
Attn: Perry Polsinelli

All notices to be provided to Medical Imaging hereunder shall be delivered to:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road,
North Billerica, Massachusetts
Attn: David Mann

SCHEDULE A

Defined Terms

A. Capitalized terms not otherwise defined herein shall have the meanings specified in the Standard Cardiolite® Terms.

B. "Agreements" means collectively the Agreement Concerning Cardiolite® Terms and Conditions between Medical Imaging and UPPI, the Individual Pharmacy Agreement, and the Standard Cardiolite® Terms.

C. "Approved" means approved by the United States Food and Drug Administration pursuant to an Abbreviated New Drug Application as a generic for Cardiolite®.

D. "Competitive Entry" means the date of the first lawful sale to the public of an Approved generic sestamibi, following expiration of market exclusivity on July 29, 2008.

E. "Fee Per Dose" means the purchase price per dose of Cardiolite® set forth on Schedule B, as such price may be modified from time to time in accordance with the Agreements.

F. "Technelite® Generators" means technetium Tc 99m generators sold under the trademark Technelite®.

G. "Technelite® Generator Purchase Price" means the purchase price for Technelite® Generators set forth on Schedule C, as such price may be modified from time to time.

H. "Good Standing" means the status of having obtained and retained all federal, state and local licenses and other requirements necessary for the lawful conduct of business as a radiopharmacy.

I. "Individual Pharmacy Agreements" means the Cardiolite® License and Supply Agreements between Medical Imaging and a Member.

J. "Quarter" means (i) the initial period from February 1, 2008 through March 31, 2008 and (ii) each three completed month period of the Term, commencing upon April 1, 2008.

K. "Quarter Following Competitive Entry" means each three completed month period of the term of the Individual Pharmacy Agreement, commencing upon Competitive Entry.

SCHEDULE B

Cardiolite® Purchase Price

Fee Per Dose = $**** through ****, or earlier based upon a response to achieve competitive pricing as described in the above notice.

SCHEDULE C

Technelite® Generator Purchase Price

Size of Technelite® Generator (in curies of Mo99)	Price
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****

SCHEDULE D

Rebates

Quantities Purchased
**** through ****

		Cardiolite®* Doses	
	****-****	****-****	****
Technelite® Generator Curies			
****-****	****%	****%	****%
****-****	****%	****%	****%
****	****%	****%	****%

Quarterly Quantities Purchased:
**** through ****

		Cardiolite®* Doses	
	****-****	****-****	****
Technelite® Generator Curies			
****-****	****%	****%	****%
****-****	****%	****%	****%
****	****%	****%	****%

*Baseline Cardiolite® doses and Technelite® Generator (curies) shown in Schedule D are based on a UPPI network of **** Members.

Exhibit 10.16

CONFIDENTIAL TREATMENT REQUESTED

INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND NOTED WITH "**".**
AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.

DISTRIBUTION AGREEMENT

This distribution agreement (this "Agreement") is entered into as of October 31, 2001 by and between Bristol-Myers Squibb Pharma Company, a general partnership organized under the laws of the State of Delaware ("BMS") and Medi-Physics Inc., doing business as Amersham Health, a corporation organized under the laws of the State of Delaware ("NA").

RECITALS:

BMS has developed and is the manufacturer of certain terminally sterilized Technetium (Tc-99m) generators, Gallium Citrate Ga-67 Injection, and Xe-133 gas products and possesses certain unique and valuable technology, know-how and other information relating to the manufacture and sales of such products.

NA is, among other things, presently engaged in the business of marketing and selling various radiopharmaceutical products and has substantial experience with respect thereto.

BMS desires to grant, and NA desires to obtain, under the terms and conditions of this Agreement, the right to purchase from BMS and the non-exclusive right to market, distribute and sell such generators, Gallium Citrate Ga-67 Injection, Xe-133 gas products and related accessory products in the territory as hereinafter defined.

NOW, THEREFORE, in consideration of the convenants and agreements hereinafter set forth, the parties hereto agree as follows:

ARTICLE 1. Appointment as Distributor

BMS hereby grants, to NA, under the terms and conditions of this Agreement, the non-exclusive right to market, distribute and sell the terminally sterilized Technetium (Tc-99m) generators, Gallium Citrate Ga-67 Injection and Xe-133 gas products and accessory products

hereafter identified on Exhibit A attached hereto ("Products") in the ****, to include the ****. In addition BMS agrees to supply to NA Radiopharmacies in ****, solely for unit dose preparation in ****, those Tc-99m Generators, Ga-67 and Xe-133 Products listed on Exhibit A. NA Radiopharmacies in **** are defined as those entities in which NA has at least a ****% ownership position. In addition, BMS agrees to supply Products to those NA non-radiopharmacy accounts that are under contract on the date of this Agreement and listed on Exhibit F, until the expiration of such contract with the NA non-radiopharmacy account. Hereinafter, the term "Territory" shall refer to both **** and **** so described above.

ARTICLE 2. Supply of Products

2.1 (a) BMS agrees to manufactures and sell to NA **** of NA's requirements for Products and NA agrees to purchase **** of its requirements for Products from BMS.

(b) The parties are aware that BMS utilizes a **** source for supply of Mo-99, and that BMS is required to purchase ****% of its requirements of Mo-99m from that source. BMS agrees to use commercially reasonable efforts to find an established backup sources for Mo-99 in the event BMS's supplier fails to provide BMS's requirements.

2.2 All orders for purchases of Products by NA shall be submitted on NA's standard purchase order form as from time to time in use by NA ("Purchase Order"). A copy of NA's current form of Purchase Order is attached hereto as Exhibit B. The terms of this Agreement shall take precedence over any standard terms of any Purchase Order where in conflict.

2.3 Upon the Effective Date (as defined in Section 9.1 hereof) and no later than **** (****) days prior to each **** during the term of this Agreement, each **** NA shall provide BMS with a written forecast of the numbers and type of Products which NA expects to purchase from BMS during the forthcoming calendar year, as the case may be (the "Annual Forecast").

2.4 NA shall place firm Firm Orders, setting forth the quantities, delivery schedules and dates, and its shipping instructions on the Wednesday prior to the following Monday through Saturday shipping cycle. Once placed by NA, such Firm Orders may be increased or decreased only with prior BMS approval. Subject to NA's limited right to adjust Firm Orders set forth in the previous sentence, such Firm Orders shall constitute binding contractual obligations of NA.

2.5 Although an Annual Forecast or Quarterly Forecast shall not constitute a binding obligation upon NA to order the quantities specified therein, NA agrees to use all reasonable efforts to make each Annual Forecast and Quarterly Forecast a reasonably accurate prediction of the number and mix of Products NA will actually order for delivery in the relevant period pursuant to its Firm Orders.

2.6 BMS shall use commercially reasonable efforts to ship Products pursuant to NA's Firm Orders. Tc-99m generators shall be made available for shipment **** BMS facility, Billerica, MA each day of manufacture. Days of manufacture of Tc-99m generators are currently ****, ****, ****, **** and ****. Any BMS initiated, permanent changes in the manufacturing schedule shall be mutually agreed upon, prior to implementation. Xe-133 gas products shall be made available for shipment **** BMS facility, Billerica, MA each **** calibrated for the following ****. Gallium Citrate Ga-67 Injection products shall be made available ****, calibrated for the following ****. In the event BMS is unable to deliver all product requirements on a given day, BMS will allocate product to Nycomed in proportion to Nycomed's share of total demand. In the event that delivery of a Product is delayed more than **** hours past the agreed upon local delivery time, BMS will reduce the price NA pays for such Product by ****%. However, after **** (****) hours delay, NA shall not be required to accept such Product and may make arrangements with BMS to return unopened Product for **** credit. The foregoing shall not apply to delays caused by *Force Majeure* events such as weather conditions, effecting transportation of components or Products, for which there will be no price reduction. Following the **** hour period outlined above, in the

event that NA is required to find an alternate source of Product, BMS shall pay the difference between BMS's price under this Agreement and the price NA is required to pay to obtain such Product, up to a limit of ****% of BMS's original price.

2.7 The purchase prices to be charged NA for calendar year 2001 are shown in Exhibit Cl and the mechanism to calculate future pricing for each Product is set forth in Exhibit C2. Included in the prices of the Products are:

(a) **** (****) external generator shields per initial generator standing order (A25);
(b) **** (****) elution shields per initial generator standing order (A14);
(c) **** (****) packs of any combination of saline and evacs (A15, A17 or A3) per each received generator standing order.
(d) BMS assures that the prices charged to NA for each Product shall recognize NA's proportion of total BMS volume for each product.

2.8 Delivery of Products to NA hereunder shall be made by BMS via Federal Express, Priority Overnight Service from BMS's manufacturing facility located at 331 Treble Cove Road, North Billerica, Massachusetts. If so requested by NA, BMS will arrange for alternative shipment of Products in accordance with NA's shipping instructions contained in a Firm Order. NA shall reimburse BMS for the difference between Federal Express and any payments made to such alternative carriers by BMS on behalf of NA at the actual cost of such payments. BMS shall incur no liability of any nature whatsoever with respect to its performance of shipping duties on NA's behalf other that because of BMS's gross negligence.

2.9 All payments for Products by NA shall be made within **** (****) days after receipt of invoice.

ARTICLE 3. Distribution and Sale of Products

3.1 NA shall be responsible for compliance with all federal and state rules and regulations which relate to the sale, promotion, distribution, use and final disposition of Products

in the Territory. All communications that NA, its subdistributors, dealers, agents, or affiliates make about the Products in promotional materials or otherwise shall be consistent with the New Drug Applications or other governmental registrations for the Product, fully truthful, based on documented facts, and fairly balanced. NA, its subdistributors, dealers, agents, and affiliates shall not under any circumstances state or imply in promotional materials or otherwise that the Xenon gas vials purchased by NA hereunder can be used with Xenon gas delivery systems other than those purchased by NA hereunder. BMS agrees to supply **** **** (****) Xenon gun per new customer.

3.2 NA shall ensure that BMS receives a copy of the license renewals or amendments of each NA customer to which Products are to be shipped directly by BMS authorizing their receipt and use of the Products in order to keep current BMS's present file of such licenses (other than in cases where the relevant regulatory authorities permit shipment notwithstanding the failure to supply or provide such copies). BMS shall not be obligated to ship to such NA customers and shall, immediately upon receiving the order from NA, verify the NA customer's licensed status and notify NA immediately if such inability to ship exists so NA may take such steps as are available to it to remedy the position. Such refusal to ship to a customer, whose license file in BMS's custody is not current and which defect is not remedied by NA, shall not be deemed an inability or failure on BMS's part to deliver Product in a timely fashion in order to meet NA's required deadlines.

3.3 NA agrees to provide to BMS copies of NA's initial promotional literature related to Products for BMS to transmit to FDA. BMS will play no role in obtaining approval of that material other than taking any administrative action necessary because of BMS's ownership of the registration.

3.4 NA shall have the sole right to determine the resale price, discount and any other terms and conditions for NA's resale of Products. NA shall have complete control over the manner and methods of the marketing, distribution and sale of Products, and NA may distribute and sell Products directly or through subdistributors, dealers, agents or its affiliates and may hire

or retain marketing or other experts to advise and assist NA in the distribution and sale of Products. Except as specifically stated herein, BMS shall play no role in NA's marketing, distribution and sale of Products.

3.5 Prior to use of any label, labeling, advertising or promotional item related to the Products (hereinafter referred to collectively as "Product Information") by NA, its subdistributors, dealers, agents, or affiliates, including but not limited to any package insert, product label, detail aid, direct mail piece, file card, journal article, or reminder advertisement, NA shall submit a sample of the Product Information to BMS for review. Provided, however that:

(a) NA shall not submit any information about pricing of Products to BMS. If a sample of Product Information contains pricing information, NA shall redact that information from the sample prior to providing it to BMS; and

(b) BMS shall review the Product Information solely for the following purposes: (1) to ensure compliance with the terms of BMS's New Drug Applications or other governmental registrations for the Products; (2) to ensure that the Product Information is within the terms of the labeled indications for the Products and is otherwise consistent with the approved package inserts for the Products; and (3) to ensure that the Product Information is not likely to give rise to any formal or informal action, complaint or comment by or from the United States FDA or the Canadian HPB regarding the Product Information or the Products; and

(c) Review by BMS of a sample of Product Information shall not serve as admission, a representation. or evidence thereof, by BMS, that the Product Information: (1) is correct, accurate, or complete; or (2) is within the scope of or consistent with the Product claims made by BMS; or (3) is in compliance with the terms of this Agreement. Review of Product Information by BMS shall not in any way alter or affect the indemnity given by NA pursuant to Section 6.5 hereunder.

(d) NA shall provide BMS a sample of all Product Information and BMS shall have fifteen (15) working days after receiving the sample within which to review and comment on the Product Information. All comments made by BMS shall be binding on NA, its

subdistributors, dealers, agents and affiliates; which shall implement and incorporate into the Product Information all comments made by BMS. If BMS does not respond within fifteen (15) working days, NA, its subdistributors, dealers, agents, or affiliates may use the Product Information unchanged.

3.6 As market considerations dictate, BMS and NA will consider the implementation of depleted Uranium shielded Technetium-99 Generators.

ARTICLE 4. Trademarks

4.1 BMS hereby grants to NA and NA hereby accepts the right to resell the Products supplied by BMS to NA in packages bearing the trademarks listed in Exhibit D ("Trademarks") and in promotional materials related to such Products. The rights granted NA hereunder to use the Trademarks shall in no way affect BMS's ownership of such Trademarks. No other right, title or interest in the Trademarks is established hereby, and nothing herein shall be construed to grant any right or license to NA to use the BMS logo or the BMS trade name, other than as specifically set forth herein. The parties agree and understand that this Section 4.1 does not expand the rights granted to NA under Article 1.

4.2 NA shall not make any use or take any action with respect to the Trademarks to prejudice or infringe BMS's rights thereto including the use of any confusingly similar trademark and shall forthwith, upon objection by BMS, desist from any use thereof or action therewith which is in violation of this Agreement.

4.3 NA will only market the Products using the relevant Trademarks during the term of this Agreement. Upon termination or expiration of this Agreement, NA will cease all use of the Trademarks and the license to use any such Trademarks granted hereunder shall immediately cease and be deemed canceled.

4.4 NA will use the Trademarks in strict accordance with the instructions given by BMS, and shall not make any changes in connection therewith without first obtaining BMS's written consent. NA further agrees that at all times the Trademarks shall be used in accordance with good trademark practice, including notation of the fact that they are trademarks belonging to BMS and use of the appropriate notice of registration. BMS reserves the right to unilaterally determine the adequacy of the use and protection given the Trademarks by NA as set forth herein.

4.5 NA shall promptly notify BMS, in writing, of any conflicting use of, and applications or registrations for, any of the Trademarks, or any acts of infringement, or acts of unfair competition involving the Trademark, after such matters are brought to its attention or it has knowledge thereof. NA further agrees to assist BMS, at BMS's expense, in registering or perfecting BMS's rights to the Trademarks in the Territory.

4.6 In the event of any claim or litigation by a third party against NA alleging that any of the Trademarks imitates or infringes a trademark of such third party or is invalid, NA shall promptly give notice of such claims or litigation to BMS and BMS shall assume responsibility for and control of the handling, defense, or settlement thereof. NA shall cooperate fully with BMS during the pendency of any such claim or litigation. BMS shall keep NA notified of the current status of any trademark claim, litigation or infringement of any of the Trademarks and shall permit NA to assume the handling, defense or settlement thereof if BMS declines to do so.

ARTICLE 5. Quality Control and Governmental Approvals

5.1 All Products delivered to NA hereunder shall be manufactured in accordance with Current Good Manufacturing Practices as required by the United States Federal Food, Drug and Cosmetic Act and pursuant to applicable rules and regulations of the United States Food and Drug Administration ("FDA") when applicable. BMS shall manufacture and supply the Products in accordance with the Quality Document attached here as Exhibit E. Each product lot of

Products shall be inspected and tested by BMS prior to shipment to NA or its customers. A certificate of Compliance will be forwarded to NA after each manufactured lot is completed.

5.2 As further set forth herein; NA shall have the right to replacement of or refund for Products, up to the expiration date of such Products, if such Products fail to meet BMS's specifications as set forth in BMS's NDA for such Products or are not of merchantable quality. NA will promptly notify BMS by telephone and telecopy of NA's request for replacement or refund. Such notice shall specify with particularity the nature of the nonconformance and NA will have the Product returned promptly to BMS for examination at BMS's expense. Provided that NA promptly returns the Products to BMS, BMS will promptly replace the Products in question if requested by NA, determine any nonconformance of the returned Products and report back to NA.

In the event that BMS disagrees with NA regarding whether the Products are nonconforming and the parties are unable to resolve the dispute, the Products or samples thereof will be submitted to a qualified independent laboratory agreed upon by the parties. The laboratory will analyze the Products or samples in a manner agreed upon by the parties and the results of that analysis will be a binding determination of whether the Products were or were not nonconforming. If it is determined that the Products were nonconforming, BMS shall bear the cost of the analysis, as well as either providing a refund or replacement Products to NA. If it is determined that the Products were not nonconforming NA shall bear the cost of the analysis, shall not be entitled to any refund on the Products and shall pay BMS for any replacement Products provided by BMS.

5.3 All materials and components used in the fabrication of Products shall be traceable by lot number and purchase order invoice number.

ARTICLE 6. Warranties. Indemnities and Insurance

6.1 BMS warrants to NA that all Products purchased by NA under this Agreement:

(a) shall be free and clear of all liens, claims, encumbrances, pledges, security interests or other adverse interests of third parties,

(b) shall be manufactured, supplied and delivered by BMS with all necessary skill and expertise using qualified personnel so as to comply with all applicable regulatory requirements,

(c) shall be of good and merchantable quality, and free from defects in material and workmanship;

(d) shall be manufactured in accordance with the specifications set forth in BMS's NDA, and

(e) shall be manufactured in accordance with the Current Good Manufacturing Practices and other applicable FDA rules and regulations.

6.2 (a) BMS shall defend, indemnify and hold NA, its subdistributors, dealers, agents or affiliates, harmless from any and all demands, claims, actions, suits, judgments, decrees, proceedings, liabilities, costs, losses, damages and expenses, including, without limitation, court costs and attorneys' fees, at any time resulting to any of them as a result of or in connection with (a) any Products which were nonconforming, damaged, or defective at time of delivery to NA whether claimed by or established in favor of any third parties, including purchasers, and (b) any breach by BMS of the warranties provided for herein.

(b) NA shall promptly notify BMS upon receipt by NA of any claim or demand which NA has determined has given or could give rise to a right of indemnification under this Agreement. If such claim or demand relates to a claim or demand asserted by a third party against NA, BMS shall have the right to employ such counsel as is reasonably acceptable to NA to defend any such claim or demand asserted against NA, and BMS shall have control over the conduct of the defense of the claim or demand, provided, however, that BMS shall not settle such claim or demand without the consent of NA unless such settlement requires no more than a monetary payment for which NA is fully indemnified under this Agreement or involves other matters not binding upon NA. NA shall have the right to participate at its cost in the defense of any said claim or demand. So long as BMS is defending in good faith any such claim or demand,

NA shall not settle such claim or demand. NA shall fully cooperate with BMS during the pendency of the claim or demand and shall make available to BMS and its representatives all records and other materials reasonably required by them for their use in contesting any claim or demand asserted by third party against NA. Whether or not BMS so elects to defend any such claim or demand, NA shall not have any obligation to do so and NA shall not waive any rights it may have against BMS hereunder with respect to any such claim or demand by electing or failing to elect to defend any such claim or demand. NA's subdistributors, dealers, agents or affiliates shall also be bound by this section.

6.3 The obligation of BMS to indemnify and defend shall not extend to claims or demands to the extent they are attributable to the independent negligence or intentional malfeasance of NA, its subdistributors, dealers, agents, or affiliates, nor to any claims or demands to the extent that they are attributable to or arising out of statements or actions made by NA, its subdistributors, dealers, agents or affiliates with respect to the Products. The obligation to BMS to indemnify and defend shall also not apply to any claims or demands to the extent that they are attributable to any breach by NA of the terms of this Agreement.

6.4 BMS represents that it is self-insured for the activities to be carried out under this Agreement and that it maintains sufficient reserves covering these activities.

6.5 (a) NA shall defend, indemnify and hold BMS, its directors, officers, agents, affiliates, and employees, harmless from any and all demands, claims, actions, suits, judgments, decrees, proceedings, liabilities, costs, losses, damages and expenses, including, without limitation, court costs and attorneys' fees, at any time resulting to any of them, as a result of or in connection with (a) any negligence or intentional malfeasance by NA, its subdistributors, dealers, agents, or affiliates, and (b) any representation made or other action taken by NA, its subdistributors, dealers, agents, or affiliates related to marketing, selling, or distributing the Products, which are outside the scope of or inconsistent with any Product claims made by BMS, and (c) any breach by NA of the terms of this Agreement. This obligation of NA to indemnify

and defend shall not apply to the extent that claims are attributable to the independent negligence or intentional malfeasance of BMS.

(b) BMS shall promptly notify NA upon receipt by BMS of any claim or demand which BMS has determined has given or could give rise to a right of indemnification under this Agreement. If such claim or demand relates to a claim or demand asserted by a third party against BMS, NA shall have the right to employ such counsel as is reasonably acceptable to BMS to defend any such claim or demand asserted against BMS and NA shall have control over the conduct of the defense of the claim or demand; provided, however, that NA shall not settle such claim or demand without the consent of BMS unless such settlement required no more than a monetary payment for which BMS is fully indemnified under this Agreement or involves other matters not binding upon BMS. BMS shall have the right to participate at its costs in the defense of any such claim or demand. So long as NA is defending in good faith any such claim or demand, BMS shall not settle such claim or demand. BMS shall fully cooperate with NA during the pendency of the claim or demand and shall make available to NA and its representatives all records and other materials reasonably required by them for their use in contesting any claim or demand asserted by third party against BMS. Whether or not NA so elects to defend any such claim or demand, BMS shall not have any obligation to do so and BMS shall not waive any rights it may have against NA hereunder with respect to any such claim or demand by electing or failing to elect to defend any such claim or demand. BMS's subdistributors, dealers, agents, or affiliates shall also be bound by this section.

(c) NA represents that it is self-insured for the activities to be carried out under this Agreement and that it maintains sufficient reserves covering these activities.

6.6 NA will notify BMS of any adverse drug experience associated with the Products of which NA, its subdistributors, dealers, agents, or affiliates become aware. Such notifications will be made in writing, in a manner reasonably agreed by the parties, by means which afford the sender evidence of receipt by BMS within three (3) working days of initial receipt of the report by NA, its subdistributor, dealer, agent, or employee. Such means of notification may include Express Mail, Electronic Mail, courier, or facsimile, but are not so-limited. Advance notification of any fatal or immediately life-threatening experience will be given by telephone. NA is

responsible for insuring prompt follow-up, as necessary to provide BMS with reasonably complete information on each such adverse drug experience, by the same means and within the same time frame of receipt.

Any communication to BMS under the terms of this Section 6.6 shall be directed to the attention of the following individual or to his designee or successor:

Regulatory Affairs
Bristol-Myers Squibb Pharma Company
331 Treble Cove Road
North Billerica, Massachusetts 01862
Telephone: 978-671-8361
Telecopy: 978-663-6897

"Adverse drug experience" shall mean any unfavorable and/or unintended change in the structure (signs), function (symptoms), or chemistry (laboratory data) of the body temporally associated with the use of Product or of a derivative thereof in humans, whether or not considered drug related, including the following: an adverse experience occurring in the course of the use of a drug in professional practice, an adverse experience occurring from drug overdose, whether accidental or intentional, an adverse experience occurring from drug withdrawal, and any significant failure of expected pharmacological action. (Failure of a radiopharmaceutical product to localize as expected is not regarded by BMS as an adverse experience, but rather as a complaint, which is referred to BMS's Marketing and Technical Services personnel for further investigation.)

ARTICLE 7. Representation and Warranties.

7.1 BMS hereby represents and warrants to NA as follows:

(a) BMS has the full power, authority and legal right to enter into this Agreement; this Agreement has been duly authorized, executed and delivered by BMS; and this Agreement constitutes a legal, valid and binding obligation of BMS , enforceable against BMS in accordance with its terms.

(b) BMS has executed no agreement in conflict herewith.

(c) The distribution and sale of the Products by NA will not infringe the patents or intellectual property rights of any third party.

7.2 NA hereby represents and warrants to BMS that NA has the full power, authority and legal right to enter into this Agreement; this Agreement has been duly authorized, executed and delivered by NA; this Agreement constitutes a legal, valid and binding obligation or NA enforceable against NA in accordance with its terms; and NA has executed no agreement in conflict with the terms of this Agreement.

ARTICLE 8. Confidentiality

Any and all proprietary information with respect to the Products or the business affairs and activities of either party hereto ("Proprietary Information") which is furnished or disclosed in connection with the Agreement by such party ("Disclosing Party") to the other party hereto ("Receiving Party"), including, without limitation, the specifications for the Products, shall remain the property of the Disclosing Party and shall be treated as confidential. Receiving Party shall not use such Proprietary Information for its own benefit except as specified in this Agreement and shall not disclose such Proprietary Information to others, except to those of its employees whose duties so require, in such event taking all precautions which are reasonably necessary to prevent the unauthorized disclosure of such Proprietary Information by such persons. Information shall not be deemed to be Proprietary Information and such restrictions shall not apply to any such information (i) which is, or subsequently may become, within the knowledge of the general public, without the fault of the Receiving Party; (ii) which may be known to the Receiving party at the time of receipt thereof from the Disclosing Party as shown by competent written records, (iii) which may be proved to have been developed by the Receiving Party, independently and wholly without resort to the Proprietary Information of the Disclosing Party, as shown by competent written records; or (iv) which may subsequently be rightfully obtained from sources other than the Disclosing Party and without confidential restriction in favor of such transmitting party. The parties' respective obligations under this Article 8 shall continue after the expiration or termination of this Agreement for any reason.

ARTICLE 9. Term and Termination

9.1 Unless earlier terminated as provided in this Agreement, the initial term of this Agreement shall commence as of the Effective Date and conclude on December 31, 2005. Thereafter, this Agreement will automatically renew for three (3) year periods. Notwithstanding the foregoing, this Agreement may be terminated at any time by BMS on three (3) years written notice to NA or by NA on six (6) months written notice to BMS.

9.2 Upon the happening of any of the following events, either party shall have the right to terminate this Agreement upon written notice of such termination to the other party:

(a) Any material breach by the other party of this Agreement, which material breach continues for a period of thirty (30) days after the non-defaulting party shall have given notice thereof to the defaulting party, or

(b) The other party becomes insolvent, is adjudicated as bankrupt or otherwise seeks or receives protection under the bankruptcy laws of the United States, has a receiver or trustee appointed for all or part of its assets and business, executes and delivers an assignment for the benefit of its creditors or is liquidated, dissolved or wound-up or

(c) The continuance of an event of force majeure for a period of more than sixty (60) days.

9.3 The objective of this Agreement is to realize in an economical and reasonable way the interests and requirements of both parties. If at any time during the term of this Ageement, this objective is no longer met due to: •

(a) regulatory changes(s), or economic circumstances, which could not have been foreseen at the time of execution of this Agreement causing undue and prolonged hardship; or

(b) any substantial increase in Seller's direct or indirect cost relating to Uranium targets or radioactive waste disposal;

(c) changes in the selling price effected by the entrance into the market of sellers capable of meeting the volume commitments contemplated under this Agreement; then the parties shall negotiate in good faith in an effort to modify this Agreement in accordance with any of the matters described above and such negotiations shall commence within **** (****) days of one party's written notice to the other of (a) and/or (b) above. During any negotiation period, the pricing increments defined in Exhibit C will continue in effect.

In the event the parties are unable to agree upon a satisfactory modification of this Agreement within **** (****) days of commencement of negotiations ("negotiation period"), the party requesting the modification may terminate this Agreement within **** (****) days following expiry of the negotiation period by providing **** (****) days written notice to the other party.

9.4 The warranties and indemnities contained in this Agreement shall survive any expiration or termination hereof, as shall the confidentiality obligations of the parties pursuant to Article 8 hereof. Otherwise, upon expiration or termination of this Agreement as provided in this Article 9, except as expressly provided herein, the parties shall have no further liabilities, duties or obligations under this Agreement, except for any liabilities, duties or obligations which may have arisen prior to such expiration or termination.

ARTICLE 10. Force Majeure

10.1 Neither party will be liable for any failure to fulfill any term or condition of this Agreement, nor will such failure constitute a breach of or default under this Agreement, if fulfillment has been delayed, hindered or prevented by an event of force majeure, including, without limitation, any war, riot, strike, lock-out or other industrial dispute, acts of the elements, acts of any government or agency hereof (including the enactment of any new laws, rules or regulations), sabotage or industrial accident, plant breakdown or failure of equipment, inability to obtain equipment, fuel, power, materials or transportation, or by any similar circumstances beyond its reasonable control.

10.2 Promptly following the date that any event of force majeure commences, the party concerned will advise the other party in writing of the date and nature of the event and the period of time such event is expected to continue. During the existence of such event, the duties and obligations of the parties under this Agreement shall be suspended and the parties will take all reasonable action to assure resumption of normal performance under this Agreement as soon as possible.

ARTICLE 11. Assignment

This Agreement and all rights and obligations arising hereunder may not be assigned or otherwise transferred by either party whether by operation of law or otherwise, unless the other party has given its written consent thereto, which consent shall not be unreasonably withheld, and any such purported assignment or transfer without the other party's written consent shall be null and void. Notwithstanding the foregoing, a party hereto may assign this Agreement and all rights and obligations arising hereunder in connection with the sale of all or substantially all of its business.

ARTICLE 12. General Provisions

12.1 The relationship of BMS and NA under this Agreement shall be that of independent seller and purchaser, and nothing contained in this Agreement and no action taken by either party to this Agreement shall be deemed to constitute either party or any of such party's employees, agents or representatives to be an employee, agents or representative of the other party or shall be deemed to create any partnership, joint venture, association or syndicate between the parties, or shall be deemed to confer on either party any express or implied right, power or authority to enter into any agreement of commitment, express or implied, or to incur any obligation or liability on behalf of the other party.

12.2 Except as specified in Section 6.6 above, any notice, claim; demand, request or other communication required or permitted under this Agreement shall be valid and effective

only if given by written instrument which is personally delivered, sent by facsimile, courier or registered or certified mail, postage prepaid to the addressee as follows:

If to BMS, to:

Bristol-Myers Squibb Pharma Company
Radiopharmaceutical Division
331 Treble Cove Road
North Billerica, Massachusetts 01862
Attention: Vice President, Manufacturing
Telecopy: 978-671-9577

If to NA, to:

Medi-Physics, Inc.
2636 South Clearbrook Drive
Arlington Heights, Illinois 60005
Attention: President
Telecopy: 708-593-8010

Except as specified in Section 6.6 above, any notice, claim, demand, request or other communication given as provided in this Section 12.2, if given personally, shall be effective upon delivery; if given by facsimile, shall be effective one (1) day after transmission; and if given by courier, shall be effective two (2) days after deposit with the courier; and if given by mail, shall be effective five (5) days after deposit in the mail. Either party may change the address at which it is to be given notice by giving written notice to the other party as provided in this Section 12.2.

12.3 This Agreement, together with the Exhibits attached hereto, constitutes the entire agreement, and supersedes all prior agreements and understanding, both written and oral, between the parties with respect to the subject matter of this Agreement; and this Agreement may not be modified or amended except by an instrument in writing executed by the parties hereto.

12.4 No waiver, forbearance or failure by either party of its right to enforce any provision of this Agreement shall constitute a waiver or estoppel of such party's right to enforce such provision in the future.

12.5 Unless expressly provided otherwise herein, the remedies set forth in this Agreement shall not be exclusive but shall be cumulative, and in addition to all other rights and remedies provided by law.

12.6 This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware, excluding the conflict of law provisions thereof.

12.7 If any provision of this Agreement shall be found invalid or unenforceable, in whole or in part, by a court of competent jurisdiction, then such provision shall be deemed to be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable, or shall be deemed excised from this Agreement, as the case may require, and this Agreement shall be construed and enforced to the maximum extent permitted by law, as if such provision had been originally incorporated herein as so modified or restricted, or as if such provision had not been originally incorporated herein, as the case may be, provided that the basic intent of the parties has not thus been rendered incapable of achievement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

MEDI-PHYSICS, INC.

By: /s/ [ILLEGIBLE]

Title: Vice President

BRISTOL-MYERS SQUIBB PHARMA COMPANY

By: /s/ Donald J. Hayden

Title: Executive Vice President, Health Care Group

EXHIBIT A

PRODUCTS

Tc-99M GENERATOR

ITEM #	DESCRIPTION
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT. CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	****mCi UNIT, CALIBRATED @****
****	SET OF **** ML SALINE ELUANT VIALS
****	SET OF **** ML SALINE ELUANT VIALS
****	SET OF **** ML EVACUATED COLLECTION VIALS
****	LEAD ELUTION SHIELD
****	MOLY CODDLE RADIATION REDUCER
****	ALUMINUM ION INDICATOR KIT

XENON-133	
****	XE-133 **** mCi , **** VIAL TUBE
****	XE-133 **** mCi , **** VIAL TUBE
****	XE-133 **** mCi , **** VIAL TUBE
****	XE-133 **** mCi , **** VIAL TUBE

EXHIBIT A (cont'd)

PRODUCTS

XENON-133

ITEM #	DESCRIPTION
****	XE-133 **** mCi , **** VIAL TUBE
****	XE-133 **** mCi , **** VIAL TUBE
****	XE-133 **** mCi , **** VIAL TUBE
****	XE-133 **** mCi , **** VIAL TUBE
****	XE-133 **** mCi , **** VIAL TUBE
****	XE-133 **** mCi , **** VIAL TUBE
XGUN	XENON GUN
GALLIUM-67	
****	**** mCi VIAL, CALIBRATED@ 1200 EST. Day Of Calibration
****	**** mCi VIAL, CALIBRATED@ 1200 EST. Day Of Calibration
****	**** mCi VIAL, CALIBRATED@ 1200 EST. Day Of Calibration
****	****mCi VIAL, CALIBRATED@ 1200 EST. Day Of Calibration
****	****mCi VIAL, CALIBRATED@ 1200 EST. Day Of Calibration
MHDLG	HANDLING CHARGE PER ORDER

NOTES

- DUPONT RESERVES THE RIGHT TO ADD OR DELETE SPECIFIC ITEMS FROM ITS TOTAL PRODUCT PORTFOLIO GIVING **** DAY NOTICE
- ****=****, ****=****, ****=****, ****=****, ****=****
- GENERATORS ARE CALIBRATED ON ****
- GA-67 IS CALIBRATED FOR **** FOLLOWING **** RELEASE
- XENON IS CALIBRATED FOR **** FOLLOWING **** RELEASE
- MOLY CODDLES ARE ONLY SHIPPED VIA COMMON CARRIER (ROADWAY, ETC)

EXHIBIT B

PURCHASE ORDER FORM

Lead Generator and Accessories Order Form

Customer # _____

Customer PQ # _____

Customer Name _____

Address _____

City/State _____

Zip Code _____

New Order:

Product _____ Qty _____

1st shipping date _____

Sales order # _____

Cancellation

Product _____ Qty _____

Last shipping date _____

Sales order # _____

Change

Product _____ New Qty _____

Product _____ New Qty _____

Product _____ New Qty _____

New Size _____

1st shipping date _____

Sales order # _____

Comments

_____

_____

_____

_____

EXHIBIT Cl

PRICING **** THROUGH ****

Item #	PRICE
Tc-99m GENERATOR	
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
TC-99m ACCESSORIES	
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
XENON-133	
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****

EXHIBIT Cl (cont'd)

PRICING **** THROUGH ****

Item #	PRICE
XENON-133	
****	$ ****
XGUN	$ ****
GALLIUM-67	
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
MISCELLANEOUS	
MHDLG	$ ****

EXHIBIT C2

A. PRICES ARE PER ITEM AS DESCRIBED IN EXHIBIT A

B. ADDITIONAL FREIGHT CHARGES. WHERE REQUESTED AND APPROVED, WILL BE ADDED TO THE $**** MHLDG ITEM

C. WHEN NECESSARY TO SUBSTITUTE FOR REQUESTED ITEMS DUE TO INVENTORY SHORTFALL, BMS WILL ADJUST PRICES FOR SUBSTITUTED ITEMS TO REFLECT REQUESTED ITEMS TOTAL COST

D. **** PRICE ADJUSTMENTS FOR EACH PRODUCT, EXPRESSED AS A PERCENTAGE. FOR **** COMMENCING ****, AND IMPLEMENTED ON EACH SUBSEQUENT **** WILL BE CALCULATED AS FOLLOWS:

1. COST, OF MATERIALS PLUS ****% OF ****
2. NEW PRICING INCORPORATING THE ABOVE WILL BE COMMUNICATED TO NA ON **** TO ASSIST NA COST FORECASTING, THE **** COMMUNICATION WILL INCLUDE ANTICIPATED BMS TIMING/INCREASE % ON APPLICABLE PRODUCTS FOR THE COMING ****. THIS INFORMATION MUST BE HELD IN THE STRICTEST CONFIDENCE BY NA FOR EXAMPLE, IN THE EVENT THAT THE **** WAS EQUAL TO ****% AND DUPONT COMMUNICATED TO NA ON OCTOBER 1 THAT THE COST OF MATERIAL FOR MO-99 INCREASED BY ****%, THEN THE **** PRICE ADJUSTMENT FOR MO-99, IMPLEMENTED ON ****, WOULD BE CALCULATED AS FOLLOWS: **** PRICE ADJUSTMENT = ****% + **** X ****% = ****%. AS AN ADDITIONAL EXAMPLE IN THE EVENT THE **** ON **** WAS ****% AND THE COST OF MATERIAL FOR GA-67 INCREASED BY ****%. THEN THE **** PRICE ADJUSTMENT FOR GA-67, IMPLEMENTED ON ****, WOULD BE ****%.

E. SEPARATE FROM THE **** PRICE ADJUSTMENT DESCRIBED ABOVE BMS WILL PASS THROUGH ADDITIONAL PRICE ADJUSTMENTS WHEN BMS HAS ADJUSTED ARMS-LENGTH UNBUNDLED PRICING TO NON-NA, SEGMENTS FROM THE LEVEL DEVELOPED IN THE **** INCREASE PRICE ADJUSTMENT, AS FOLLOWS:

1. BMS WILL PROVIDE **** MONTHS DOCUMENTED ASP CHANGE REALIZED ASP CHANGE
2. **** DAYS FROM PRESENTATION OF REALIZED ASP CHANGE, NA PRICING WILL BE ADJUSTED
3. SUCH ADJUSTMENT WILL BE THE DIFFERENCE BETWEEN THE REALIZED ASP CHANGE AND THE **** PRICE ADJUSTMENT. WHETHER IT BE POSITIVE OR NEGATIVE.
4. FOR EXAMPLE, IN THE EVENT THE REALIZED ASP CHANGE FOR MO-99 ON **** WAS ****% AND THE **** PRICE ADJUSTMENT WAS EQUAL TO ****%. THEN THE ADDITIONAL PRICE ADJUSTMENT FOR MO-99 WOULD BE IMPLEMENTED ON **** AND WOULD BE CALCULATED AS FOLLOWS: ADDITIONAL PRICE ADJUSTMENT = ****% - ****% = ****%.
5. ASP Calculation will be carried out as follows:

For the purposes of calculating price changes, average selling price (ASP) will be defined separately for each item and separately for the **** and ****. In each case, the ASP for the period in question will be defined as the total realized revenue, less discounts and rebates, divided by the number of units sold. Free product provided to customers in the form of a discount or incentive will count toward the unit number but replacement product, to address product performance or delivery issues, will not. Free or discounted product made available as part of clinical trial support will also not count in the unit number.

6. Example

BMS provides NA new pricing on **** to be effective the following **** that is based upon a ****% increase in the cost of materials for MO-99, ****% for Gallium-67, and ****% for Xenon-133. The **** is ****%. BMS also provides NA on **** anticipated BMS timing /increase % on MO-99, GA-67 and XE-133 for the coming calendar year as set forth below. The Price Increase as a percentage of last year's price is as follows:

A. **** Communication to NA ****

	MO-99	GA-67	XE-133
Cost of Materials increase	****%	****%	****%
****% August 1 ****	****%	****%	****%
**** Increase	****%	****%	****%
"Non-NA" Forecast Increase	****%	****%	****%
Timing	****	****	****

Assume that the ****month weighted average ASP for MO-99 during the period from **** price increase is a Realized ASP Change of ****%, and that the ****month weighted average ASP for GA-67 and XE-133 from the **** price increase is a Realized ASP Change of ****% and ****% respectively. The off cycle price adjustment as a percentage of the calendar's year price is as follows:

B. “Off cycle” Communication to NA

Communication Timing	****	****	****
Realized “Non NA” ASP Increase	****%	****%	****%
Adj. to NA Pricing	****%	****%	****%
Timing	****	****	****

EXHIBIT D

TRADEMARKS

Trademark	Country	Registration Number
TECHNELITE	USA	1,812,837
TECHNELITE	Canada	424737

EXHIBIT E

QUALITY DOCUMENT

1. GUIDING PRINCIPLES

Regarding the working relationship between the Quality Departments of NA and BMS Pharmaceuticals (Medical Imaging) for the Product(s) (refer to the Appendix):

1.1 Unless otherwise specified, NA refers to NA Quality and the Contractor refers to BMS Pharmaceuticals (Medical Imaging) Quality.

1.2 The Contractor has the responsibility to evaluate/monitor any new U.S. NDA requirements and notify NA of any changes in requirements in a timely manner.

1.3 The Contractor has responsibility to operate within the Product registration documentation and shall provide Product that meets all criteria throughout its shelf life.

1.4 The Appendix of this document specifies the Product(s) currently covered by this Agreement. This Agreement may be amended as new products are added or deleted.

2. MAINTENANCE OF COMPLIANCE BETWEEN THE PRODUCT REGISTRATION AND THE PROCESS

2.1 Technical Changes

2.1.1 The Contractor is responsible for maintaining a change control system that will:

2.1.1.1 review and approve all changes;

2.1.1.2 evaluate the impact of changes on validation status;

2.1.1.3 evaluate the impact of changes on product registration, and

2.1.1.4 evaluate the impact of changes on product safety and efficacy.

2.1.2 The Contractor is responsible for maintaining a system to implement compendial changes.

2.2 Other Changes

2.2.1 All parties, prior to implementation, must approve proposed changes in the storage and/or shipping of the Product.

3. BATCH RELEASE

3.1 The Contractor will manufacture and test the Product according to established, approved procedures and current Good Manufacturing Practices.

3.2 Batch review and release of the Product and all of its components will be the sole responsibility of the Contractor.

3.3 The Contractor will have a formal retest policy and procedure in place that is in accordance with applicable regulations.

3.4 The Contractor will notify NA, within 48 hours, in the event that any test reveals contamination, lack of sterility, or degradation beyond specifications in any batch of Product. The Contractor will file any reports required by the applicable regulations.

4. BATCH DOCUMENTATION

4.1 Originals of all batch documents will be retained by the Contractor according to regulatory and Contractor requirements; these records will be maintained for a period of one (1) year following the Product lot's expiration date.

5. RETAIN SAMPLES

5.1 The Contractor shall retain, under proper storage conditions, samples of the Product as required by the regulations for a period of:

5.1.1 At least three (3) months following the Product lot's expiration date for radioactive products,

5.1.2 At least one (1) year following the Product lot's expiration date for non-radioactive products.

6. STABILITY

6.1 The Contractor will ensure that a product monitoring (stability testing) program is in place for the Product.

6.1.1 The Contractor is responsible for performing stability testing in accordance with the filed stability schedule. Samples shall be stored and tested at appropriate intervals, as described in the approved stability protocol.

6.1.2 If a confirmed result indicates the Product has failed to remain within specifications, the Contractor is required to notify NA within three business days. Notification will include a discussion of the issues, available data, and a path forward.

6.1.3 In all cases, the Contractor must investigate any confirmed out of specification (OOS) result. A copy of the completed investigation report shall be sent to NA within thirty business days of the initial confirmation of the OOS.

7. COMPLAINTS

7.1 NA will receive and summarize all customer complaints in accordance with the regulations. Product complaints will be forwarded to the Contractor for evaluation and investigation. The Contractor will provide NA all appropriate and reasonable technical assistance necessary to respond to a complaint. Following investigation, the Contractor will summarize the investigation and provide within 60 days a report to NA. NA will provide a response to the complainant and provide a summary back to the Contractor. Within three working days of receipt, NA will promptly communicate to the Contractor, product complaint reports that may require reporting to the regulatory authorities. The Contractor has sole responsibility for determining when a regulatory authority must be notified of the results of a Product complaint.

8. RECALL

8.1 The Contractor will maintain a procedure for handling product recalls.

8.2 NA has the responsibility to provide any data or information that could result in Product recall within an appropriate time frame. The Contractor will evaluate all information and has sole responsibility for the decision to recall any Product lot.

8.3 NA will provide to the Contractor any information required to perform a Product recall.

9. ANNUAL PRODUCT REVIEW

9.1 Each year the Contractor will conduct an Annual Product Review, which will minimally contain for each Product manufactured:

9.1.1 Total number of batches made, number of batches released, number of batches rejected, and number of batches recalled.

9.1.2 A review and summary of customer complaints.

9.1.3 A listing and discussion of any recalls.

9.1.4 A listing and discussion of any changes.

9.1.5 A listing and discussion of stability data.

9.1.6 Overall discussion, evaluation and conclusions.

10. AUDITS

10.1 NA may schedule periodic audits of the Contractor's facilities. If requested, access for additional Product specific audits will be granted.

10.2 NA shall have the right to visit the Contractor's plant where the Product is manufactured on any business day upon reasonable prior notice to Contractor. During any such visit, NA shall have the right to audit the Contractor's manufacturing and quality control procedures, records, reports, and facilities as well as any regulatory correspondence applicable to the Product to ensure that the Contractor complies with the Product registration and with Good Manufacturing Practices.

11. INSPECTIONS/LEGAL ACTIONS

11.1 The Contractor shall notify NA of regulatory agency inspection results and/or legal actions

that impact the Product.

12. SUPPLIER QUALIFICATIONS

12.1 The Contractor will maintain a formal supplier qualification and management program.

13. TRAINING

13.1 Each person engaged in the manufacturing, processing, packing, or holding of the drug product shall have education, training, and experience, or any combination thereof, to enable that person to perform the assigned functions. Training shall be in the particular operations that the employee performs and in current applicable manufacturing regulations as they relate to the employee's functions. Training in applicable manufacturing regulations shall be conducted by qualified individuals on a continuing basis and with sufficient frequency to assure that employees remain familiar with requirements applicable to them.

14. VALIDATIONS

14.1 The Contractor must maintain a formal validation program for:

14.1.1 Facilities

14.1.2 Equipment

14.1.3 Methods

14.1.4 Cleaning

14.1.5 Process

14.2 Validations may be prospective, concurrent or retrospective but in all cases, critical parameters and acceptance criteria will be documented.

The following is a listing of BMS Pharmaceuticals, Medical Imaging, Quality Department contacts.

- Dennis M. Brown, Vice President, Quality, (978) 671-8499
- William D. Mann, Director, Quality Assurance (978) 671-8375

EXHIBIT F

List of NA Accounts on the Effective Date of This Agreement

- ****
- ****
- ****

Exhibit 10.27

CONFIDENTIAL TREATMENT REQUESTED

INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND NOTED WITH "**".**
PAGES 26 – 33 IN EXHIBIT 1.1(Q)
HAVE BEEN OMITTED AND NOTED WITH "**" BASED ON A**
REQUEST FOR CONFIDENTIAL TREATMENT.

AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.

CONFIDENTIAL EXECUTION COPY

MANUFACTURING AND SUPPLY AGREEMENT

This Manufacturing and Supply Agreement (this "Agreement"), dated as of April 6, 2009 (the "Effective Date"), is hereby entered into by and between **Lantheus Medical Imaging, Inc.,** a corporation organized and existing under the laws of Delaware with its principal place of business at 331 Treble Cove Road, North Billerica, MA 01862 ("LMI"), and **Mallinckrodt Inc.,** a corporation organized and existing under the laws of Delaware with a place of business at 675 McDonnell Blvd., Hazelwood, MO 63042, and its Affiliates, as applicable ("COV"). LMI and COV are referred to herein individually as a "Party" and collectively as the "Parties".

RECITALS

WHEREAS, COV is experienced in the manufacture and supply of contrast imaging agents, including the gadolinium-based contrast agent currently identified by the trademark Vasovist™ (the "Base Product"), which has been approved by the FDA (as hereinafter defined) for use in certain indications in the field of magnetic resonance imaging;

WHEREAS, LMI has acquired all rights in and to the manufacturing and commercialization of the Product in the Territory (as hereinafter defined) from EPIX Pharmaceuticals, Inc. ("EPIX");

WHEREAS, LMI desires that COV manufacture the Product for and supply the Product to LMI on the terms and conditions set forth in this Agreement; and

WHEREAS, COV has experience manufacturing and formulating the Product pursuant to that certain Manufacturing and Supply Agreement, dated June 9, 2000, as amended by the First Amendment to Manufacturing and Supply Agreement, dated as of September 11, 2006, by and between COV and Bayer Schering Pharma AG, a German corporation, which was formerly known as Schering Aktiengesellschaft (such corporation being hereinafter referred to as "Bayer/Schering"); and

WHEREAS, COV is willing to manufacture the Product for and supply the Product to LMI on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Parties, intending to be legally bound, hereby agree as follows:

1. DEFINITIONS

1.1 *Defined terms.* As used herein, the following terms shall have the following meanings:

(a) "Affiliate" means any corporation or other entity which controls, is controlled by, or is under common control with, a Party to this Agreement. A corporation or other entity shall be regarded as in control of another corporation or entity if it owns or

directly or indirectly controls more than fifty percent (50%) of the voting stock or other ownership interest of the other corporation or entity, or if it possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the corporation or other entity or the power to elect or appoint fifty percent (50%) or more of the members of the governing body of the corporation or other entity.

(b) "Batch" means a specific quantity of Product that is intended to have uniform character and quality, within specified limits, and is produced according to a single manufacturing order during the same cycle of manufacture.

(c) "cGMPs" means the current good manufacturing practices required by the FDA pursuant to 21 CFR Parts 210 and 211 and ICH Q7, each as amended from time to time.

(d) "CMC" means (i) manufacturing process development for Drug Substance, Ligand Excipient and all presentations of Product; (ii) all chemistry, manufacturing and control procedures necessary for the manufacturing, testing and quality control release of Drug Substance, Ligand Excipient and all presentations of the Product; and (iii) sourcing and testing of all raw materials and components used in the production of Drug Substance, Ligand Excipient, and all presentations of Product.

(e) "Calendar Quarter" means any period of three consecutive calendar months commencing with the first day of any January, April, July, or October.

(f) "DMF" means a Drug Master File as described in 21 CFR 14.420.

(g) "Drug Substance" means the pharmacologically active drug substance whose chemical name is ****, and which is also known by the code name MS-32520-R, in bulk chemical form, which can be used to manufacture Unlabeled Vials and Product pursuant to the Product NDA.

(h) "FDA" means the United States Food and Drug Administration or any successor entity thereto.

(i) "Intellectual Property" means all right, title and interest in or relating to intellectual property, whether protected, created or arising under the laws of the United States or any other jurisdiction in the Territory, including: (i) all patents and applications therefor, including all continuations, divisionals, and continuations-in-part thereof and patents issuing thereon, along with all reissues, reexaminations and extensions thereof (collectively, "Patents"); (ii) all copyrights and all mask work, database and design rights, whether or not registered or published, all registrations and recordations thereof and all applications in connection therewith, along with all reversions, extensions and renewals thereof; (iii) all trade secrets; and (iv) all other intellectual property rights arising from or relating to Technology.

(j) "Ligand Excipient" means the excipient whose chemical name is ****, in

bulk chemical form, which can be used to manufacture Unlabeled Vials and Product pursuant to the Product NDA.

(k) "Lot" means a Batch, or a specific identified portion of a Batch.

(l) "Producer Price Index" or "Index" or "PPI" means the ****, published by the United States Department of Commerce. In the event that publication of the Producer Price Index is discontinued, the Parties will agree on an appropriate substitute index that is substantially similar in substantive coverage.

(m) "Product" means the final finished dosage form presentations of Vasovist (or such other name as LMI may choose to use in the Territory) manufactured from the Drug Substance and Ligand Excipient pursuant to the Product NDA, tested, released, and suitable for distribution in commerce in the Territory without further processing or packaging. The Product sizes will be 10 mL and 15 mL glass vials.

(n) "Product NDA" means the New Drug Application filed with the FDA for the Product pursuant to the federal Food, Drug and Cosmetic Act and the regulations promulgated thereunder, and any amendments or Supplemental New Drug Applications thereto, or documents incorporated by reference.

(o) "Quality Agreements" means the agreements described in Section 5.7.

(p) "Raw Materials" means ****

(q) "Specifications" means the written specifications for the Product, Drug Substance and Ligand Excipient, respectively, attached hereto as Exhibit 1.1(q), as the same may be amended from time-to-time pursuant to the provisions of Section 2.8.

(r) "Technology" means, collectively, all information, designs, formulae, algorithms, procedures, methods, techniques, ideas, know-how, research and development, technical data, programs, subroutines, tools, materials, specifications, processes, inventions (whether patentable or unpatentable and whether or not reduced to practice), apparatus, creations, improvements, works of authorship and other similar materials, and all recordings, graphs, drawings, reports, analyses, and other writings, and other tangible embodiments of the foregoing, in any form whether or not specifically listed herein, and all related technology, that are used in, incorporated in, embodied in, displayed by or relate to, or are used in connection with the foregoing.

(s) "Territory" means (i) the United States of America, including the states thereof, the District of Columbia and the Commonwealth of Puerto Rico, but excluding each of its other territories, (ii) Canada and (iii) Australia. Additional countries or regions may be added to the Territory upon mutual written agreement of the Parties.

(t) "Term" shall have the meaning set forth in Section 3.1 of this Agreement.

(u) "Unlabeled Vials" means the Base Product fully manufactured and packaged into glass vials or other primary glass packaging described in the Product NDA, tested, and released but without commercial or clinical labels or labeling.

1.2 *Interpretation.* References in this Agreement to the singular include references to the plural and vice versa. Unless the context otherwise requires, references in this Agreement to Articles, Sections, and Exhibits shall be deemed references to Articles and Sections of, and Exhibits to, this Agreement. Unless the context otherwise requires, the words "hereof", "hereby" and "herein" and words of similar meaning when used in this Agreement refer to this Agreement in its entirety and not to any particular Article, Section or provision of this Agreement. Any reference to any federal, state or local statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise.

2. PRODUCT MANUFACTURE: SUPPLY; TERMS

2.1 *Purchase and Sale.*

(a) COV (or any appropriately licensed and qualified Affiliate, approved in advance by writing by LMI, such approval not to be unreasonably withheld or delayed) shall manufacture, sell and deliver to LMI, and LMI shall purchase from COV, the Product on the terms and conditions and in the quantities set forth in this Agreement.

(b) The Parties anticipate that LMI will generally purchase Product, but not Drug Substance or Ligand Excipient, during the Term. If LMI desires at any time during the Term to purchase Drug Substance or Ligand Excipient, it shall notify COV through the forecasting and ordering procedures set forth in Section 2.4(a); provided that any order for Drug Substance or Ligand Excipient (i) for less than **** kg of Drug Substance or Ligand Excipient will require no more than six (6) months' prior written notice from LMI to COV and (ii) for **** kg or more of Drug Substance or Ligand Excipient will require no more than twelve (12) months prior written notice from LMI to COV. LMI will not order more than **** kg of Drug Substance and Ligand Excipient, in the aggregate, during the Term.

2.2 *Existing Drug Substance and Ligand Excipient at COV.* As of the Effective Date, COV has inventories of Drug Substance and Ligand Excipient as set forth on Exhibit 2.2. The following provisions shall apply with respect to these materials:

(a) Subject to and upon successful completion of the re-testing contemplated by Section 2.2(c), COV will sell usable Drug Substance and Ligand Excipient as set forth on Exhibit 2.2, which (i) has not yet expired or (ii) has expired but passes re-testing, to LMI, and LMI will purchase such materials from COV, for the amount of **** Dollars ($****) per kilogram of either Drug Substance or Ligand Excipient. COV will invoice LMI for the amount of the purchase price payable for such Drug Substance and Ligand Excipient and LMI will pay such invoice in accordance with the provisions set forth in Section 2.6 below.

(b) On or before the later of (A) July 1, 2009, and (B) sixty (60) days after receipt by COV from LMI of all required packaging information, artwork and materials (as provided for in Section 2.9), COV will formulate the Drug Substance and Ligand Excipient referred to in Section 2.2(a) and which passed re-testing, into Product for a fee of **** Dollars ($****) per vial, and deliver such resulting Product to LMI. COV will fill approximately **** percent (****%) of this Base Product in 10 mL vials, and **** percent (****%) of this Base Product in 15 mL glass vials. LMI will provide COV with not less than one hundred twenty (120) days prior written notice of any anticipated change in this ratio. COV will invoice LMI concurrent with shipment for the amount payable under this provision and LMI will pay such invoice in accordance with the provisions set forth in Section 2.6 below.

(c) LMI acknowledges that the materials set forth on Exhibit 2.2 will require re-testing by COV in order to assess their continuing compliance with applicable Specifications for use in formulating Product. The protocol for such re-testing shall be mutually agreed upon by the Parties. COV will not have any liability or other financial exposure for materials that fail testing under these provisions (it being agreed that LMI will not be obligated to purchase such materials which failed testing), nor will COV have any obligation to manufacture Product in replacement thereof, unless otherwise agreed to by the Parties in writing.

2.3 *Existing Product and Drug Substance at Bayer/ Schering.* As of the Effective Date, Bayer/Schering has existing inventories of Base Product and Drug Substance as set forth on Exhibit 2.3 to this Agreement, reflecting Base Product and Drug Substance, respectively, that it previously purchased from COV under the Manufacturing and Supply Agreement referenced in the recitals to this Agreement.

(a) *Existing Inventory of Base Product.* The following provisions shall apply with respect to this existing inventory of Base Product held by Bayer/Schering:

(i) LMI will, in its discretion, purchase the existing inventory of Base Product held by Bayer/Schering from Bayer/Schering and will, at LMI's cost and risk of loss, deliver or cause such Base Product to be delivered to COV at such location as COV directs in writing.

(ii) Within thirty (30) business days after receiving the existing inventory of Base Product held by Bayer/Schering from Bayer/Schering, COV will test this Base Product for continuing conformance with the applicable Specifications. The protocol for such testing shall be mutually agreed upon by the Parties. LMI will reimburse COV for such testing in an amount equal to COV's actual reasonable testing costs (including employee time) plus **** percent (****%). If any such Base Product fails testing, COV will promptly notify LMI with a description of the basis for such failure. Upon receipt of such notice, LMI will (i) promptly arrange for the disposal of or (ii) request that COV ship to such location as LMI shall designate in writing any Base Product that failed to meet Specifications. COV will not have any liability or other financial exposure for Base Product that fails testing under these provisions, nor will COV have any obligation (i) for the cost and expense of disposal or shipment of such

Base Product or (ii) to manufacture Product in replacement thereof, unless otherwise agreed to by the Parties in writing.

(iii) On or before the later of (A) July 1, 2009, or (B) sixty (60) days after receipt by COV from LMI of both (1) the Base Product currently held by Bayer/Schering and (2) all required packaging information, artwork and materials (as provided for in Section 2.9), COV will complete labeling, packaging and final release testing for the existing inventory of Base Product acquired from Bayer/Schering, and deliver such resulting Product to LMI, for a fee of **** Dollars ($****) per vial. COV will invoice LMI concurrent with shipment for the amount payable under this provision and LMI will pay such invoice in accordance with the provisions set forth in Section 2.6 below.

(iv) The Parties acknowledge that any Product and/or Base Product described in this Section 2.3(a) will continue to bear the same shelf life as presently pertains to such Product and/or Base Product (i.e., the existing shelf life of these vials will not change).

(b) *Existing Inventory of Drug Substance.* The following provisions shall apply with respect to this existing inventory of Drug Substance held by Bayer/Schering:

(i) Within thirty (30) days after receiving the Drug Substance described on Exhibit 2.3, COV will test this Drug Substance for continuing conformance with the applicable Specifications. The protocol for such testing shall be mutually agreed upon by the Parties. LMI will reimburse COV for such testing in an amount equal to COV's actual reasonable testing costs plus **** percent (****%). If any such Drug Substance fails testing, COV will promptly notify LMI with a description of the basis for such failure. Upon receipt of such notice, LMI will (i) promptly arrange for the disposal of or (ii) request that COV ship any Drug Substance that failed to meet Specifications to a destination specified by LMI. COV will not have any liability or other financial exposure for Drug Substance that fails testing under these provisions, nor will COV have any obligation (i) for the cost and expense of disposal or shipment of such Drug Substance or (ii) to manufacture Drug Substance in replacement thereof, unless otherwise agreed to by the Parties in writing.

(ii) On or before the later of (A) October 1, 2009 or (B) sixty (60) days after receipt by COV from LMI of both (1) the Drug Substance currently held by Bayer/Schering and (2) all required packaging information, artwork and materials (as provided for in Section 2.9), COV will formulate **** percent (****%) of the existing Drug Substance acquired from Bayer/Schering that successfully passes testing, as described above, into Base Product for a fee of **** Dollars ($****) per vial (either 10 mL and/or 15 mL glass vials), and deliver such resulting Base Product to LMI. On or before the later of (A) December 31, 2009 or (B) sixty (60) days after receipt by COV from LMI of both (1) the Drug Substance currently held by Bayer/Schering and (2) all required packaging information, artwork and materials (as provided for in Section 2.9), COV shall formulate the remaining **** percent (****%) of the existing Drug Substance acquired from Bayer/Schering that successfully passes testing, as described

above, into Base Product for a fee of **** Dollars ($****) per vial (either 10 mL and/or 15 mL glass vials), and deliver such resulting Base Product to LMI. In each instance, COV will fill approximately **** percent (****%) of this Base Product in 10 mL vials, and **** percent (****%) of this Base Product in 15 mL glass vials. LMI will provide COV with not less than one hundred twenty (l20) days prior written notice of any anticipated change in this ratio. COV will invoice LMI concurrent with shipment for the amount payable under this provision and LMI will pay such invoice in accordance with the provisions set forth in Section 2.6 below.

2.4 *Newly-Manufactured Drug Substance, Product and Ligand Excipient.* COV will manufacture and supply Drug Substance, Product and Ligand Excipient to LMI, and LMI will purchase Drug Substance, Product and Ligand Excipient, in accordance with the schedule attached hereto as Exhibit 2.4. The following provisions shall apply with respect to these materials:

(a) *Forecasts; Orders.* (i) As soon as practicable following the execution of this Agreement, but no later than the submission of LMI's initial purchase order for newly-manufactured product pursuant to Section 2.4(b), LMI shall send to COV LMI's initial forecast by Calendar Quarter of the volume of Product (indicating the presentation desired), and for Drug Substance and/or Ligand Excipient (if any), which LMI expects to have delivered from COV during the four (4) Calendar Quarters commencing July 1, 2010. Each forecast submitted by LMI must reflect not less than the Minimum Volumes of Product as shown for each Calendar Quarter on Exhibit 2.4 to this Agreement. LMI shall thereafter update each such forecast on a quarterly basis, providing COV with a rolling **** (****) month forecast of its requirements for Product, and for Drug Substance and/or Ligand Excipient (if any). It is understood that, except for the first Calendar Quarter of each forecast and subject to LMI's obligation to purchase the Minimum Volumes of Product for each Calendar Quarter as described in Section 2.4(c), this forecast will not be binding on the Parties. In addition, and having regard for the forecast hereinabove referred to and the Minimum Volume obligation described in Section 2.4(c), at least three (3) months prior to the beginning of each Calendar Quarter, commencing with the Calendar Quarter beginning July 1, 2010, LMI will furnish COV with purchase orders for the volume of Product (including the presentations desired), and for Drug Substance and /or Ligand Excipient (if any), which LMI shall purchase, and which COV shall deliver, during such quarter. The Parties anticipate that LMI will place orders for Product at a ratio of **** percent (****%) for 10 mL vials and **** percent (****%) for 15 mL vials, which percentages will be confirmed for each individual purchase order. LMI will provide COV with not less than one hundred twenty (120) days prior written notice of any anticipated change in this ratio.

(b) *Initial Order*. LMI will submit its initial purchase order for newly-manufactured Product (which shall comply with LMI's Minimum Volume purchase requirement as described in Section 2.4(c)), Drug Substance and/or Ligand Excipient (if any) to COV, in writing, not later than January 1, 2010. LMI shall provide all applicable artwork and labeling with respect to the initial order of Product, as provided for in Section 2.9, to COV not later than March 31, 2010.

(c) *Minimum Purchase Requirement.* Notwithstanding anything to the contrary set forth in this Agreement, each forecast and purchase order submitted by LMI must not be less than the Minimum Volumes of Product as shown for each Calendar Quarter on Exhibit 2.4 to this Agreement. COV will use commercially reasonable efforts to accommodate any increase in quantities of Product ordered by LMI; provided, that LMI will communicate any such increased orders to COV not less than six (6) months prior to the Calendar Quarter in which delivery of such additional Product is requested.

(d) *Rejection of Orders*. COV shall use commercially reasonable efforts to accept each purchase order and confirm the date of shipment within ten (10) business days of receipt thereof; provided, however, that COV may refuse confirmation of a purchase order and/or the requested delivery date if and to the extent that:

(i) the purchase order is for quantities of Product for which an appropriate forecast and order were not submitted in accordance with the foregoing provisions of this Section 2.4;

(ii) the purchase order otherwise fails to comply with the terms and conditions of this Agreement; or

(iii) COV cannot meet the requested delivery date as a result of a Force Majeure Event.

(e) *Prices*. Pricing for Drug Substance, Product and Ligand Excipient supplied by COV under this Section 2.4 shall be as follows:

- Drug Substance: $**** / kg
- Ligand Excipient: $**** / kg
- Product (10 mL vial): $****/vial for 2010, $ **** for 2011 and 2012
- Product (15 mL vial): $****/vial for 2010, $ **** for 2011 and 2012

On each (anniversary of the Effective Date ("Measurement Date"), COV shall invoice LMI for the amount, if any, by which the aggregate cost of the Raw Materials utilized by COV in manufacturing Drug Substance, Ligand Excipient and Product under this Agreement during the 12-month period then ending has increased by a percentage that exceeds the increase in the Producer Price Index for the same time period. The calculation of the increase of the Producer Price Index shall be based on the difference between the most recently available Producer Price Index on the Effective Date and on each Measurement Date thereafter for the duration of the Term. LMI will pay any invoice submitted by COV under this provision within **** (****) days of receipt.

(f) *Pre-payment of Cost of Intermediates.* Effective as of the first day of each Calendar Quarter beginning April 1, 2010, and continuing for the remainder of the Term, LMI will pay COV an amount equal to (i) $**** / kg multiplied by (ii) the quantity of Drug Substance and Ligand Excipient required to be used by COV in the formulation of Product that is scheduled for delivery in the next following Calendar

Quarter. For purposes of example only, the amount owed by LMI on April 1, 2010, would be determined by reference to the quantity of Product scheduled for delivery by COV to LMI in the Calendar Quarter beginning July 1, 2010. The amount of each pre-payment will be deducted from the amount payable by LMI upon actual delivery of the corresponding Product.

(g) *Superiority of Agreement.* The terms of this Agreement and of the Quality Agreements shall prevail over any inconsistent terms in any purchase order, acknowledgment or invoice, and no additional terms other than those set forth in this Agreement and the Quality Agreements or allowed pursuant to the terms of this Section 2.4 in a purchase order, acknowledgement or invoice shall be binding on either Party.

2.5 *Delivery.*

(a) *Schedule; Quantities.* COV will ship, and LMI will take delivery, of all newly-manufactured Drug Substance, Product and Ligand Excipient on or about the first business day of the corresponding Calendar Quarter for which delivery is specified in Exhibit 2.4. Product provided for in Sections 2.2 and 2.3 of this Agreement will be delivered at the times specified in such Sections. Volumes supplied by COV will have a variance of plus or minus five percent (5%); invoices will reflect actual quantities delivered. COV agrees to provide LMI with thirty (30) days advance notice in the event COV is unable to supply the volumes of Drug Substance, Product and Ligand Excipient as specified in this Agreement or in each relevant purchase order.

(b) *Terms of Delivery*. Delivery terms shall be ****'s manufacturing facility (which shall be either **** in **** or ****), at which time risk of loss and responsibility for Product, Drug Substance and/or Ligand Excipient will transfer to LMI, but not in the event of deliveries between COV facilities. COV shall ship the Product, Drug Substance or Ligand Excipient using COV's designated carrier in accordance with LMI's instructions regarding destination, delivery date, temperature control and such other factors as LMI reasonably believes are relevant for purposes of the delivery. COV shall ship all Product, Drug Substance or Ligand Excipient to one location designated by LMI.

2.6 *Payment Terms.*

(a) *Terms*. All payments to be made by LMI or credits to be issued to LMI under this Agreement shall be made within **** (****) days after the date of receipt of the corresponding invoice. Such payments shall be made in U.S. dollars by wire transfer as designated by COV or LMI, as applicable, or by such other method as COV or LMI shall reasonably designate from time to time. In no event shall LMI be responsible for any payments related to Drug Substance, Ligand Excipient and Product for which COV was unable to satisfy its obligations under this Agreement, whether by Force Majeure Event or otherwise.

(b) *Late Payment.* Interest shall be payable on all amounts not paid on the due date at a rate of 1% for each whole or partial month the amounts remain unpaid.

(c) *Taxes.* LMI will reimburse COV for all tariffs, duties and excise, sales or use, value added or other taxes or levies (collectively, "Taxes") that may be paid by COV with respect to the sale to LMI of Drug Substance, Ligand Excipient and Product under this Agreement. The parties shall work together to minimize any such Taxes. For the avoidance of doubt, LMI will have no reimbursement obligations under this Section to the extent that Taxes are based on COV's net income.

2.7 *Technology Transfer.* During the Term, LMI shall have the right to qualify itself, or an Affiliate or third party as a manufacturer of Drug Substance, Ligand Excipient or Product, and to seek and obtain regulatory approval of such manufacturing site or sites. If LMI desires to exercise its rights in this Section 2.7, LMI shall notify COV of such decision in writing, specifying the Technology to be transferred ("Technology Transfer Notice"). Upon receipt of such Technology Transfer Notice, the Parties will agree in good faith upon a schedule for commencement and completion of the Technology transfer, which in no event will continue for a period of more than **** (****) months. COV shall only be required on one occasion during the Term to make a Technology transfer for each component or process hereunder (e.g., Drug Substance manufacture, Product formulation, Product packaging, etc.). Any transfer of Technology under this provision will be pursuant to a protocol established by LMI and shall include the delivery of all documents required to carry out the Technology transfer. Subject to the immediately preceding limitations, at the reasonable request of LMI, COV will provide LMI with reasonable assistance in effecting a Technology transfer (including laboratory methods) at the rate of **** Dollars ($****) per employee hour, plus reimbursement of COV's out-of-pocket costs. No in-field work will be required of COV personnel in connection with a Technology transfer.

2.8 *Specifications Ex-United States; Change in Specifications.*

(a) *Ex-United States.* Before placing purchase orders for any Drug Substance, Ligand Excipient and/or Product for sale or distribution in any country within the Territory other than the United States, LMI will ensure that the Specifications in such country are identical to the Specifications as are then in effect in the United States.

(b) *Changes.* LMI shall have the right (subject to obtaining approval of the FDA and any other applicable regulatory authority), to change, on a country-by-country basis, with COV's consent, which shall not be unreasonably withheld and upon six (6) months' advance written notice to COV, the Specifications and/or the package size, packaging configuration, label design and content in which or with which it chooses to have COV deliver the Product; provided, however, that (i) any change which COV is reasonably able to implement in less than six (6) months shall be implemented within the time period agreed upon by the Parties, and (ii) any such change occasioned by the requirements of law, safety considerations, or the request of FDA or other applicable regulatory authority, shall be implemented as soon as possible. In the event of any change described above, (A) COV shall assist LMI in accomplishing the same; (B) inventory of obsolete materials and reasonable disposal costs thereof shall be charged to LMI, (C) funding for capital improvements specifically required by the change (and which COV would not undertake

but for the change in Specifications), subject to LMI's prior approval therefor, shall be provided by LMI, and (D) any other incremental cost incurred as a consequence of such change shall be for the account LMI. The Parties acknowledge that any change in Specifications will result in a corresponding delay in the delivery by COV of Product under this Agreement.

2.9 *Packaging Information.* LMI shall provide COV with all packaging and labeling information and designs, including without limitation, all art work and pharmacological information, usage instructions and warnings to be applied to each Product at least sixty (60) days in advance of any requirement that Product be delivered in packaged form to enable COV to obtain the necessary packaging materials and meet such delivery requirements. LMI will be fully responsible and liable for the content and format of all labeling and artwork used in connection with the supply of Product hereunder. COV shall be solely responsible for ensuring that the content and format of all labeling and artwork used in connection with the supply of the Product, Drug Substance or Ligand Excipient, as provided by LMI, are accurately and consistently produced in accordance with the Specifications. The Parties shall cooperate to ensure that all packaging and labeling information and materials are compatible with COV's equipment and specifications. LMI will reimburse COV for COV's out-of-pocket costs in obtaining plates and related supplies necessary for the printing of packaging information as described herein, and upon termination hereof, such plates shall become the property of LMI. LMI agrees to reimburse COV to the extent COV incurs additional costs and expenses arising from any changes requested by LMI to the packaging, labeling information and designs to be applied to each Product as necessary for the distribution of the Product in Canada, Australia or any additional countries as the Parties mutually agree.

2.10 *Changes in Manufacturing Processes.* COV reserves the right to implement reasonable process changes and improvements during the Term but in all instances subject to LMI's prior written approval. COV agrees to notify LMI promptly of any such change or improvement. If any such change or improvement requires, in COV's reasonable judgment, regulatory approval, COV will provide drafts of the proposed filing(s) to LMI for review and LMI will provide its approval or comments within thirty (30) days from the date of receipt. LMI will in all events reasonably cooperate with COV in effecting any process changes or improvements reasonably requested by COV.

3. TERM; TERMINATION

3.1 *Term; Renewal.* This Agreement shall commence on the Effective Date and unless terminated sooner in accordance with the terms and conditions hereof shall continue in effect until September 30, 2012 (such period being referred to in this Agreement as the "Term"). This Agreement may be extended for an additional term only in accordance with the mutual written agreement of the Parties.

3.2 *Termination by Mutual Agreement.* This Agreement may be terminated by mutual written agreement of COV and LMI at any time.

3.3 *Termination for Cause.* This Agreement may be terminated by a Party as follows:

(a) If a Party institutes for its protection or is made a defendant in any proceeding under bankruptcy, insolvency, reorganization or receivership law, or such Party is placed in receivership, makes an assignment for benefit of creditors or is unable to meet its debts in the regular course of business, the other Party may elect to terminate this Agreement immediately by written notice to the first Party without prejudice to any right or remedy the other Party may have, including damages for breach.

(b) In the event that a Party materially defaults under or materially breaches any of the provisions of this Agreement or the Quality Agreements, the other Party shall have the right to terminate this Agreement upon sixty (60) days' prior written notice, unless such material default or breach is cured during such sixty (60) day period (or in the event any breach is incapable of being cured in such time period, the other Party presents a plan to attempt cure of such breach and prevent similar breaches, which plan is reasonably acceptable to the terminating Party), in which event this Agreement shall continue in full force and effect.

(c) If LMI is the Party with the right to terminate this Agreement in accordance with Sections 3.3(b) due to the uncured material breach of COV, LMI shall have the option to delay the termination and continue to have COV supply LMI under this Agreement upon written notice to COV detailing the same, until such time as the Technology transfer described in Section 2.7 is complete and LMI has qualified and obtained regulatory approval for itself, an Affiliate or a third party as manufacturer of Drug Substance, Ligand Excipient and Product. COV shall be responsible for any costs or expenses reasonably incurred by LMI as a result of COV's breach.

(d) If COV is the Party with the right to terminate this Agreement in accordance with Section 3.3(b) due to an uncured material breach of LMI, LMI shall continue to make all payments associated with the Minimum Volume purchase requirements for the remainder of the Term.

3.4 *Effect of Expiration or Termination; Accrued Rights; Surviving Obligations.* Upon any expiration or termination of this Agreement:

(a) *Product and Intermediates on Hand.* COV shall notify LMI of the amount of Product, Drug Substance, Ligand Excipient and intermediates it has on hand as of the effective date of any termination or expiration as a result of purchase orders placed by LMI, and LMI shall purchase such Product, Drug Substance, Ligand Excipient and intermediates at the applicable price as set forth in this Agreement (or at COV's cost with respect to intermediates), but LMI shall not be required to purchase any Product, Drug Substance, Ligand Excipient or intermediates (i) that fails to meet Specifications, (ii) for which COV is unable to provide the certificates of analysis specified in Section 5.4 of this Agreement, (iii) for which COV is unable to provide the certificates of manufacturing compliance specified in Section 5.5, or (iv) that is appropriately rejected by LMI pursuant to Section 5.6.

(b) *Regulatory Information.* On and as of the effective date of any termination or expiration, or such earlier date as LMI may reasonably request prior to an upcoming

termination or expiration, COV shall, promptly transfer to LMI or its nominee all information and Technology in COV's possession and used in connection with the manufacture of the Product, Drug Substance and Ligand Excipient, all information and Technology relevant to specific methods of Product, Drug Substance and Ligand Excipient manufacture or Product characterization, all information relevant to obtaining an FDA regulatory approval and any other applicable regulatory approval of the Product, all information contained in COV's regulatory submissions in connection with the development and approval of the Product, and all other information relating to the manufacture of the Product, Drug Substance and Ligand Excipient, which is useful to enable LMI or a third party to manufacture and obtain regulatory approval for the Product for commercial sale. LMI and its nominees may only use any information or Technology received pursuant to this Section 3.4(b) in connection with the Product.

(c) *Orders in Progress*. In the event of any termination or expiration of this Agreement, COV shall, unless such termination has occurred because of a material uncured default by LMI under this Agreement, notwithstanding the effective date of any termination or expiration, complete any purchase orders for Product, Drug Substance or Ligand Excipient that were placed by LMI and accepted by COV prior to such date and LMI shall pay COV for any Product, Drug Substance or Ligand Excipient produced in accordance with such purchase orders at the applicable price as set forth in this Agreement.

(d) *Post-Termination Acceptance of Orders.* Any acceptance by COV of any purchase order from LMI or the sale of any Products by COV to LMI after the delivery of notice of termination or after the expiration or termination of the Term shall not be construed as a renewal or extension of this Agreement or as a waiver of termination thereof.

(e) *Prior Obligations.* Termination or expiration of this Agreement, in whole or in part, for any reason shall be without prejudice to any rights which shall have accrued to the benefit of either Party prior to such termination or expiration, and such termination or expiration shall not relieve either Party from obligations which are expressly indicated to survive termination or expiration of the Term.

4. REGULATORY ISSUES.

4.1 *Regulatory Obligations.* All obligations relating to the Product NDA and DMF shall, at all times during the Term, remain with LMI, including without limitation (A) the obligation to prepare and make any updates or amendments to the Product NDA, DMF or CMC, (B) to pay any fees or other costs associated with such filings or otherwise relating to the Product, or (C) to collect, investigate and report to the FDA and other appropriate regulatory authorities any Product-related adverse drug experience reports, quality reports, and complaint reports. COV shall provide LMI with access to any such information reasonably required to enable LMI to comply with its obligations under this Section 4.1. COV shall remain solely responsible at its expense during the Term for compliance with (A) cGMPs (including any comparable requirements imposed by foreign authorities, but limited to those jurisdictions that are within the Territory as set forth in any amendment to this Agreement); (B) obtaining or

maintaining establishment registrations and all other required permits and licenses for all relevant facilities; and (C) the preparation and submission of all records and reports required by FDA and other appropriate regulatory authorities in connection with the manufacture and sale to LMI of the Drug Substance, Ligand Excipient and Product.

4.2 *Product Recalls.*

(a) If either Party reasonably decides or is required by any government authority or court of competent jurisdiction, to initiate a product recall, withdrawal or field correction with respect to, or if there is any governmental seizure of, the Product, the Party initiating or required to initiate such action will notify the other Party promptly of the details regarding such action, including providing copies of all relevant documentation concerning such action. The Parties will assist each other in investigating any such situation and all regulatory contacts that are made and all activities concerning seizure, recall, withdrawal or field correction will be jointly coordinated by COV and LMI.

(b) If any such recall, withdrawal, field correction or seizure occurs due solely to (i) failure of any Product produced by COV hereunder to conform to Specifications (including, without limitation, being adulterated or misbranded) or any warranty or other requirement set forth in this Agreement, (ii) the failure of COV to comply in all material respects with any applicable law, rule, regulation, standard, court order or decree or (iii) the negligent or intentional wrongful act or omission of COV in connection with the production of Product hereunder, then COV shall bear the full cost and expense of any such seizure, recall, withdrawal or field correction and shall reimburse LMI for any purchase price payments made to COV and related taxes to the extent related to such Product. If any such recall, withdrawal, field correction or seizure occurs solely for any reason other than that set forth in the immediately preceding sentence, then LMI shall bear the full cost and expense of any such seizure, recall, withdrawal or field correction. If both COV and LMI contribute to the cause of a seizure, recall, withdrawal or field correction, the cost and expense thereof will be shared in proportion to each Party's contribution to the problem. For the purposes of this Agreement, the expenses of any recall, withdrawal, field correction or seizure shall include, without limitation, the out-of-pocket expenses of notification and destruction or return of the recalled Product and all other out-of-pocket costs incurred in connection with such recall, but shall not include lost profits of either Party under any circumstances or any administrative or overhead charge.

4.3 *Sharing of Information.* Each Party shall promptly advise the other Party of any information of which it obtains knowledge that may affect the safety, efficacy or labelling of the Products and any actions in response to such information.

5. WARRANTIES AND QUALITY ASSURANCE

5.1 *COV Warranties.* COV warrants that all Drug Substance, Ligand Excipient and Product delivered to LMI: (a) will have been manufactured, packaged, labeled, tested and/or re-tested in compliance with applicable provisions of the Federal Food, Drug and Cosmetic Act (the "Act"), regulations thereunder, and any other comparable laws and regulations applicable in the Territory, relating to manufacture and supply under this Agreement, and in compliance with the

specific U.S. or other applicable regulatory approvals regarding the Drug Substance, Ligand Excipient and/or Product; (b) shall conform to the Specifications; and (c) will, at the time of such delivery, not be adulterated within the meaning of the Act or other applicable law, as such Act or law is constituted and effective at the time of delivery, and will not be an article which may not, under the provisions of such Act, be introduced into interstate commerce. Except for Product and/or Base Product described in Section 2.3(a), at the time of delivery, the Product shall have a minimum shelf life of **** (****) months.

5.2 *LMI Warranties.* LMI warrants that the marketing, distribution and sale of the Products in the Territory shall at all times comply with the Act and all other applicable laws, rules and regulations.

5.3 ***DISCLAIMER OF ALL OTHER WARRANTIES.*** THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE THE PARTIES' ONLY WARRANTIES WITH RESPECT TO THE SUBJECT MATTER OF THIS AGREEMENT AND ARE MADE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WHICH ARE HEREBY DISCLAIMED, INCLUDING ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, OR OTHERWISE.

5.4 *Certificates of Analysis.* COV shall perform, or cause to be performed, sample tests on each Lot or Batch of Drug Substance, Ligand Excipient or Product supplied pursuant to this Agreement before delivery to LMI, and shall produce a test report setting forth the results of such testing. Each test report shall set forth, for each Lot or Batch of Drug Substance, Ligand Excipient or Product delivered hereunder, the items tested, specifications and test results in a certificate of analysis, containing the types of information reasonably agreed upon by COV and LMI. COV shall send such certificates to LMI concurrent with delivery of each Lot or Batch of Drug Substance. In addition, if LMI orders Ligand Excipient or Product, COV shall send such certificates to LMI concurrent with delivery of these items.

5.5 *Certificates of Manufacturing Compliance.* COV shall provide or cause to be provided for each Lot or Batch of Drug Substance, Ligand Excipient or Product purchased under this Agreement a certificate of manufacturing compliance, containing the type of information reasonably agreed upon by COV and LMI, which will certify that the Lot or Batch of Drug Substance, Ligand Excipient or Product was manufactured in accordance with the Specifications and cGMP, including without limitation 21 CFR 210 and 211 and ICH Q7, as the same may be amended from time to time. COV agrees that it shall maintain all of the facilities used for the manufacture of the Drug Substance, Ligand Excipient or Product in accordance with all applicable FDA, state, local, and federal laws and regulations and shall permit the FDA to inspect the manufacturing facilities used for the manufacture of the Drug Substance, Ligand Excipient or Product whenever deemed necessary by such regulatory agency. COV shall advise LMI immediately if an authorized agent of the FDA visits any of COV's facilities where the Drug Substance, Ligand Excipient or Product is being manufactured, or where any component of the Drug Substance, Ligand Excipient or Product is manufactured, processed or controlled, or of any official contact concerning the Drug Substance, Ligand Excipient or Product. COV shall furnish to LMI the report by such agency of such visit to the extent that such report relates to the Drug Substance, Ligand Excipient or Product, within (i) forty eight (48) hours of COV's receipt of such report if such report relates to urgent matters such as Product recall, facility shutdown or

similar events ("Urgent Incident") and (ii) five (5) business days after COV's receipt of such report for other matters. Upon reasonable advance notice to COV, COV shall allow LMI and its consultants reasonable access during normal business hours throughout the Term to any of COV's facilities where the Drug Substance, Ligand Excipient or Product is being manufactured, or where any component of the Drug Substance, Ligand Excipient or Product is manufactured, processed or controlled to verify compliance with COV's obligations under this Agreement; provided that such access shall be limited to once during any consecutive twelve (12) months, except in the event of an Urgent Incident, in which event COV shall allow LMI and its consultants reasonable access during normal business hours as necessary to allow LMI to evaluate COV's planned response to the Urgent Incident.

5.6 *Acceptance.*

(a) LMI shall have **** (****) days from the date of receipt of both the shipment of Drug Substance, Ligand Excipient or Product and the corresponding certificate of manufacturing compliance to confirm conformance with the Specifications and to claim any shortage in quantity of any shipment of the Drug Substance, Ligand Excipient or Product. Any notice of rejection or shortage of any shipment of Drug Substance, Ligand Excipient or Product must be given in writing, must contain a report of the reason for such rejection or shortage and be received by COV within said **** (****) day period or such shipment will be deemed to have been accepted; provided, however that this limitation shall not apply to hidden defects, it being understood that in that case LMI shall have **** (****) days from the date it becomes aware or reasonably should have become aware of any hidden defect to reject any Drug Substance, Ligand Excipient or Product in accordance with applicable terms and conditions hereof. COV shall assist in necessary analytical Technology transfers to accomplish such testing by LMI.

(b) In the event of a rejection or shortage as set forth in Section 5.6(a) above, upon LMI's request, COV shall replace such Drug Substance, Ligand Excipient or Product as soon as commercially practicable, but in no event later than the following Calendar Quarter, provided that if COV is unable to replace the rejected Drug Substance, Ligand Excipient or Product within such time period, then LMI shall have the right to recover such damages from COV as may be provided by law (subject to the provisions of Section 9.6). COV shall make arrangements with LMI for the return or disposal of any rejected Product, Drug Substance or Ligand Excipient, such return shipping or disposal charges to be paid by COV.

5.7 *Quality Agreements.* The Parties agree that they will enter into one or more separate Quality Agreements that will cover arrangements for quality control, testing documentation, quality assurance and other related matters no later than thirty (30) days after the Effective Date. The Parties acknowledge that stability testing for Product manufactured during the Term will continue after termination or expiration of the Agreement for the Product's remaining shelf life, unless LMI decides in its sole discretion to undertake such stability testing or to assign such responsibilities to a third party. LMI will reimburse COV for such post-termination or post-expiration stability testing in an amount equal to COV's actual reasonable testing costs (including employee time) plus **** percent (****%).

6. INTELLECTUAL PROPERTY; NONDISCLOSURE; CONFIDENTIALITY

6.1 *Intellectual Property.*

(a) As between the Parties, subject to the licenses granted under Section 6.1(b) below, each Party retains all right, title and interest in and to the Intellectual Property and Technology that each Party currently owns and/or uses to the extent related to the purposes of this Agreement ("Pre-Existing Intellectual Property and Technology"). Under no circumstances will the licenses granted in Section 6.1(b) below be construed as a sale of any of the Pre-Existing Intellectual Property and Technology by either Party. As between the Parties, each Party shall, subject to the licenses granted in Section 6.1(b) below, own all right, title and interest in and to any modifications, derivative works, enhancements or improvements of or to any of the Pre-Existing Intellectual Property and Technology related to this Agreement ("Improvements") that such Party creates, develops, discovers, conceives and/or reduces to practice during the Term. The Parties shall jointly own all inventions and developments, whether modifications, derivative works, enhancements or improvements to any Intellectual Property and/or Technology related to this Agreement, which are jointly created or developed during the Term.

(b) COV grants to LMT as of the date of receipt by COV of the Technology Transfer Notice, a non-exclusive, perpetual, irrevocable and royalty-free license, with right to sublicense, in and to all COV-owned (i) Pre-Existing Intellectual Property and Technology and (ii) Improvements for use solely in connection with the Product. This license shall survive any expiration or termination of the Agreement and shall be included within the scope of the Technology transfer set forth in Section 2.7.

6.2 *Nondisclosure Obligations.*

(a) Except as otherwise specifically contemplated by Section 2.7 or as provided in this Article 6, during the Term of this Agreement and for a period of five (5) years thereafter, both Parties shall maintain in confidence *(i.e.,* not disclose to any third party) and use only for purposes specifically authorized under this Agreement confidential information and data received from the other Party, whether such information is contained in a written or electronic document, whether it is oral or whether it is disclosed by means of inspection.

(b) For purposes of this Article 6, information and data described in clause (a) shall be referred to as "Information." To the extent it is reasonably necessary or appropriate to fulfill its obligations or exercise its rights under this Agreement, a Party may disclose Information it is otherwise obligated under this Section not to disclose, to its Affiliates, employees, officers, directors, lenders, sublicensees, consultants, outside contractors and clinical investigators on a need-to-know basis and on condition that such entities or persons agree in writing to keep the Information confidential for the same time periods and to the same extent as such Party is required to keep the Information confidential; notwithstanding the foregoing the Party so disclosing Information will be liable to the other Party hereunder for any misuse or improper disclosure of any such Information by any such firms or individuals. A Party or its sublicensees may disclose such Information to government or other regulatory authorities to the extent that such disclosure is reasonably necessary to obtain patents or authorizations to conduct clinical

trials of, and to commercially market, the Product. The obligation not to disclose Information shall not apply to any part of such Information that (i) is or becomes part of the public domain other than by unauthorized acts of the Party obligated not to disclose such Information or its Affiliates or sublicensees, (ii) can be shown by written documents to have been disclosed to the receiving Party or its Affiliates or sublicensees by a third party, provided such Information was not obtained by such third party directly or indirectly from the other Party under this Agreement pursuant to a confidentiality agreement, (iii) prior to disclosure under this Agreement can be shown by written documents to have been already in the possession of the receiving Party or its Affiliates or sublicensees, provided such Information was not obtained directly or indirectly from the other Party under this Agreement pursuant to a confidentiality agreement, (iv) can be shown by written documents to have been independently developed by the receiving Party or its Affiliates without breach of any of the provisions of this Agreement, or (v) is disclosed by the receiving Party pursuant to oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand of a court or governmental agency, provided that the receiving Party notifies the other Party immediately upon receipt of any such official requests (and provided that the disclosing Party furnishes only that portion of the Information which is legally required). The Party asserting the applicability of one of the exclusions set forth in the immediately preceding sentence shall have the burden of proving the applicability of any such exclusion in any particular circumstance.

6.3 *Terms of this Agreement.*

(a) LMI and COV each agree not to disclose, whether by press release or in any other manner, the existence of this Agreement or any terms or conditions of this Agreement, to any third party without the prior written consent of the other Party or except as required by applicable law. Notwithstanding the foregoing, however, each Party may disclose the terms and conditions of this Agreement to a lender or third party to which it is considering transferring all or substantially all of its interest in the assets to which this Agreement relates; provided, however, that such lender or third party executes a confidentiality agreement by which such lender or third party is bound to hold the disclosed information in confidence.

(b) The Parties shall agree in good faith upon the substance of Information that can be used as a routine reference in the usual course of business to describe the terms of this transaction and each of them may disclose such Information, as modified by mutual agreement from time to time, without the other Party's consent.

6.4 *Injunctive Relief.* The Parties hereto understand and agree that remedies at law may be inadequate to protect against any breach of any of the provisions of this Article 6 by a Party or its employees, agents, officers or directors or any other person acting in concert with it or on its behalf. Accordingly, each Party shall be entitled to seek injunctive relief or any other equitable relief appropriate under the circumstances by a court of competent jurisdiction against or with respect to any action that constitutes any such breach of this Article 6.

7. INDEMNIFICATION; INSURANCE.

7.1 *By COV.* COV will indemnify and hold LMI and its Affiliates, their directors, officers, agents and employees harmless against any and all liability, damages, losses, costs or expenses, including without limitation, reasonable fees and disbursement of attorneys (collectively, "Liability") resulting from any third party claims made or suits brought against them to the extent such Liability arises from (i) COV's negligence or willful misconduct in the manufacture, storage, packaging, labeling, handling or shipping of the Drug Substance, Ligand Excipient or Product or (ii) COV's breach of any warranty set forth in Section 5.1.

7.2 *By LMI.* LMI will indemnify and hold COV and its Affiliates, their directors, officers, agents and employees harmless against any and all Liability resulting from (i) any packaging or labeling of any Product to the extent that such packaging or labeling has been supplied by or at the direction of LMI and applied in accordance with instructions from LMI, (ii) any third party claims made or suits brought against COV to the extent such Liability arises from LMI's negligence or willful misconduct in the storage, packaging, labeling, handling, shipping, use, marketing, distribution or sale of the Drug Substance, Ligand Excipient or Product, (iii) any third party claims made or suits brought against COV for bodily injury, death or property damage arising out of or in connection with the use of any Product supplied under this Agreement except to the extent such damage arises from COV's negligence or willful misconduct in the manufacture, storage, handling or shipping of the Product or COV's breach of any express warranty set forth in Section 5.1, or (iv) a breach of a representation or warranty made by LMI to its customers or users with respect to the Drug Substance, Ligand Excipient or Product other than the representations or warranties contained in Section 5.2 above.

7.3 *Conditions of Indemnification.* A Party or any of its Affiliates or their respective directors, officers, employees or agents (the "Indemnitee") that intends to claim indemnification under this Article 7 shall promptly notify the other Party (the "Indemnitor") of any Liability in respect of which the Indemnitee intends to claim such indemnification reasonably promptly after the Indemnitee is aware thereof, and the Indemnitor shall assume the defense of any related third party action, suit or proceeding with counsel mutually satisfactory to the Parties; provided, however, that an Indemnitee shall have the right to retain its own counsel and participate in the defense thereof at its own cost and expense. The indemnity agreement in this Article 7 shall not apply to amounts paid in settlement of any claim, loss, damage or expense if such settlement is effected without the consent of the Indemnitor, which consent shall not be withheld unreasonably. The failure of an Indemnitee to deliver notice to the Indemnitor within a reasonable time after becoming aware of any such matter, if prejudicial to the Indemnitor's ability to defend such action, shall relieve the Indemnitor of any liability to the Indemnitee under this Article 7. The Indemnitee under this Article 7 and its directors, officers, employees and agents shall cooperate fully with the Indemnitor and its legal representatives in the investigation and defense of any matter covered by this indemnification.

7.4 *Insurance.* LMI and COV will each, at its own cost and expense, obtain and maintain in full force and effect, during the term of this Agreement and for a period of one year following the expiration or other termination of this Agreement, commercial general liability insurance either through self-insurance or with an insurance carrier generally acceptable to the other Party, with limits of liability, including excess coverage, of not less than $20,000,000 combined single limit bodily injury and property damage covering its duties and obligations under the Agreement.

8. ALTERNATIVE DISPUTE RESOLUTION.

(a) The Parties will attempt in good faith to resolve any controversy, claim or dispute ("Dispute") arising out of or relating to this Agreement promptly by negotiations. Any such Dispute which is not settled by the Parties within thirty (30) days after notice of such Dispute is given by one Party to the other in writing shall be referred to a senior executive of LMI and a senior executive of COV who are authorized to settle such Disputes on behalf of their respective companies ("Senior Executives"). If the Dispute has not been resolved within thirty (30) days after the end of the thirty (30) day negotiation period referred to above (which period may be extended by mutual agreement), subject to any rights to injunctive relief and unless otherwise specifically provided for herein, any Dispute may be settled by binding arbitration as described in subsection (b) below, if the Parties so choose. However, unless the Parties agree to submit any such Dispute to binding arbitration, they shall have the right to seek any relief available at law or equity from court of competent jurisdiction for resolution of any such Dispute.

(b) Any Dispute which is not resolved by the Parties within the time period described in subsection (a) and which the Parties agree to submit to arbitration shall be settled by final and binding arbitration to be conducted by a three person arbitration panel in Chicago, Illinois, pursuant to the then-existing Commercial Rules of the American Arbitration Association. The decision or award of the arbitration panel shall be final, and judgment upon such decision or award may be entered in any competent court or application may be made to any competent court for judicial acceptance of such decision or award and an order of enforcement. The arbitration panel shall allocate the costs of the arbitration to one or both of the Parties as it sees fit.

(c) Nothing contained in this Section or any other provision of this Agreement shall be construed to limit or preclude a Party from bringing an action in any court of competent jurisdiction for injunctive or other provisional relief to compel the other Party to comply with its obligations hereunder before or during the pendency of mediation or arbitration proceedings.

9. MISCELLANEOUS.

9.1 *Relationship of the Parties.* In making and performing this Agreement, the Parties are acting, and intend to be treated, as independent entities and nothing contained in this Agreement shall be construed or implied to create an agency, partnership, joint venture, or employer and employee relationship between LMI and COV. Each Party shall retain the exclusive right of control with respect to its employees and agents, and shall be responsible for all taxes, withholdings, and other statutory or contractual obligations of any sort in respect of its employees and agents providing Products and services hereunder including, but not limited to, workers' compensation insurance. Except as otherwise provided herein, neither Party may make any representation, warranty or commitment, whether express or implied, on behalf of or incur

any charges or expenses for or in the name of the other Party. No Party shall be liable for the act of any other Party unless such act is expressly authorized in writing by both Parties hereto.

9.2 *Expenses*. Except as specifically provided herein, each Party shall each pay its own expenses (including the fees and expenses of their respective agents, representatives, counsel and accountants) incidental to the preparation, negotiation, and consummation of this Agreement and the transactions contemplated hereby.

9.3 *Survival.* The following provisions shall survive the termination or expiration of this Agreement for any reason in accordance with their respective terms:

Article 1 (Definitions)
Section 3.4 (Effect of Expiration or Termination; Accrued Rights; Surviving Obligations)
Article 4 (Regulatory Issues)
Article 5 (Warranties and Quality Assurance)
Article 6 (Intellectual Property; Nondisclosure; Confidentiality)
Article 7 (Indemnification)
Article 8 (Alternative Dispute Resolution)
Article 9 (Miscellaneous)

9.4 *Notices.* All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (a) when personally delivered or sent by confirmed telecopy (with hard copy to follow); (b) one (1) business day after sent by reputable overnight express courier (charges prepaid); or (c) five (5) business days following mailing by certified or registered mail, postage prepaid and return receipt requested. Unless another address is specified in writing, notices, demands and communications to LMI and COV shall be sent to the addresses indicated below:

Notices to LMI:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road
North Billerica, Massachusetts 01862
Attn: Michael Duffy, Esq.

Facsimile: (978) 671-8724

Notices to COV:

Mallinckrodt Inc.
675 McDonnell Blvd.
Hazelwood, MO 63042
Attn: President, Mallinckrodt Imaging Solutions
Facsimile: 314-654-3440

with a copy to:

Mallinckrodt Inc.

675 McDonnell Blvd.
Hazelwood, MO 63042
Attn: Mallinckrodt Imaging Solutions, Vice President/Chief Corporate Counsel
Facsimile: 314-654-

9.5 *Force Majeure.* If the performance of any obligation under this Agreement by either Party is prevented, restricted, interfered with or delayed by reason of natural disaster, casualty, acts of God, riots, acts of terrorism or such other event of similar nature ("Force Majeure Event"), the Party so affected shall, upon giving prompt written notice to the other Party (including a full description of particulars), be excused from such performance to the extent of such prevention, restriction, interference or delay; provided that the affected Party shall use its reasonable commercial efforts to avoid or remove such causes of non-performance and shall continue performance whenever such causes are removed.

9.6 *LIMITATIONS ON LIABILITY.* IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR TO ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL DAMAGES ARISING FROM THIS AGREEMENT OR FOR ANY AMOUNTS REPRESENTING LOSS OF PROFITS OR LOSS OF BUSINESS, WHETHER THE BASIS OF THE LIABILITY IS BREACH OF CONTRACT, TORT, STATUTES, OR ANY OTHER LEGAL THEORY, EXCEPT TO THE EXTENT SUCH LIABILITY ARISES FROM COV'S OR LMI'S (AS THE CASE MAY BE) WILLFUL MISCONDUCT, AND WHETHER SUCH FIRST PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR NOT.

9.7 *Successors and Assigns; Assignment.* This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement or any part thereof, may not be assigned, in whole or in part, without the prior written consent of the other Party, which consent may be withheld in the sole discretion of the other Party; provided, however, that either Party may assign this Agreement without the consent of the other Party, (i) in whole or in part to any Affiliate of such Party, it being agreed that no such assignment to a Party's Affiliate shall release the assigning Party from its obligations hereunder, or (ii) in connection with the direct or indirect (x) transfer and sale of all or substantially all of the assets or business of such Party or any of its Affiliates or (y) the transfer and sale of all or substantially all of the assets or business of the specific business line, division or unit of such Party or any of its Affiliates to which this Agreement relates.

9.8 *Entire Agreement; Modification.* This Agreement supersedes all prior agreements and understandings between the Parties or any of their respective Affiliates (written or oral) relating to the subject matter hereof, including any term sheets, and this Agreement is the entire and complete statement of the terms of the agreement between the Parties with respect to the subject matter hereof. This Agreement may be amended, modified, or supplemented only in a writing signed by LMI and COV.

9.9 *EPIX and Bayer/Schering.* For the avoidance of doubt, the Parties hereby agree that LMI shall have no liability arising from or related to COV's past and current relationship and contractual arrangements with EPIX and/or Bayer/Schering.

9.10 *Waivers.* The failure of a Party at any time or times to require performance of any provision hereof shall in no manner affect its right at a later time to enforce the same. No waiver by a Party of any condition or of any breach of any term, covenant, representation or warranty contained in this Agreement shall be effective unless in writing, and no waiver in any one or more instances shall be deemed to be a further or continuing waiver of any such condition or breach in other instances or a waiver of any other condition or breach of any other term, covenant, representation or warranty.

9.10 *Section and Other Headings.* The section and other headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

9.11 *Governing Law.* This Agreement shall be exclusively interpreted in accordance with and governed by the laws of New York, without regard to the conflicts of law rules thereof.

9.12 *Severability.* Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition and unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

9.13 *No Third Party Beneficiaries.* Neither this Agreement nor any provision hereof is intended to confer upon any person (other than the Parties hereto) any rights or remedies hereunder.

9.14 *Construction.* The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

9.15 *Counterparts.* This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument. A facsimile transmission of an executed counterpart signature page shall be deemed an original.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives as of the date first above written.

LANTHEUS MEDICAL IMAGING, INC.

By: _____

Name:
Title:

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by their respective duly authorized representatives as of the date first above written.

LANTHEUS MEDICAL IMAGING, INC

By: /s/ Michael P. Duffy
Name: Michael P. Duffy
Title: Secretary

MALLINCKRODI INC

By: _____
Name: Timothy R. Wright
Title: President, Imaging Solutions and Pharmaceutical Products

MALLINCKRODT INC.

By: /s/ Matthew J. Kraus
Name: Matthew J. Kraus
Title: Vice President, Business Development

Exhibit 1.1(q)

Specifications

****

Exhibit 2.2

Existing Drug Substance and Ligand Excipient at COV

Covidien MS 325 Product Inventory
March-09

	Code	Batch Number	Lot Number	Expiry Date	Kg available
Hazelwood:					
MS-32503	8263	B01 - 2008	P03083	03/2009	67.75
		B03	P03084	03/2009	64.50
		B04	P03085	03/2009	67.00
		B05	P03086	03/2009	61.00
		B06	P03087	03/2009	64.60
		B07	P03088	03/2009	64.60
		B08	P03089	03/2009	67.00
		B10	P03091	03/2009	61.30
		B11	P03092	03/2009	62.60
		B12	P03093	03/2009	64.70
		B13	P04567	03/2009	58.10
		B14	P04568	03/2009	66.10
		B15	P04569	03/2009	63.30
		B16	P04570	03/2009	63.00
		B17	P04571	03/2009	63.60
		B18	P04572	03/2009	61.70
		B19	P04573	03/2009	64.30
		B20	P04574	03/2009	64.50
		B21	P04575	03/2009	65.80
		B22	P04576	03/2009	64.50
		B23	P04577	03/2009	61.90
		B24	P05607	04/2009	64.40
		B25	P05608	04/2009	62.30
		B26	P05609	04/2009	63.50
		B27	P06000	04/2009	60.90
		B28	P05898	05/2009	65.00
		B29	P05899	05/2009	61.10
		B30	P05900	05/2009	68.00
		B31	P05901	05/2009	60.10
		B32	P05902	05/2009	63.90
		B33	P05903	05/2009	62.40
		B34	P05904	05/2009	63.00
		B35	P05905	05/2009	63.30
		B36	P05906	05/2009	62.70
		B37	P05907	05/2009	63.40
		B38	P05908	05/2009	62.00
		B39	P05909	05/2009	69.00
		B40	P05910	05/2009	65.70

		B41	P05911	06/2009	63.30		
		B42	P05912	06/2009	69.20		
		B43	P06688	06/2009	60.60		
		B44	P06690	06/2009	65.6		
		B45	P06691	06/2009	59.9		
		B46	P06692	06/2009	60.1		
		B6 - 2004	H10679	04/2006	8.8		
		B17 - 2004	H12216	05/2006	63.1		
		B09 - 2008	P03090	03/2008	50.4	Rejected	
						Total:	2,891.25

	Code	Batch Number	Lot Number	Expiry Date	Kg available		
Hazelwood:							
MS-32506	8200	B18 - 2005	J05977	06/2007	6.2		
						Total:	5.20

	Code	Batch Number	Lot Number	Expiry Date	Kg available		
Hazelwood:							
MS-32509	7878	B27 - 2005	J01275	02/2007	13.3		
		B28 - 2005	J01276	02/2007	36.4		
						Total:	49.70

	Code	Batch Number	Lot Number	Expiry Date	Kg available		
Hazelwood:							
MS-32507	7249		E12468	09/2004	51.6		
St Louis Plant:							
MS-32507	7249		J06829	05/2006	509.2		
			J06830	08/2006	689.1		
			J06831	08/2006	504.4		
			J06832	08/2006	430.8		
			J07851	08/2006	544.9		
						Total:	2,630.00

	Code	Batch Number	Lot Number	Expiry Date	Kg available		
Hazelwood:							
MS-32516	2690	B01 - 07/08	M02644	02/2010	0.476		
		B02	M02645	02/2010	0.6164		
		B03	M02646	02/2010	0.6796		
		B04	M04338	03/2010	0.6658		
		B06	M11463	10/2010	0.731		
		B07	M11465	10/2010	0.9426		
		B08	M11466	10/2010	0.9265		
		B09	M12015	10/2010	0.9416		
		B10	M12430	11/2010	0.8856		
		B11	M12431	11/2010	0.8388		
		B13	P00432	12/2010	0.787		
2004 TIG lot		B3 - 2004	J09509	4/2007	0.2613		
MS-32516	3516	B1 - 2004	E16990	12/2006	0.8200		
		B6 - 2004	H00896	01/2007	0.1970		
Raleigh:			L0720400010	12/28/2010	0.10896		
						Total:	9.77

	Code	Batch Number	Lot Number	Retest Date	Kg available	
Hazelwood:						
MS-32520	6485					
		B23	M11458	11/2010	44.5	
		B24	M11459	11/2010	38.5	
		B32	P00429	12/2010	38.0	
		B34	P01308	1/2011	39.1	
		B26	M12391	11/2010	31	Rejected but can be reworked
Raleigh:			L0720400011	2/28/2010	10.5	

	L0720400008	3/31/2010	6.8		
	L0633800027	10/31/2008	12.2		
	L0720400012	11/30/2008	9.3		
				Total:	229.95
				Grand Total:	5,815.87

Exhibit 2.3

Existing Product and Drug Substance at Bayer/Schering

3262789 Bulk purchased
from Covidien

	Stocks in vials	Date of Production (ALP)	Covidien Batch #	Comments
Batch 73014	8359	****	M292B	
Batch 74015	17539	****	M292B	
Batch 74016	5472	****	M480B	
available stocks	**33430**			

available API 3313194
Gadofosveset in Berlin

Batch#	Stocks in kg	Date of Production (ALP)	Covidien Batch #	Comments
63074499	32	****	M02405	
63074500	31.6	****	M02740	
63074501	34.77	****	M02741	
63074502	29.57	****	M02742	
63074503	16.97	****	M02744	
63074504	**39.1**	****	**M02747**	300I batches
63074505	**46.9**	****	**M04333**	
63074507	**46.7**	****	**M04334**	**** only batch (before variations)
SV00008H	27.39	****	M09797	
SV00008J	36.24	****	M09798	
SV00008K	45.01	****	M11455	
SV00008L	44.48	****	M11456	
SV00008N	39.16	****	M11457	
SV00008P	34.76	****	M12390	
SV00008S	25.33	****	P00424	
SV00008T	52.4	****	P00425	
SV00008U	46.46	****	P00426	
SV00008V	38.66	****	P00427	
SV00008W	23.55	****	P00428	
SV00008X	29.02	****	P01307	
SV000090	40.87	****	P01309	
SV000091	17.16	****	P01310	
SV00008R	31.3	****	M02746	
63074497	0.672	****	M00606	
63074499	11.6	****	M02405	
available API	**821.672**			

	Code	Batch Number	Lot Number	Retest Date	Kg available	Status	
MS-32516	2590	B01 - 07/08	M02644	02/20100	.476	Released	
		B02	M02645	02/2010	0.6164	Released	B03
		M02646	02/2010	0.6796	Released	B04	M04338
		03/2010	0.6558	Released	B05	M11463	10/2010
		0.731	Released	B07	M11465	10/2010	0.9426
		Released	B08	M11466	10/2010	0.9265	
		Released	B09	M12015	10/2010	0.8416	
		Released					
		B10	M12430	11/2010	0.8856	Released	
		B11	M12431	11/2010	0.8388	Released	B13
		P00432	12/2010	0.787	Released		
					Total: 8.38		
2004 TIG lot retest date		2590 B3 – 2004	J09509	4/2007	0.2613	Quarantine	Past
					Grand Total 8.64		

Exhibit 2.4

Supply Schedule for Newly Manufactured Product

Volume Requirements per Calendar Quarter:

Minimum Volumes*	Target Volumes**	Calendar Quarter
****		3Q10
****		4Q10
****	****	1Q11
****	****	2Q11
****	****	3Q11
****	****	4Q11
****	****	1Q12
****	****	2Q12
****	****	3Q12

* These quantities reflect the minimum committed volumes (in kgs.) specified in Section 2.4(c) to be shipped in the corresponding Calendar Quarter. Not later than ****, LMI will notify COV whether LMI will increase the Minimum Volumes for the 1st, 2nd and 3rd Calendar Quarters of 2012 to **** kg. If LMI elects to increase its Minimum Volumes for such periods, COV will agree to accept orders for such volumes.

** LMI has estimated that it will require the Target Volumes for the Calendar Quarters as indicated. COV will use commercially reasonable efforts to meet the Target Volumes, to the extent such Target Volumes are reflected in the forecasts and purchase orders actually submitted by LMI pursuant to the terms of the Agreement; provided that COV will not bear liability to LMI in the event COV is unable to accept one or more orders reflecting the Target Volumes to the extent such Target Volumes exceed Minimum Volumes.

Exhibit 10.29

CONFIDENTIAL TREATMENT REQUESTED

INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND NOTED WITH "**". AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION**

AMENDMENT NO. 1 TO THE AGREEMENT CONCERNING CARDIOLITE® AND TECHNELITE® GENERATOR SUPPLY, PRICING AND REBATES

This Amendment No. 1 to the Agreement Concerning Cardiolite® and Technelite® Generator Supply, Pricing and Rebates (the " Amendment") is made by and between Lantheus Medical Imaging, Inc., with its principal place of business at 331 Treble Cove Road, North Billerica, Massachusetts 01862 ("Medical Imaging"), and United Pharmacy Partners, Inc., with its principal place of business located at 5400 Laurel Springs Parkway, Suite 405, Suwanee, GA 30024 ("UPPI"), and is effective as of April 1, 2008.

RECITALS

WHEREAS, Medical Imaging and UPPI are parties to that Agreement Concerning Cardiolite® and Technelite® Supply, Pricing and Rebates effective February 1, 2008 (the "Agreement'') and;

WHEREAS, Medical Imaging and UPPI desire to amend the Agreement in order to update the exhibits and schedules related to pricing and rebates.

NOW THEREFORE, in consideration of the premises and agreements set forth in this Amendment and intending to be legally bound, Medical Imaging and UPPI hereby agree as follows:

AMENDMENT

1. Terms defined in the Agreement and not otherwise defined in this Amendment are used herein with the meanings so defined.

2. The Agreement is amended by deleting therefrom Schedule B and replacing therewith Schedule B attached hereto.

3. The Agreement is further amended by deleting therefrom Schedule C and replacing therewith Schedule C attached hereto.

4. The Agreement is further amended by deleting therefrom Schedule D and replacing therewith Schedule D attached hereto.

4. Exhibit 1, Section I, subsection 2, shall be deleted in its entirety and replaced with the following:

> "All Members collectively purchase a minimum aggregate amount of **** Sestamibi Product doses and **** Technelite® Generator curies during each Quarter commencing April 1, 2008 and at all times thereafter; provided, however, that no individual Member shall be required to purchase any minimum amount. Should the foregoing requirements not be met for

**** (****) consecutive Quarters, Medical Imaging may, in its sole discretion, immediately, upon written notice to UPPI, terminate this Program."

5. Except as specifically modified hereby, the terms and provisions of the Agreement remain in full force and effect and otherwise unmodified.

6. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to the conflict of laws provisions thereof.

7. The Agreement, as amended hereby, constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes any and all prior or contemporaneous agreements between the parties relating to the subject matter hereof (whether written or oral).

8. This Amendment may be executed in one or more counterparts, and by the different parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which when taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties, have caused this Amendment to be executed by their duly authorized officers as of the date first set forth above.

UNITED PHARMACY PARTNERS, INC.		LANTHEUS MEDICAL IMAGING, INC.	
By:	/s/ Perry Polsinelli	By:	/s/ Donald R. Kiepert
Name:	Perry Polsinelli	Name:	Donald R. Kiepert
Title:	President / CEO	Title:	President & CEO
Date:	5/5/08	Date:	

SCHEDULE B

Cardiolite® Purchase Price

Fee Per Dose =	$**** through ****, or changed earlier based upon a response to achieve competitive pricing as described in the above notice.

SCHEDULE C

Technelite® Generator Purchase Price

Size of Technelite® Generator (in curies of Mo99)	Price
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****
****	$ ****

SCHEDULE D

Rebates

Quantities Purchased
**** through ****

Cardiolite®*
Doses

Technelite® Generator Curies	****-****	****-****	****+
****-****	****%	****%	****%
****-****	****%	****%	****%
****+	****%	****%	****%

Quarterly Quantities Purchased:
**** through ****

Cardiolite® Doses*

Technelite® Generator Curies	****-****	****-****	****-****	****+
****-****	****%	****%	****%	****%
****-****	****%	****%	****%	****%
****+	****%	****%	****%	****%

*Baseline Cardiolite® doses and Technelite® Generator (curies) shown in Schedule D are based on a UPPI network of **** Members.

Exhibit 10.30

CONFIDENTIAL TREATMENT REQUESTED

INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND NOTED WITH "**". AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.**

AMENDMENT NO. 2 TO THE AGREEMENT CONCERNING CARDIOLITE® AND TECHNELITE® GENERATOR SUPPLY, PRICING AND HEBATES

This Amendment No. 2 (the "Amendment"), to the Agreement Concerning Cardiolite® and Technelite® Generator Supply, Pricing and Rebates dated as of February 1, 2008 (the "Agreement"), is made by and between Lantheus Medical Imaging, Inc., with its principal place of business at 331 Treble Cove Road, North Billerica, Massachusetts 01862 ("Medical Imaging"), and United Pharmacy Partners, Inc., with its principal place of business located at 5400 Laurel Springs Parkway, Suite 405, Suwanee, GA 30024 ("UPPI"), and is effective as of August 1, 2008.

RECITALS

WHEREAS, Medical Imaging and UPPI are parties to the Agreement and desire to further amend the Agreement, as provided herein;

NOW, THEREFORE, in consideration of the premises and agreements set forth in this Amendment and intending to be legally bound, Medical Imaging and UPPI hereby agree as follows:

AMENDMENT

1. Section I. - Section I. Defined Terms shall be amended by deleting such section in its entirety and replacing therewith the following:

"1. Defined Terms

A. Capitalized terms not otherwise defined herein shall have the meanings specified in the Standard Cardiolite® Terms.

B. "Agreements" means collectively the Agreement, the Individual Pharmacy Agreement, and the Standard Cardiolite® Terms.

C. "Approved" means Approved by the United States Food and Drug Administration pursuant to an Abbreviated New Drug Application as a Sestamibi Product.

D. "Commitment Baseline" means ****% of the Member's current Cardiolite® (Sestamibi Product) volume established from the period of March, April and May of 2008.

E. "Committed Member" means a Member or Member Radiopharmacy Family which commits to purchase the Commitment Baseline of Cardiolite® as set forth on Schedule B to Exhibit 1.

F. "Competitive Entry" means the date of the first lawful sale to the public of an Approved generic sestamibi, following expiration of market exclusivity on July 29, 2008.

G. "Fee Per Dose" means the purchase price per dose of Cardiolite® set forth on Schedule B to Exhibit 1, as such price may be modified from time to time in accordance with the Agreements.

H. "Good Standing" means the status of having obtained and retained all federal, state and local licenses and other requirements necessary for the lawful conduct of business as a commercial radiopharmacy.

I. "Individual Pharmacy Agreements" means the Cardiolite® License and Supply Agreements between Medical Imaging and a Member.

J. "Member" means a Member of UPPI in Good Standing.

K. "Member Radiopharmacy Family" means **** (****) or more commercially established radiopharmacies in Good Standing and which are directly or indirectly Controlled by or under common Control with the same Member.

L. "Quarter" means (i) the initial period from February 1, 2008 through March 31, and (ii) each calendar quarter thereafter commencing April 1, 2008.

M. "Rebate Period" means (i) the initial period from February 1, 2008 through ****, (ii) the period from **** through ****, (iii) the period from **** through ****, (iv) the period from **** through ****, and (v) each three month period of the Term, commencing ****.

N. "Technelite® Generator Purchase Price" means the purchase price for Technelite® Generators set forth on Schedule C to Exhibit 1, as such price may be modified from time to time.

O. "Technelite® Generators" means technetium Tc99m generators sold under the trademark Technelite®.

P. "Uncommitted Member" means a Member or Member Radiopharmacy Family which does not commit to purchase any minimum volume of Cardiolite®."

2. Section II A. - Section II. A, "Pricing" shall be amended by deleting such section in its entirety and replace therewith the following:

"A. Pursuant to Section 2.11 of the Standard Cardiolite® Terms, the Parties hereby agree that the current Exhibit I of the Standard Cardiolite® Terms is hereby amended as set forth in Exhibit 1 hereto, provided that if the conditions set forth in Article II of Exhibit 1 are not met and/or after expiration of the Term, such current Exhibit I will be automatically reinstated and will once again be in full force and effect."

3. Section II. B. Section II. B, "Good Faith Negotiations", shall be amended by deleting such section in its entirety and replace therewith the following:

"B. Good Faith Negotiation. Within **** days of Competitive Entry the pricing on Exhibit 1, Schedule B, Tables B2 and B3 will be implemented (the "Initial Price Adjustment") and will not be adjusted again prior to ****. Once during each Quarter thereafter, but not sooner than **** months after the Initial Price Adjustment or subsequent price adjustments, UPPI and Medical Imaging may negotiate a potential change to the Fee Per Dose upon the mutual written agreement of Medical Imaging and UPPI ("the New Fee Per Dose"). The New Fee Per Dose will be effective the first day of the month following the execution of the written agreement. Medical Imaging and UPPI shall each negotiate any such changes to the Fee Per Dose in good faith based upon the then-existing selling conditions for Approved Sestamibi Products and with the aim of achieving competitive pricing. To expeditiously implement the New Fee Per Dose UPPI agrees, on behalf of its members, to waive the notice requirements set forth in Section 2.07 of the Standard Cardiolite® Terms. In addition, in the event that the acquisition of **** or more Members by a third party results in a significant change in the aggregate number of Members, Medical Imaging and UPPI shall meet to discuss the possible amendment of the rebates set forth in Schedule D of Exhibit 1 hereto."

4. Section II C. Section II C, "Preferred Supplier", shall be amended by deleting such section in its entirety and replacing therewith the following:

"C. Preferred Supplier. UPPI hereby acknowledges that its contractual relationship with Medical Imaging affords UPPI with valuable access to a consistent supply of branded, high-quality products. Although not an exclusive relationship, commencing on the Effective Date, pursuant to the following terms and conditions, Medical Imaging shall become UPPI's preferred supplier of Sestamibi Products and as such will be the primary and predominant supplier of Sestamibi Products and generators to UPPI. In the event that UPPI receives after January 1, 2009 but prior to December 31, 2010, a bona fide, good faith proposal from a third party (a "Proposal") to provide Approved Sestamibi Product(s) to Members that are the same or substantially similar to the Sestamibi Products, UPPI shall notify Medical Imaging in writing thereof and provide sufficiently detailed information regarding the pricing terms thereof. For **** (****) business days thereafter (the "Exclusive Negotiation Period"), UPPI shall negotiate exclusively and in good faith with Medical Imaging regarding the purchase of Sestamibi Products at a price competitive with that contained in the Proposal and shall not during such period negotiate with such third party. If the Parties agree in writing to an appropriately competitive price, such price shall become the New Fee Per Dose, and accordingly UPPI shall not accept the Proposal. The new Fee Per Dose will be subject to the same terms as detailed above in Section II. B. If Medical Imaging and UPPI do not agree to an appropriately competitive price during the Exclusive Negotiation Period, UPPI shall have the right to accept the Proposal (or negotiate an agreement with the

applicable third party on the pricing terms in the Proposal) free and clear of any obligation to Medical Imaging."

5. Section II.D. Section II.D, "Administrative Fee", shall be amended by deleting such section in its entirety and replacing therewith the following:

"D. Administrative Fee. Commencing on the Effective Date and continuing through the expiration of the Term, unless terminated earlier, should UPPI and the Members qualify for the Aggregate Rebate Program as detailed in Exhibit 1, then Medical Imaging shall pay to UPPI a corresponding administrative fee. From February 1, 2008 through July 31, 2008 the administrative fee will be ****% of aggregate dollar sales of Sestamibi Products and Technelite® Generators sold and delivered to Members pursuant to this Agreement. After July 31, 2008 until Competitive Entry the Administrative Fee will be calculated as a percent, detailed in the table below, on the aggregate dollar sales of Sestamibi Products and Technelite® Generators sold and delivered to Committed Members pursuant to this Agreement. After Competitive Entry, the administrative fee will be calculated as a percent, detailed in the grid below, on only the aggregate dollar sales of Technelite® Generators sold and delivered to Committed Members pursuant to this Agreement."

Aggregate Rebate Table-Administrative Fees

Technelite® Generator Curies	**Column 1**	**Column 2**	**Cardiolite®* Doses Column 3**	**Column 4**
Row 1	(****% Admin Fee)	(****% A% Admin Fee)	(****% Admin Fee)	(****% Admin Fee)
Row 2	(****% Admin Fee)	(****% A% Admin Fee)	(****% Admin Fee)	(****% Admin Fee)
Row 3	(****% Admin Fee)	(****% A% Admin Fee)	(****% Admin Fee)	(****% Admin Fee)

6. Section III. B. Section III. B, "Purchase Price", shall be amended by deleting such section in its entirety and replacing therewith the following:

"B. Purchase Price. The Parties agree that each Member shall pay to Medical Imaging the Technelite® Generator Purchase Price as set forth in Exhibit 1 for Technelite® Generators and agree to the terms set forth on Exhibit 1 based on the Member's or Member Radiopharmacy's Family classification as a "Committed" or "Uncommitted" Member. Such payment shall be due and payable as set forth in Medical Imaging's invoices. The Members will be responsible for any and all federal, state, county or municipal sales or use tax, healthcare tax, excise, customs charges, duties or similar charges, or any other tax assessment (other than that assessed against Medical

Imaging's income), license, fee or other charge lawfully assessed or charged on the sale, transportation, or other disposition of Technelite® Generators."

7. Exhibit 1. Exhibit 1 shall be amended by deleting such exhibit in its entirety and replacing therewith Exhibit 1 attached hereto.

8. General. Except as specifically modified hereby, the terms and provisions of the Agreement remain in full force and effect and otherwise unmodified. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to the conflict of laws provisions thereof. The Agreement, as amended hereby, constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes any and all prior or contemporaneous agreements between the parties relating to the subject matter hereof (whether written or oral). This Amendment may be executed in one or more counterparts, and by the different parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which when taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties, have caused this Amendment to be executed by their duly authorized officers as of the date first set forth above.

UNITED PHARMACY PARTNERS, INC.		**LANTHEUS MEDICAL IMAGING, INC.**	
By:	/s/ Perry Polsinelli	By:	/s/ Donald R. Kiepert
Name:	Perry Polsinelli	Name:	Donald R. Kiepert
Title:	7/21/08 - CEO	Title:	President CEO
Date:	7/20/05	Date:	7/21/08

Exhibit 1

NOTICE OF INCENTIVE PROGRAMS AND PRICING
FOR CARDIOLITE® AND TECHNELITE® GENERATORS

Lantheus Medical Imaging, Inc. ("Medical Imaging") is pleased to make the following Incentive Programs and Pricing for Cardiolite® and Technelite® Generators available to you along with all Members (each, a "Member") of United Pharmacy Partners, Inc. ("UPPI"). All capitalized terms used but not otherwise defined herein will have the meanings set forth on Schedule A. The terms of this notice are confidential and are subject to the confidentiality provisions of Section 5.11 of your Standard Cardiolite® Terms.

I. Member Pricing and Rebate Programs

A. Committed Member Pricing

Cardiolite®. For a commitment of ****% of the Member's current Cardiolite® (Sestamibi Product) volume established from the period of March, April and May of 2008 (the "Commitment Baseline"), a Committed Member will be eligible to receive certain pricing and the opportunity to earn a Committed Member rebate. Prior to Competitive Entry a Committed Member will pay the Fee Per Dose set forth is Schedule B, Table Bl. Effective within 15 days of Competitive Entry a Committed Member will pay the Fee Per Dose set forth on Schedule B, Table B2. In order to attempt to achieve competitive pricing, it is the intent of Medical Imaging and UPPI to re-evaluate the Fee Per Dose once during each **** after January 1, 2009 potentially changing the Fee Per Dose, upon the mutual written agreement of Medical Imaging and UPPI.

If after **** reporting months, a Committed Member is tracking at less than ****% of their Cardiolite® established baseline, Medical Imaging reserves the right to move them to the Uncommitted Member pricing effective the first day of the immediately following quarter.

Should an existing Member or a new Member wish to become a Committed Member after January 1, 2009 Lantheus Medical Imaging reserves the right to establish a Commitment Baseline based on prior volumes or volume estimates appropriate to the time frame in which a Member becomes a Committed Member. If a Member becomes a Committed Member after the first day of any month following Competitive Entry, the Additional License Fees will be calculated and billed based on the number of business days in that month. For example, if an Uncommitted Member currently paying $**** per dose becomes a Committed Member effective December 17, 2009 and their December Required Monthly Vial and Unit Dose Report indicates that the Member utilized **** Unit Doses in excess of their aggregate Vial Utilization Base from vials used that month, then **** Unit Doses will be billed at $**** per dose and **** Unit Doses will be billed at $****. (**** Unit Doses divided by **** business days equals **** Unit Doses per day)

Technelite® Generator. Price increases for generators for Committed Members will be limited to the following:

- August 1, 2008 ****%
- January 1, 2009 ****%
- January 1, 2010 ****%

Pricing for Technelite® Generators prior to August 1, 2008 can be found on Schedule C. There is **** for Technelite® generators to obtain the generator purchase price for Committed Members.

Thallium. Pricing for Committed Members shall be the price set forth on Schedule B, Table B4. There is **** to obtain the Thallium purchase price for Committed Members and the price is valid before and after Competitive Entry. Medical Imaging Reserves the right to change the price of Thallium with 30 days written notification to UPPI.

B. Committed Member Rebate Program

(a) For each Rebate Period beginning August 1, 2008, each Committed Member in Good Standing that pays the invoices submitted by Medical Imaging on a timely basis, may be entitled, in accordance with Schedule E, to a percentage rebate on total dollar sales for the purchases of Sestamibi Products and Technelite® Generators invoiced and delivered to such Committed Member. The percentage of rebate earned will be determined by (i) the Sestamibi Product doses sold by Medical Imaging to the Committed Member during the Rebate Period (as set forth in the Monthly report provided to Medical Imaging from Committed Member) and (ii) the purchases of Technelite® Generator (curies) invoiced and delivered to the Committed Member during the Rebate Period (as set forth in a written report to be provided by Medical Imaging to the Committed Member)

(b) Prior to Medical Imaging's implementation of Schedule B, Table B2, Cardiolite® pricing, the rebate, earned as detailed above in Section II B(a), will be paid on the Committed Member's (i) purchases of vials of Sestamibi Products during the applicable "Rebate Period" (as set forth in Medical Imaging invoices), (ii) additional unit doses of Sestamibi Products invoiced during the applicable Rebate Period, and (iii) purchases of Technelite® Generators invoiced and delivered to each Committed Member during the applicable Rebate Period. All rebates earned shall be issued to a Committed Member by Medical Imaging as a credit against future purchases of products by the Committed Member. Medical Imaging will not settle any such rebate in cash, except if a Member ceases be a Member if Good Standing or is otherwise acquired and the successor ceases to be a Member and there are no outstanding invoices payable by such Member to Medical Imaging.

(c) After Medical Imaging's implementation of Schedule B, Table B2, Cardiolite® pricing, the rebate will still be earned as detailed in Section II. B (a) above, however,

the rebate will only be paid on the total of Technelite® Generators (curies) invoiced and delivered to the Committed Member during the Rebate Period.

(d) Should an existing Member or a new Member wish to become a Committed Member after January 1, 2009, Lantheus Medical Imaging reserves the right to establish a rebate schedule with the same rebate percentages as detailed on Schedule E but with minimums based on prior volumes or volume estimates appropriate to the time frame in which a Member becomes a Committed Member. Participation in the Committed Member rebate program will begin the first day of the month after becoming a Committed Member.

(e) Medical Imaging recognizes that changes in the manufacturing schedule or market conditions may necessitate a change in the Curie minimums associated with Schedule E to future Rebate Periods during the term of the Agreement. Medical Imaging and UPPI agree to negotiate in good faith to adjust such minimums upon mutual written agreement.

C. Uncommitted Member Pricing Program

Cardiolite®. If a Member elects not to become a Committed Member, such Uncommitted Member shall pay the Fee Per Dose price set forth in Schedule B, Table B1, until the Fee Per Dose price as set forth in Schedule B, Table B3 becomes effective within 15 days following Competitive Entry. In order to attempt to achieve competitive pricing, it is the intent of Medical Imaging and UPPI to re-evaluate the Fee Per Dose once during each Quarter after January 1, 2009 potentially changing the Fee Per Dose, upon the mutual written agreement of Medical Imaging and UPPI.

Technelite® Generator. Price increases for generators for Uncommitted Members will be limited to the following with 30 days notice to UPPI:

- August 1, 2008 up to ****%
- January 1, 2009 up to ****%

- July 1, 2009 up to ****%
- January 1, 2010 up to ****%
- July 1, 2010 up to ****%

Pricing for Technelite® Generators prior to August 1, 2008 can be found on Schedule C. There is **** to obtain the purchase price for Uncommitted Members.

Thallium. Pricing for Uncommitted Members will be the pricing set forth on Schedule B, Table B5. There is **** to obtain the

Thallium purchase price for Uncommitted Members and the price is valid before and after Competitive Entry. Medical Imaging reserves the right to change the price of Thallium with 30 days written notification to UPPI.

D. Uncommitted Member Rebate Program

A rebate program for Uncommitted Members is not available.

II. Aggregate Rebate Program

In accordance with Section 2.16(b) of your Standard Cardiolite® Terms, Medical Imaging is also offering the Incentive Program (the " Program") described on Schedule D.

A. The Program is being offered to all Members though December 31, 2010 (the "Term") as long as the following pre-conditions are satisfied:

i. UPPI has a minimum of **** (****) Member-owned commercial radiopharmacy locations, in Good Standing, to make purchases of Sestamibi Products and Technelite® Generators from Medical Imaging commencing April 1, 2008 and at all times thereafter.

ii. All Members collectively purchase a minimum aggregate amount of Sestamibi Product doses and Technelite® Generator curies, as detailed in Column 1 and Row 1 respectively, in the tables on Schedule D, during each associated Rebate Period, commencing April 1, 2008 and at all times thereafter.

iii. Should the foregoing requirements not be met for **** (****) consecutive Quarters, Medical Imaging may, in its sole discretion, immediately upon written notice to UPPI, terminate the Program.

B. For each Rebate Period during the Term, each Member in Good Standing that pays the invoices submitted by Medical Imaging on a timely basis, may be entitled, in accordance with Schedule D, to a percentage rebate on total dollar sales for the purchases of Sestamibi Products and Technelite® Generators invoiced and delivered in aggregate to all Members. The percentage of rebate earned will be determined by (i) the aggregate Sestamibi Product doses sold by Medical Imaging to the Members during the Rebate Period (as set forth in the Monthly report provided to Medical Imaging from Members) and (ii) the aggregate purchases of Technelite® Generator (curies) invoiced and delivered to the Members during the Rebate Period.

C. Prior to Medical Imaging's implementation of Schedule B, Table B2 and Table B3, Cardiolite® pricing, the rebate, earned as detailed in Section II B above, will be paid on Member's (i) purchases of vials of Sestamibi Products during the applicable Rebate Period (as set forth in Medical Imaging invoices), (ii) additional unit doses of Sestamibi Products invoiced during the applicable Rebate Period, and (iii) purchases of Technelite® Generators invoiced and delivered to Member during the applicable Rebate Period. Any rebates earned shall be issued to the Member by Medical Imaging as a credit against future purchases of products by the Member. Medical Imaging will not settle any such rebate in cash, except if a Member ceases to exist or is otherwise acquired and the successor ceases to be a Member and there are no outstanding invoices payable by such Member to Medical Imaging

D. After Medical Imaging's implementation of Schedule B, Table B2 and Table B3, Cardiolite® pricing, the rebate will still be earned as detailed in Section II B above, however, the rebate will only be paid on the total of Technelite® Generators (curies) invoiced and delivered to the Member during the Rebate Period.

III **Other Terms**

A. Each Member shall, during the Term, pay an amount to Medical Imaging equal to the then-effective Fee Per Dose for each dose of Sestamibi Product, the then-effective Technelite® Generator Purchase Price for purchases of Technelite® Generators and the then-effective per mCi price for purchases of Thallium delivered and invoiced to it by Medical Imaging.

B. The teaks of the existing Exhibit I of the Standard Cardiolite® Terms are being modified as set forth herein by each of the above terms. For so long as the conditions contained herein are met during the Term, the existing Exhibit I to the Standard Cardiolite® Terms is hereby deemed to be no longer in any force or effect and all references to Exhibit I to the Standard Cardiolite® Terms will be understood to reference and incorporate the terms contained herein, provided however, that if and when the pricing below ceases to apply, the existing Exhibit I will be automatically reinstated and will once again be in full force and effect.

C. Effective immediately, Members will no longer be required to provide Medical Imaging with a Quarterly ANP Report (as described in Section 2.07(c)(ii)) in order to receive pricing concessions. In fact, Medical Imaging will no longer be collecting such reports. Required Monthly Reports (as described in Section 2.07 (b)(i)(ii)) will still be collected.

D. Any and all terms and conditions, if any, contained within the Standard Cardiolite® Terms that are inconsistent with this notice are hereby deleted, void and of no further force or effect.

E. Each Member herby represents and warrants that it will properly store, use and dispose of all materials provided pursuant to the Agreements in accordance with any instructions set forth on the applicable product labels, the rules and regulations promulgated by the U.S. Nuclear Regulatory Commission and all other applicable local, state and federal government regulations.

F. Notwithstanding anything in Agreements to the contrary, the Agreement, may be freely assigned by Medical Imaging.

G. Notwithstanding anything in the Individual Pharmacy Agreements to the contrary, upon any amendment, modification or supplement to the Standard Cardiolite® Terms, Medical Imaging shall be required at any time to provide written notice thereof solely to UPPI at the following address:

United Pharmacy Partners, Inc.
5400 Laurel Springs Parkway, Suite 405
Suwanee, GA 30024
Attn: Perry Polsinelli

All notices to be provided to Medical Imaging hereunder shall be delivered to:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road,
North Billerica, Massachusetts
Attn: David Mann

Exhibit 1 (cont)

SCHEDULE A

Defined Terms

A. Capitalized terms not otherwise defined herein shall have the meanings specified in the Standard Cardiolite® Terms.

B. "Agreements" means collectively the Agreement Concerning Cardiolite® and Technelite Generator Supply, Price and Rebates, the Individual Pharmacy Agreement, and the Standard Cardiolite® Terms.

C. "Approved" means Approved by the United States Food and Drug Administration pursuant to an Abbreviated New Drug Application as a Sestamibi Product.

D. Commitment Baseline" means ****% of the Member's current Cardiolite® (Sestamibi Product) volume established from the period of March, April and May of 2008.

E. "Committed Member" means a Member or Member Radiopharmacy Family which commits to purchase the Commitment Baseline of Cardiolite® as set forth on Schedule B to Exhibit 1.

F. "Competitive Entry" means the date of the first lawful sale to the public of an Approved generic sestamibi, following expiration of market exclusivity on July 29, 2008.

G. "Fee Per Dose" means the purchase price per dose of Cardiolite® set forth on Schedule B to Exhibit 1, as such price may be modified from time to time in accordance with the Agreements.

H. "Good Standing" means the status of having obtained and retained all federal, state and local licenses and other requirements necessary for the lawful conduct of business as a commercial radiopharmacy.

I. "Individual Pharmacy Agreements" means the Cardiolite® License and Supply Agreements between Medical Imaging and a Member.

J. "Member" means a Member of UPPI in Good Standing.

K. "Member Radiopharmacy Family" means two (2) or more commercially established radiopharmacies in Good Standing and which are directly or indirectly Controlled by or under common Control by the same Member.

L. "Quarter" means (i) the initial period from February 1, 2008 through March 31, and (ii) each calendar quarter thereafter commencing April 1, 2008.

M. "Rebate Period" means (i) the initial period from **** through ****, (ii) the period from **** through ****, (iii) the period

from **** through **** (iv) the period from **** through **** and (v) each three month period of the Term, commencing ****.

N. "Technelite® Generator Purchase Price" means the purchase price for Technelite® Generators set forth on Schedule C to Exhibit 1, as such price may be modified from time to time.

O. "Technelite® Generators" means technetium Tc99m generators sold under the trademark Technelite®.

P. "Uncommitted Member" means a Member or Member Radiopharmacy Family which does not commit to purchase any minimum volume of Cardiolite®."

Exhibit 1 (cont)

SCHEDULE B

Table B1 **Member Cardiolite® Fee Per Dose until Competitive Entry.**

Fee Per Dose =	$**** effective through Competitive Entry

Table B2 **Committed Member Cardiolite® Fee Per Dose**

Commitment Baseline

Fee Per Dose =	$**** effective within 15 days following Competitive Entry

Table B3 **Uncommitted Member Cardiolite® Fee Per Dose**

Fee Per Dose =	$**** effective within 15 days following Competitive Entry. Upon future Committed Member pricing changes, the differential between the Committed Member and the Uncommitted Member Fee Per Dose price will be $****.

Table B4 **Committed Member Thallium Purchase Price**

Price per mCi=	$****

Table B5 **Uncommitted Member Thallium Purchase Price**

Price per mCi=	$****

Exhibit 1 (cont)

SCHEDULE C

Technelite® Generator Purchase Pricing through July 31, 2008

Size of Technelite® Generator (in curies of Mo99)	Price for Units Manufactured Monday, Tuesday, Thursday and Friday	Price for Units Manufactured Sunday
****	$ ****	$ ****
****	$ ****	$ ****
****	$ ****	$ ****
****	$ ****	$ ****
****	$ ****	$ ****
****	$ ****	$ ****
****	$ ****	$ ****
****	$ ****	$ ****
****	$ ****	$ ****
****	$ ****	$ ****
****	$ ****	$ ****
****	$ ****	$ ****
****	$ ****	$ ****

Exhibit 1 (cont)

SCHEDULE D

Aggregate Rebate Program

Rebate schedule for the Rebate Period **-****

	Technelite® Generator Curies	Column 1 ****-****	Cardiolite® Doses Column 2 ****-****	Column 3 ****+
Row 1	****-****	****%	****%	****%
Row 2	****-****	****%	****%	****%
Row 3	****	****%	****%	****%

Rebate schedule-Rebate Period **-****

	Technelite® Generator Curies	Column 1 ****-****	Column 2 ****-****	Cardiolite® Doses Column 3 ****-****	Column 4 ****+
Row 1	****-****	****%	****%	****%	****%
Row 2	****-****	****%	****%	****%	****%
Row 3	****+	****%	****%	****%	****%

Rebate schedule for the Rebate Period **-****

	Technelite® Generator Curies	Column 1 ****-****	Column 2 ****-****	Cardiolite® Doses Column 3 ****-****	Column 4 ****+
Row 1	****-****	****%	****%	****%	****%
Row 2	****-****	****%	****%	****%	****%
Row 3	****	****%	****%	****%	****%

Rebate schedule for the Rebate Period **-****

	Technelite® Generator Curies	Column 1 ****-****	Column 2 ****-****	Cardiolite® Doses Column 3 ****-****	Column 4 ****+
Row 1	****-****	****%	****%	****%	****%
Row 2	****-****	****%	****%	****%	****%
Row 3	****+	****%	****%	****%	****%

Rebate schedule for each Rebate Period commencing ****

	Technelite® Generator Curies	Column 1 ****-****	Column 2 ****-****	Cardiolite®* Doses Column 3 ****-****	Column 4 ****+
Row 1	****-****	****%	****%	****%	****%
Row 2	****-****	****%	****%	****%	****%
Row 3	****+	****%	****%	****%	****%

Exhibit 1 (cont)

Schedule E
Committed Member Rebate Schedule

Rebate Schedule for Rebate Period commencing **-****

Technelite® Generator Curies	****%	****%	Cardiolite®* Doses ****%	****%
****	****%	****%	****%	****%
****%	****%	****%	****%	****%
****%	****%	****%	****%	****%

Rebate Schedule for each Rebate Period commencing **

Technelite® Generator Curies	****%	****%	Cardiolite®* Doses ****%	****%
****	****%	****%	****%	****%
****%	****%	****%	****%	****%
****%	****%	****%	****%	****%

Exhibit 10.31

CONFIDENTIAL TREATMENT REQUESTED

INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND NOTED WITH "**". AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.**

AMENDMENT NO. 3 TO THE AGREEMENT CONCERNING CARDIOLITE® AND TECHNELITE® GENERATOR SUPPLY, PRICING AND REBATES

This Amendment No. 3 (the "Amendment") to the Agreement Concerning Cardiolite® and Technelite® Generator Supply, Pricing and Rebates dated as of February 1, 2008 (the "Agreement") is made by and between Lantheus Medical Imaging, Inc., with its principal place of business at 331 Treble Cove Road, North Billerica, Massachusetts 01862 ("Medical Imaging"), and United Pharmacy Partners, Inc., with its principal place of business at 5400 Laurel Springs Parkway, Suite 405, Suwanee, GA 30024 ("UPPI"), and is effective as of May 1, 2009. (the "Effective Date")

RECITALS

WHEREAS, Medical Imaging and UPPI are parties to the Agreement and desire to further amend the Agreement, as provided herein;

NOW, THEREFORE, in consideration of the premises and agreements set forth in this Amendment and intending to be legally bound, Medical Imaging and UPPI hereby agree as follows:

AMENDMENT

1. Section I. - Section I. Defined Terms is amended by deleting such section in its entirety and replacing therewith the following:

"1. Defined Terms

A. Capitalized terms not otherwise defined herein shall have the meanings specified in the Standard Cardiolite® Terms.

B. "Agreements" means collectively the Agreement, as in effect from time to time, the Individual Pharmacy Agreement, and the Standard Cardiolite® Terms.

C. "Approved" means Approved by the United States Food and Drug Administration pursuant to an Abbreviated New Drug Application as a Sestamibi Product.

D. "Cardiolite® Reference Month" means for Cardiolite® pricing in any then-current calendar month, the calendar month **** months prior to such then-current calendar month (e.g., June has **** as a Reference Month, July has **** as a reference month and so on). For the purposes hereof, the first Cardiolite® Reference Month is ****.

E. "Fee Per Dose" means the purchase price per dose of Cardiolite® set forth on Exhibit 1, attached hereto, as such price may be modified from time to time in accordance with the Agreements.

F. "Good Standing" means the status of having obtained and retained all federal, state and local licenses and other requirements necessary for the lawful conduct of

business as a commercial radiopharmacy.

G. "Individual Pharmacy Agreements" means the Cardiolite® License and Supply Agreements between Medical Imaging and a Member.

H. "Member" means a Member of UPPI in Good Standing.

I. "Radiopharmaceutical Reference Month" means for Technelite® and Thallium pricing, in any then-current calendar month, is the immediately preceding calendar month. For the purposes hereof, the first Radiopharmaceutical Reference Month will be May 2009.

J. "Technelite® Generator Purchase Price" means the purchase price for Technelite® Generators set forth in Exhibit 1, attached hereto, as such price may be modified from time to time.

K. "Technelite® Generators" means technetium Tc99m generators sold under the trademark Technelite®.

L. "Technelite® Generator Unshipped Curies" means the number of curies that are not shipped if a Technelite® Generator order, accepted by Medical Imaging, is not filled as ordered resulting in no shipment or a shipment of fewer curies than originally specified on the order.

2. Section II. A. Section II. A, "Pricing", is amended by deleting such section in its entirety and replace therewith the following:

"A. Pricing. Pursuant to Section 2.11 of the Standard Cardiolite® Terms, the Parties hereby agree that the current Exhibit I of the Standard Cardiolite® Terms is hereby amended as set forth in Exhibit 1 hereto."

3. Section II. B. Section II. B, "Good Faith Negotiations", is amended by deleting such section in its entirety and replacing therewith the following:

"B. Good Faith Negotiation. Once during each **** after January 1, 2009, but not sooner than three months after any previous price adjustment, UPPI and Medical Imaging may negotiate a potential change to the Fee Per Dose upon the mutual written agreement of Medical Imaging and UPPI ("the New Fee Per Dose"). The New Fee Per Dose will be effective the first day of the month following the execution of the written agreement. Medical Imaging and UPPI shall each negotiate any such changes to the Fee Per Dose in good faith based upon the then-existing selling conditions for Approved Sestamibi Products and with the aim of achieving competitive pricing. To expeditiously

implement the New Fee Per Dose UPPI agrees, on behalf of its members, to waive the notice requirements set forth in Section 2.11 of the Standard Cardiolite® Terms."

2. Section II. D. Section II. D, "Administrative Fee", is amended by deleting such section in its entirety and replacing therewith the following:

"D. Administrative Fee. Commencing in June 2009 and continuing through the month following the expiration of the Agreement, Medical Imaging shall pay to UPPI an Administrative Fee in the amount of ****% of the aggregate dollars billed in the immediately preceding month for Cardiolite® and Technelite® Generators by Medical Imaging to Members pursuant to this Agreement. Payment of the Administrative Fee is paid monthly, not later than 45 days after the close of any given month, during the Term of the Agreement."

3. Section III. B. Section III. B, "Purchase Price", is amended by deleting such section in its entirety and replacing therewith the following:

"B. Purchase Price. The Parties agree that each Member shall pay to Medical Imaging the Technelite® Generator Purchase Price as set forth in Exhibit 1 for Technelite® Generators and agree to the terms set forth on Exhibit 1. Such payment is due and payable as set forth in Medical Imaging's invoices. The Members will be responsible for any and all federal, state, county or municipal sales or use tax, healthcare tax, excise, customs charges, duties or similar charges, or any other tax assessment (other than that assessed against Medical Imaging's income), license, fee or other charge lawfully assessed or charged on the sale, transportation, or other disposition of Technelite® Generators."

4. Section IV. Section IV. "Rebates" is amended by deleting such section in its entirety and replacing therewith ****.

5. Section V. Section V. (A)(1) "Term" is amended by deleting such section in its entirety and replacing therewith the following:

"1. The term of this Agreement ("Term") shall commence on the Effective Date and shall expire upon the earlier of (i) December 31, 2010, (ii) termination of the Agreement pursuant to Section V(A)(2) below."

6. Exhibit 1. Exhibit 1 is amended by deleting such exhibit in its entirety and replacing therewith Exhibit 1 attached hereto.

7. General. Except as specifically modified hereby, the terms and provisions of the Agreement remain in full force and effect and otherwise unmodified. This Amendment is governed by and construed in accordance with the laws of the State of New York, without giving effect to the conflict of laws provisions thereof. The Agreement, as amended hereby, constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes any and all prior or contemporaneous agreements between the parties relating to the subject matter hereof (whether written or oral). This Amendment may be executed in one or more counterparts, and by the different parties in

separate counterparts, each of which when executed is deemed to be an original but all of which when taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties, have caused this Amendment to be executed by their duly authorized officers as of the date first set forth above.

UNITED PHARMACY PARTNERS, INC.		**LANTHEUS MEDICAL IMAGING, INC.**	
By:	/s/ Perry Polsinelli	By:	/s/ Donald R. Kiepert
Name:	Perry Polsinelli	Name:	DONALD R. KIEPERT
Title:	President /CEO	Title:	PRESIDENT & CEO
Date:	April 24, 2009	Date:	4/27/09

Exhibit 1

NOTICE OF INCENTIVE PROGRAMS AND PRICING
FOR CARDIOLITE® AND TECHNELITE® GENERATORS

Lantheus Medical Imaging, Inc. ("Medical Imaging") is pleased to make the following Program for Cardiolite® and Technelite® Generators available to all Members (each, a "Member") of United Pharmacy Partners, Inc. ("UPPI"). All capitalized terms used but not otherwise defined herein will have the meanings set forth on Schedule A. The terms of this notice are confidential and are subject to the confidentiality provisions of Section 5.11 of your Standard Cardiolite® Terms.

I Cardiolite® Pricing

A. For the month of May 2009, UPPI members will pay a Fee Per Dose of ****.

B. Thereafter and for the balance of the term of the Agreement, UPPI members will pay in any given month a Fee Per Dose of $**** provided that, in aggregate, UPPI members have purchased **** doses as reported on the Vial and Unit Dose Report as doses sold in the applicable Cardiolite® Reference Month.

C. Should UPPI members fail to purchase **** doses but instead purchase in the aggregate between **** (the "Cardiolite® Minimum") and **** doses in the applicable Cardiolite® Reference Month, then the Fee Per Dose for Cardiolite® in the then-current month will be $****.

D. If, in any applicable Cardiolite® Reference Month, the aggregate doses purchased, as determined by the Vial and Unit Dose Report as doses sold, is less than the Cardiolite® Minimum, Medical Imaging reserves the right to (i) increase the Fee Per Dose for the then-current month to an amount not to exceed $**** and (ii) change the Technelite® Generator prices detailed in Grid 1 (2009) or Grid 2 (2010) of Exhibit 1, Section III, as the case may be, to the prices detailed in Grid 3 for the then-current month. If, in the following Cardiolite® Reference Month, the aggregate doses purchased, as determined by the Vial and Unit Dose Report as doses sold, is less than the Cardiolite® Minimum, Medical Imaging reserves the right to increase the Technelite® Generator prices for the then-current month to the prices detailed in Grid 4 of Exhibit 1, Section III.

E. Starting in May 2009, UPPI shall have the right to purchase doses in a month to meet the Cardiolite® Minimum for the immediately preceding month provided that UPPI provides detailed notice (the "Notice") of such purchases to Medical Imaging in that same month. The Notice must contain the UPPI member's name and the number of vials purchased by such member in such month, that are to be applied to the Cardiolite® Minimum for the preceding month. Doses will be calculated by multiplying the Vial Utilization Base under which the vial was sold in such month by the number of vials purchased as detailed in the Notice. Doses purchased in such month to fulfill the Cardiolite® Minimum in the preceding month will not be included when calculating the achievement of the Cardiolite® Minimum when such month becomes a Cardiolite ® Reference Month.

II Thallium Pricing

A. For the month of May 2009, UPPI members will pay a price of $**** per millicurie for Thallium.

B. Thereafter and for the balance of the term of the Agreement, UPPI members will pay a price of $**** per millicurie for Thallium provided that the number of millicuries of Thallium purchased by UPPI members in aggregate, in the Radiopharmaceutical Reference Month is greater than **** millicuries (the “Thallium Minimum”). If in any Radiopharmaceutical Reference Month the number of Thallium millicuries purchased falls below the Thallium Minimum, the price per millicurie for Thallium will be changed to $**** per millicurie in the then-current month.

III Technelite® Generator

A. Pricing for May 2009 is as set forth on Grid 1, Column A.

B. Thereafter and for the balance of the term of this Agreement, pricing is as detailed in Grid 1 (2009) and Grid 2 (2010) below, as the case may be, provided that UPPI members have purchased in the aggregate a minimum of **** curies in the then applicable Radiopharmaceutical Reference Month (“Technelite® Generator Minimum”). Should the Technelite® Generator Minimum in the then-applicable Radiopharmaceutical Reference Month not be met or the Cardiolite® Minimum in the then-applicable Cardiolite® Reference Month not be met, then prices for Technelite® Generators detailed in Grid 1 (2009) and Grid 2 (2010) below will increase to the prices detailed in Grid 3 below for the then-current month. If the Technelite® Generator Minimum is not met in the following Radiopharmaceutical Reference Month or the Cardiolite® Minimum is not met in the following Cardiolite® Reference Month, Medical Imaging reserves the right to increase the Technelite® Generator prices to the prices detailed in Grid 4 below for the then-current month.

C. Generator pricing, in each month, will be established based on ranges detailed in Grid 1 and Grid 2 below, as the case may be, as determined by the number of curies purchased plus the number of Technelite® Generator Unshipped Curies in the then-applicable Reference Month. In the event of an industry shortfall of molybdenum, curies purchased from orders placed during the shortfall will be included in the calculation to determine if the Technelite® Generator Minimum has been achieved; such orders, however, will not be included in any calculation that may determine a reduction in price.

D. Medical Imaging may increase the Technelite® Generator purchase prices to reflect any material change in costs of molybdenum. A change in such costs is considered material if the increase in the cost of molybdenum over any **** (****) day period (a “Moly Cost Increase Period”) is more than **** percent (****%). In the event of such a material increase, Medical Imaging shall be entitled to increase the Technelite® Generator purchase prices to reflect the incremental increase in such costs over **** percent (****%) starting as of when such costs are actually incurred by Medical Imaging, provided that Medical Imaging provides UPPI **** (****) days written notice and reasonable documentation supporting such change in costs. Medical Imaging shall not implement the type of price increase detailed in this paragraph more than **** per calendar year.

III Technelite® Generator (cont.)

Technelite® Generators manufactured on Sunday are denoted with a “-u” below.

	GRID 1		
	A	**B**	**C**
	2009		
Generators	**(excluding increases due to Mo-99 cost increases)**		
mCi	******-**** Ci**	****** -**** Ci**	**=>**** Ci**
****	$ ****	$ ****	$ ****
****	$ ****	$ ****	$ ****
****	$ ****	$ ****	$ ****
****	$ ****	$ ****	$ ****
****	$ ****	$ ****	$ ****
****	$ ****	$ ****	$ ****
****	$ ****	$ ****	$ ****
****	$ ****	$ ****	$ ****
****	$ ****	$ ****	$ ****
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****	$	****	$	****	$	****
****	$	****	$	****	$	****
****	$	****	$	****	$	****
****	$	****	$	****	$	****
****	$	****	$	****	$	****
****	$	****	$	****	$	****

	GRID 2					
	A		B		C	
	2010 (excluding increases due to Mo-99 cost increases)					
Generators mCi	****-**** Ci		**** -**** Ci		=>**** Ci	
****	$	****	$	****	$	****
****	$	****	$	****	$	****
****	$	****	$	****	$	****
****	$	****	$	****	$	****
****	$	****	$	****	$	****
****	$	****	$	****	$	****
****	$	****	$	****	$	****
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****	$	****	$	****	$	****
****	$	****	$	****	$	****
****	$	****	$	****	$	****
****	$	****	$	****	$	****

III Technelite® Generator (cont.)

Technelite® Generators manufactured on Sunday are denoted with a "-u" below.

Grid 3		Grid 4	
2009 (excluding increases due to Mo-99 cost increases)		2009(excluding increases due to Mo-99 cost increases)	
Generators mCi		**Generators mCi**	
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
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****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****
****	$ ****	****	$ ****

Medical Imaging may update the prices for Technelite® Generators for Grid 3 and Grid 4 for ****, on or after ****, ****, upon **** days written notice to UPPI.

IV Other Terms

A. All rebate programs pursuant to the Agreement, as amended, and in effect prior to the Effective Date of this Amendment shall be calculated and paid if applicable, on a pro rata basis for a period ending ****, ****. After ****, all related rebate programs are no longer applicable.

B. Each Member shall, during the Term, pay an amount to Medical Imaging equal to the then-effective Fee Per Dose for each dose of Sestamibi Product, the then-effective Technelite® Generator Purchase Price for purchases of Technelite® Generators and the then-effective per mCi price for purchases of Thallium delivered and invoiced to it by Medical Imaging.

C. The terms of the existing Exhibit I of the Standard Cardiolite® Terms are being modified as set forth herein by each of the above terms. All references to Exhibit I to the Standard Cardiolite® Terms will be understood to reference and incorporate the terms contained herein.

D. For the reporting period starting ****, Members will only be required to provide Medical Imaging with the Required Monthly Vial and Unit Dose Report (as described in Section 2.07(b)(i) of the Standard Cardiolite® Terms and Conditions).

E. Any and all terms and conditions, if any, contained within the Standard Cardiolite® Terms that are inconsistent with this notice are hereby deleted, void and of no further force or effect.

F. Each Member hereby represents and warrants that it will properly store, use and dispose of all materials provided pursuant to the Agreements in accordance with any instructions set forth on the applicable product labels, the rules and regulations promulgated by the U.S. Nuclear Regulatory Commission and all other applicable local, state and federal government regulations,

G. Notwithstanding anything in Agreements to the contrary, the Agreement may be freely assigned by Medical Imaging.

H. Notwithstanding anything in the Individual Pharmacy Agreements to the contrary, upon any amendment, modification or supplement to the Standard Cardiolite® Terms, Medical Imaging shall be required at any time to provide written notice thereof solely to UPPI at the following address:

United Pharmacy Partners, Inc.
5400 Laurel Springs Parkway, Suite 405
Suwanee, GA 30024
Attn: Perry Polsinelli

All notices to be provided to Medical Imaging hereunder shall be delivered to:

Lantheus Medical Imaging, Inc.
331 Treble Cove Road,
North Billerica, Massachusetts
Attn: David Mann

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Amendment No. 2 to Registration Statement No. 333-169785 on Form S-4 of our report dated April 16, 2010 (August 18, 2010 as to the effects of the restatement discussed in Note 1, and October 4, 2010 as to Note 21) relating to the consolidated financial statements of Lantheus MI Intermediate, Inc. and subsidiaries and of our report dated September 24, 2008 relating to the consolidated financial statements of Bristol-Myers Squibb Medical Imaging ("BMSMI") (a division of Bristol-Myers Squibb Company), which report includes an explanatory paragraph regarding the basis of presentation of the BMSMI financial statements, appearing in the Prospectus, which is part of this Registration Statement and to the reference to us under the heading "Experts" in such Prospectus.

/s/ Deloitte & Touche LLP

Boston, Massachusetts
December 23, 2010