

May 1, 2006

Dear DuPont Customer:

This letter is to address the concerns of DuPont customers purchasing Glypure® L for use in their own topical products or topical products being manufactured for a third party whereby the products and claims could result in liability for both contributory patent infringement and inducement of patent infringement of TriStrata's patents in the alpha hydroxyacid (AHA) skin care fields.

This is to inform those purchasing Glypure® L from DuPont, that TriStrata (a wholly owned subsidiary of NeoStrata Company, Inc.) has licensed to DuPont the use of glycolic acid in cosmetic antiaging, and OTC/Rx drug products claimed in U.S. Patent 5,385,938, U.S. Patent 5,389,677, U.S. Patent 5,547,988, U.S. Patent 5,654,336, U.S. Patent 5,091,171, U.S. Patent 5,942,250, U.S. Patent 5,561,157 and U.S. Patent 5,554,654. Therefore, DuPont customers receive the benefit of a pass-through license from TriStrata for use of these ingredients and claims as listed below. We encourage you to review these patents for the breadth of coverage they provide.

- Cosmetic Claims: alleviate or improve the signs of intrinsic and extrinsic dermatological aging including skin lines, blotches, blemishes, wrinkles, pigmented spots, atrophy, elastotic changes characterized by leathery, coarse, rough, dry and yellowish skin, and other skin changes or skin damage caused by extrinsic factors such as sunlight, radiation, air pollution, wind, cold, dampness, heat, chemicals, smoke and cigarette smoking. Examples of claims include: reduced appearance of fine lines and wrinkles, sallowness, and mottled pigmentation; and, increased collagen, skin firmness/elasticity, plumpness, and clarity.
- OTC combinations: sunscreens (5,942,250), skin lighteners (i.e., hydroquinone, 5,561,157), acne (salicylic acid, antibacterial agents, 5,554,654).
- Rx applications: anti-aging, enhanced therapeutic effect.

The pass-through license authorizes customers of DuPont's to market products containing DuPont's Glypure® L for cosmetic anti-aging indications (reduction of wrinkles and the alleviation of the signs of dermatological aging), as well as in combination with over-the-counter (OTC) and prescription drug actives for enhanced therapeutic effect.

Therefore, so long as you are (1) using Glypure® L from DuPont, which is authorized to sell pursuant to its license agreement with TriStrata, and (2) you limit the product claims to wrinkle reduction and alleviation of the signs of dermatological aging,



or enhanced therapeutic effect of an OTC or prescription drug active, you will not be infringing TriStrata's intellectual property. Please include the patent numbers on your product labeling to reflect the pass-through license from DuPont. Or, you may also use the phrase, "Under license through DuPont™ Glypure® L ". Please note that the rights granted to you by your purchase of Glypure® L from DuPont do not include the use of other AHAs or PHAs in your products.

Should you have any questions concerning the scope of the rights granted under the pass-through license, we encourage you to contact your DuPont representative and we will work with them before they respond to your inquiry. Please note that NeoStrata will be provided with the names of companies electing to purchase Glypure® L along with the volume of Glypure® L purchased. In addition, NeoStrata reserves the right to audit manufacturing records to ensure compliance with this pass-through license and its overall patent enforcement program.

Please feel free to contact your DuPont representative with any questions and we will work together to provide you with a timely response.

Sincerely,

A handwritten signature in black ink, appearing to read "R. H. Wildnauer".

Richard H. Wildnauer, Ph.D
President