FORM SC 13D/A

Schedule filed to report acquisition of beneficial ownership of 5% or more of a class of equity securities [amend]

Filing Date: **1997-07-02**
SEC Accession No. 0000950130-97-003085

SUBJECT COMPANY

ALPHARMA INC

CIK:**730469**| IRS No.: **222095212** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **SC 13D/A** | Act: **34** | File No.: **005-35893** | Film No.: **97635663**
SIC: **2834** Pharmaceutical preparations

Business Address
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FORT LEE NJ 07024
2019477774

FILED BY

A L INDUSTRIER AS

CIK:**1034010**
Type: **SC 13D/A**

Business Address
HARBITZALLEEN 3
SKOYAN OSLO NORWAY

OMB APPROVAL
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 1)*

ALPHARMA INC.

(Name of Issuer)

Class A Common Stock, par value $.20 per share

(Title of Class of Securities)

001629 10 4

(CUSIP Number)

Einar W. Sissener
c/o Alpharma Inc.
One Executive Drive
Fort Lee, New Jersey 07024

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

June 27, 1997

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report

the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box [_].

Check the following box if a fee is being paid with the statement [_]. (A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7.)

Note: Six copies of this statement, including all exhibits, should be filled with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13D

CUSIP NO. 001629 10 4	PAGE 2 OF 47 PAGES

1	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON A. L. Industrier AS	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) [_] (b) [_]
3	SEC USE ONLY	

	SOURCE OF FUNDS*	
4		
	00, BK	
	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO	
5	ITEMS 2(D) OR 2(E)	[_]
	CITIZENSHIP OR PLACE OF ORGANIZATION	
6		
	Norway	
		SOLE VOTING POWER
	7	
NUMBER OF		9,500,000
SHARES		SHARED VOTING POWER
BENEFICIALLY	8	
		-0-
OWNED BY		
EACH		SOLE DISPOSITIVE POWER
	9	
REPORTING		9,500,000
PERSON		SHARED DISPOSITIVE POWER
WITH	10	
		-0-
	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
11		
	9,500,000	
	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*	
12		[_]
	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	
13		
	40%	
	TYPE OF REPORTING PERSON*	
14		
	CO	

Amendment No. 1 to Statement on Schedule 13D

Pursuant to Rule 13d-2(a) of Regulation 13D-G of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "Act"), the undersigned hereby files this Amendment No. 1 to its Schedule 13D Statement ("Schedule 13D") dated February 10, 1997 (the "Original Schedule 13D") relating to the Common Stock of Alpharma Inc. (the "Issuer") to amend the following Items and Schedules not expressly set forth below.

Item 2. Identity and Background.

(a) This Statement constitutes the Schedule 13D of A. L. Industrier AS, a Norwegian corporation ("Industrier") with respect to 1,273,438 shares of Class A Common Stock (the "Common Stock") of the Issuer which are issuable upon conversion of 1,273,438 newly issued shares of Class B Common Stock of the Issuer par value $.20 per share (the "Class B Stock") which Industrier acquired from Issuer (the "New Class B Shares") on June 27, 1997. Until its name change in 1994, Industrier's corporate name was Apothekernes Laboratorium A.S.

Certain information required by Item 2 concerning directors and executive officers of Industrier is set forth on Schedule A hereto, which Schedule A is incorporated herein by reference.

Mr. Einar W. Sissener ("Sissener") is Chairman of the Board of Industrier and, together with a family controlled private holding company and certain relatives, beneficially owns approximately 55% of Industrier's outstanding shares entitled to vote and, accordingly, may be deemed a controlling person of Industrier.

(b) The address of the principal business office of Industrier is Harbitzalleen 3, 0275 Oslo, Norway.

(c) Industrier is a holding company which owns, in addition to its interest in Issuer's shares, controlling and non-controlling interests in corporations engaged, primarily in Norway and other European countries, in the food industry, the medical diagnostic industry and other industries and owns certain real estate interests in Norway.

(d) During the past five years, neither Industrier or to the knowledge

of Industrier any of the executive officers or directors of Industrier, has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) During the past five years, neither Industrier, or to the knowledge of Industrier any of the executive officers or directors of Industrier, has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which such person was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Industrier is a corporation organized and existing under the laws of Norway and, to its knowledge, each of its executive officers and directors is a citizen of Norway.

Item 3. Source and Amount of Funds or Other Consideration.

Funds to acquire the shares of Class B Common Stock to be purchased pursuant to the Amended Stock Subscription Agreement were obtained from a borrowing from Den norske Bank ASA ("Den norske"). Industrier entered into a Loan Facility Agreement with Den norske, dated as of June 19, 1997 (the "Loan Agreement") pursuant to which Industrier may borrow up to NOK 200,000,000 to finance (a) its foreign currency loans and (b) the purchase of the Class B Common Stock. The term of the loan is 59 months and the loan facility may be utilized on a revolving credit basis, with a maximum of eight (8) drawings to be outstanding at any time.

Industrier pledged 2,000,000 shares of Class B Stock (the "Pledged Shares") to Den norske as security for the loan, pursuant to the Securities Pledge Agreement between Den norske and Wangs Fabrik AS, a wholly-owned subsidiary of Industrier ("Wangs"), dated as of June 27, 1997 (the "Securities Pledge Agreement"). The Securities Pledge Agreement provides that Wangs, as pledgor, will retain all dividend rights and all voting rights to the Pledged Shares for so long as no Event of Default (as defined in the Loan Agreement) has occurred. If an Event of Default occurs, Den norske shall have the right to receive dividends, exercise voting rights and, subject to certain limitations set forth in the Securities Pledge Agreement, transfer the Pledged Shares.

Item 4. Purpose of Transaction

Industrier owns beneficially 9,500,000 shares of Class B Common Stock of Issuer, including 8,226,562 shares which it acquired in 1983 in exchange for its ownership of all the capital stock of the Issuer's predecessor. The exchange was pursuant to a recapitalization transaction that preceded the initial public offering of Issuer's Common Stock in 1984. The Class B Common Stock entitles the

holders thereof, as a class, to elect a majority of the directors of Issuer and is convertible, on a share for share basis, into Common Stock. Industrier owns all of the outstanding shares of Issuer's Class B Common Stock and accordingly has been a controlling person of Issuer since 1983. Prior to the filing of this Schedule 13D, Industrier had reported its beneficial ownership of Common Stock (which may be acquired upon conversion of its Class B Common Stock of Issuer) on Schedule 13G. In 1994 Sissener and other shareholders of Industrier received certain warrants to purchase shares of Common Stock in a transaction between Issuer and Industrier. See Item 5 below.

On February 10, 1997, Industrier and Issuer entered into the Stock Subscription Agreement under which Industrier agreed to purchase from Issuer 1,273,438 newly-issued shares of Class B Common Stock at a price of $16.34 per share (total consideration: $20,807,976.92). Industrier and Issuer entered into Amendment No. 1 to the Stock Subscription Agreement on June 27, 1997 (such agreement as amended the "Amended Stock Subscription Agreement"), to provide for the consummation of such purchase on or before June 27, 1997, a date earlier than that originally contemplated by the Stock Subscription Agreement. The purchase was closed on June 27, 1997. The Amended Stock Subscription Agreement also provides for a payment to be made by the Issuer to Industrier in consideration for Industrier's agreement to purchase the Class B Common Stock earlier than required by the original Stock Subscription Agreement. The amount of such payment is expected to be approximately $450,000 or less as determined by the Amended Stock Subscription Agreement and will be made on or about November 30, 1997.

The purposes of the transaction contemplated by the Amended Stock Subscription Agreement are to increase Industrier's investment in Issuer and to provide Issuer with additional equity capital. The acquisition of additional shares of Class B Common Stock will not increase or otherwise affect Industrier's position as a controlling person of Issuer because it previously owned (and has no present intention to dispose of) all outstanding shares of Issuer's Class B Common Stock. As set forth in the Amended Stock Subscription Agreement, the Issuer intends, subject to registration under the Securities Act of 1933, to effect a distribution of special rights to the holders of the Common Stock. Each holder of Common Stock will receive one-sixth of one such special right for each share of Common Stock held of record on the record date specified in the Prospectus relating to such rights. Each right will entitle the holder thereof to acquire one of a share of Common Stock at an exercise price of $16.34 per share. The expiration date of the special rights has not yet been determined, but is expected to be a date no later than November 30, 1997. The Rights are expected to be issued in August or September 1997.

Except for the special rights distribution referred to above and subject to such actions as may be taken by the Issuer's Board of Directors in the normal course of carrying out is responsibilities, Industrier has no present plan or proposal which relates to or would result in the acquisition or disposition by any person of securities of Issuer, any extraordinary corporate transaction or sale of material assets of Issuer, any change in the board of directors (except as may occur at the next annual meeting of Issuer), any material change in the

Issuer's capitalization, dividend policy, business or corporate structure, any change in Issuer's charter, bylaws

or other instruments which may impede an acquisition of control of Issuer, causing any class of Issuer's securities to be delisted or to become eligible for termination of registration under Section 12(g)(4) of the Securities Exchange Act of 1934 or any similar action.

Nothing herein is intended to limit Industrier's right and ability to suggest to Issuer a plan or proposal for any such action in the future and to exercise its voting rights in its discretion as holder of the Class B Common Stock of Issuer to elect a majority of the Issuer's directors.

Item 5. Interest in Securities of the Issuer.

(a) Based on Industrier's beneficial ownership of 9,500,000 shares of Class B Common Stock (including the 1,273,438 shares acquired under the Amended Stock Subscription Agreement), Industrier beneficially owns 9,500,000 shares of Common Stock which it may acquire upon conversion, on a share-for-share basis, of the Class B Common Stock. Such beneficial ownership of Common Stock constitutes approximately 40% of the outstanding Common Stock (assuming conversion of such Class B Common Stock and the issuance of no shares of Common Stock pursuant to the special rights offering described in item 4 above).

Sissener beneficially owns certain Warrants to purchase an aggregate of 1,383,004 shares of Common Stock, of which 233,250 Warrants (owned by a family trust and by Sissener's wife) are currently exercisable and the balance become exercisable on October 3, 1997. The Warrants have an exercise price of $21.945 (subject to antidilution adjustment upon the occurrence of certain events, including the special rights distribution described in Item 4 above) and expire, if not previously exercised, on January 3, 1999.

(b) The shares of Issuer beneficially owned by Industrier is held of record by Wangs. However, Industrier possesses sole power to direct voting and disposition of such shares. Sissener possesses sole power of disposition as to the Warrants beneficially owned by him.

(c) Industrier has effected no transactions in the Issuer's Common Stock during the past sixty days except the execution of Amendment No. 1 to the Stock Subscription Agreement on June 27, 1997 and the closing of the purchase of such shares pursuant thereto.

(d) Except as set forth in the Securities Pledge Agreement described in Item 3, no person other than Industrier has any right to receive or direct the receipt of dividends from, or the proceeds from any sale of, the shares of Class B Common Stock beneficially owned by Industrier or the Common Stock issuance

upon conversion thereof.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Industrier is not a party to or otherwise subject to any contract, arrangement, understanding or relationship with any person relating to any securities of the Issuer, except:

(i) The Stock Subscription Agreement described in item 4 above and filed as Exhibit I to the Original Schedule 13D (which contains provisions for Issuer to provide certain registration rights to Industrier);

(ii) Amendment No. 1 to the Stock Subscription Agreement described in item 4 above and filed as Exhibit I hereto (which provides that Industrier purchase Issuer's Class B Common Stock on or before June 27, 1997 and provides for a payment to be made by Issuer to Industrier in consideration therefor).

(iii) A Control Agreement dated February 7, 1986, as amended from time to time (the "Control Agreement"), (filed as Exhibit III to the Original Schedule 13D) which prohibits Industrier from selling or otherwise transferring any shares of Issuer's Class B Common Stock prior to November 1, 1999 without the prior approval of Issuer's Board of Directors, except that up to 50% such shares may be pledged pursuant to normal financing arrangements;

(iv) A Warrant Agreement dated October 3, 1994, between Issuer and The First National Bank of Boston (filed as Exhibit V to the Original Schedule 13D) which sets forth the provisions of the Warrants to purchase shares of Common Stock beneficially owned by Sissener; and

(v) The Securities Pledge Agreement described in Item 3 above and filed as Exhibit II hereto (which provides for a pledge of 2,000,000 shares of Issuer's Class B Stock by Wangs as security for borrowings to be made to finance the acquisition of shares by Industrier). See Item 3 above.

(vi) The Loan Agreement described in Item 3 above and filed as Exhibit III hereto (which provides for a loan to be made by Den norske to Industrier). See Item 3 above.

The provisions of the exhibits referred to in this Item 6 are herein incorporated by reference.

Item 7. Materials to be Filed as Exhibits.

Exhibit I -- Amendment No. 1 to the Stock Subscription Agreement dated June 27, 1997 (described in item 4).

Exhibit II -- Securities Pledge Agreement dated June 27, 1997 (described in Item 3).

Exhibit III -- Loan Agreement dated June 19, 1997 (described in Item 3).

Signature

After reasonable inquiry and to the best of the undersigned's knowledge and belief, the undersigned certifies that the information set forth in this Statement is true, complete and correct.

Dated: July 2, 1997

A. L. Industrier AS

By: /s/ Glen E. Hess

Name: Glen E. Hess
Title: Attorney-in-Fact
As authorized attorney-in-fact

EXHIBIT INDEX TO AMENDMENT NO. 1

Exhibit No.	Exhibit Name	Page No.
Exhibit I -	Amendment No. 1 to the Stock Subscription Agreement dated June 27, 1997 (described in	

item 4). 9

Exhibit II - Securities Pledge Agreement dated June 27, 1997 (described in Item 3). 12

Exhibit III - Loan Agreement dated June 19, 1997 (described in Item 3). 28

EXHIBIT I

AMENDMENT NO. 1 TO STOCK
SUBSCRIPTION AND PURCHASE AGREEMENT

This Amendment No. 1 (this "Amendment") to the Subscription and Purchase Agreement dated as of February 10, 1997, (the "Subscription Agreement") by and between Alpharma Inc., a Delaware corporation ("Alpharma") and A.L. Industrier AS, a Norwegian corporation ("Industrier") is made by and between Alpharma and Industrier this 27th day of June, 1997. Capitalized terms used but not otherwise defined herein have the respective meanings accorded such terms in the Subscription Agreement.

WHEREAS, Alpharma and Industrier wish to amend the Subscription Agreement to provide for the purchase of the New B Shares by Industrier on June 27, 1997, rather than on the date which the Rights expire (the "Date Change") and to make conforming changes to the Subscription Agreement to provide for such Date Change;

WHEREAS, in connection with the Date Change and in consideration for Industrier's agreement hereby to effectuate the Date Change, Alpharma shall make a compensating payment to Industrier;

NOW THEREFORE, in consideration of the premises and the good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

8. The first sentence of Section 2 of the Subscription Agreement is hereby deleted and replaced in its entirety by:

> "Industrier shall pay the Subscription Consideration by wire transfer in United States funds on or before June 27, 1997 (the "Payment Date") to Alpharma's account at such bank as Alpharma may designate."

9. Section 3b of the Subscription Agreement is hereby deleted and replaced in its entirety by:

"b. The obligation of Alpharma to issue the New B Shares as herein provided is subject only to the condition (which may be waived by Alpharma) that the issuance of the New B Shares shall have complied in all material respects with the Bylaws and Certificate of Incorporation, as amended, of Alpharma, the Delaware General Corporation Law and United States securities laws. Alpharma will use its reasonable best efforts to cause the condition in this paragraph b. to be fulfilled."

10. Section 5 of the Subscription Agreement is hereby deleted and replaced in its entirety by:

"5. Rights Issuance. Industrier acknowledges that Alpharma intends to distribute to the holders of its outstanding Class A Stock certain transferable Rights entitling such holders to purchase shares of Class A Stock at $16.34 per share on or before November 30, 1997. Each such holder will receive the right to purchase approximately .16 share of Class A Stock for each share of Class A Stock held by such holder on the record date for such distribution. The Rights and the Class A Stock issuable on exercise thereof

are required to be registered under the Securities Act of 1933 and may be listed for trading on the New York Stock Exchange or traded over the counter. Alpharma intends to take such actions as are appropriate to effect such registration, listing or trading and may make such changes in the terms of the Rights as the Board of Directors determines are appropriate to effect such registration, listing or trading, comply with applicable law and otherwise carry out the intent and purpose of such Rights distribution. Industrier agrees to the issuance of such Rights and hereby waives any right to receive Rights or any similar right to purchase Common Stock of the Company which it may have under Alpharma's Certificate of Incorporation as a result of the Rights distribution provided for herein."

11. The following is hereby inserted as Section 6 to the Subscription Agreement:

"6. Early Payment Amount. Subject to the adjustment set forth herein, Alpharma shall pay to Industrier on the earlier of (a) November 30, 1997 or (b) the date that the Rights expire (the "Reimbursement Date"), the amount of $447,977 (the "Early Payment

Amount"). The Early Payment Amount shall be increased by $3,950 for each day, if any, that the Payment Date precedes June 27, 1997. The Early Payment Amount shall be (i) decreased by $3,950 for each day, if any, that the Reimbursement Date precedes November 30, 1997. (For example, if the Payment Date is June 25, 1997 and the Reimbursement Date is November 25, 1997, the Early Payment Amount shall be $447,977 + (2 days x $3,950) - (5 days x $3,950) = $447,977 + $7,900 - $19,750 = $436,127); and (ii) increased by $3,950 for each day, if any, that the Reimbursement Date follows November 30, 1 997.

12. The following section references are hereby deleted and replaced as follows:

(a) The section heading "6" is hereby deleted and replaced by the heading "7."

(b) The section heading "7" is hereby deleted and replaced by the heading "8."

(c) The section heading "8" is hereby deleted and replaced by the heading "9."

Except as expressly set forth herein, no change is made hereby to the terms and provisions of the Subscription Agreement and as amended hereby the Subscription Agreement shall remain in full force and effect.

* * * * *

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed as of the date first written above.

ALPHARMA INC.

By: /s/ Jeffrey E. Smith

Its: V.P. Finance and CFO

A.L. INDUSTRIER AS

By: /s/ Roald Jotun

Its: Administrative Director

By: /s/ Sverre Bjertnes

Its: V.P. of Finance

Securities Pledge Agreement

This PLEDGE AGREEMENT, dated June 27, 1997 (the "Agreement"), is made and entered into by and between Wangs Fabrik AS, a corporation organized and existing under the laws of the Kingdom of Norway (the "Pledgor"), and Den norske Bank ASA, a banking corporation organized and existing under the laws of the Kingdom of Norway (the "Secured Party").

W I T N E S S E T H:

WHEREAS, AL Industrier, a corporation organized and existing under the laws of the Kingdom of Norway (the "Borrower") has entered into the Loan Facility Agreement, dated June 19, 1997 (the "Loan Agreement"), with the Secured Party;

WHEREAS, all capitalized terms used herein and not defined herein shall have the respective meanings accorded to them in the Loan Agreement;

WHEREAS, the Pledgor is a wholly owned subsidiary of the Borrower and, in order to induce the Secured Party to enter into the Loan Agreement, desires to enter into this Agreement and to pledge the Pledged Shares (as such term is hereinafter defined) in order to secure the Obligations (as such term is hereinafter defined); and

WHEREAS, pursuant to Clause 7.3(b) of the Loan Agreement, the Borrower has agreed to cause the Pledgor to grant to the Secured Party a first priority pledge of, in and over the securities identified in Exhibit 1 to this Agreement (all such securities are collectively hereinafter referred to as the "Pledged Shares") in order to secure the obligations of the Borrower under the Loan Agreement;

NOW THEREFORE, in consideration of the premises and in order to induce the Secured Party to extend the Loan to the Borrower, the Secured Party and the Pledgor hereby agree as follows:

SECTION 1. Pledge. The Pledgor hereby pledges, assigns, hypothecates, transfers and delivers to the Secured Party, and grants to the Secured Party a security interest in, the Pledged Shares, and in any certificates which evidence such Pledged Shares, and, except as expressly set forth in Section 3(c) of this Agreement, in all proceeds thereof and therefrom (collectively, the "Pledged Collateral").

SECTION 2. Security for Obligations. This Agreement secures the payment and performance of all obligations of the Borrower now or hereafter existing under the Loan Agreement, whether for principal, interest, fees, expenses or otherwise, and all obligations of the Pledgor now or hereafter existing under this Agreement (all such obligations of the Pledgor and Borrower are collectively referred to in this Agreement as the "Obligations").

SECTION 3. Delivery of Pledged Collateral.

(a) Certificated Shares. All certificates or instruments which represent or evidence the Pledged Shares shall, simultaneously with the execution and delivery of this Agreement by the Pledgor, be delivered by the Pledgor to, and be held by or on behalf of, the Secured Party pursuant hereto, and shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to the Secured Party. The Secured Party shall have the right to register in the name of the Secured Party as pledgee hereunder any or all of the Pledged Collateral.

(b) Notice to Alpharma Inc. Pledgor shall, upon execution and delivery of this Agreement, notify the issuer of the Pledged Shares, Alpharma Inc., a Delaware corporation ("Alpharma"), in writing of its pledge of the Pledged Shares and request in writing that Alpharma take all such action, if any, as may be necessary or required under the laws of the State of Delaware to give full and complete legal force, effect and recognition to the creation and perfection of the pledge of the Pledged Shares contemplated under this Agreement.

(c) While the Pledged Shares are in possession of the Secured Party and unless and until an Event of Default shall have occurred, the Pledgor shall retain ownership of and each and all of the voting rights, dividend rights, liquidation rights and other rights of the Pledged Shares subject to the lien and security interest granted to the Secured Party.

SECTION 4. Representations, Warranties and Covenants of the Pledgor. The Pledgor represents and warrants, and so long as this Agreement is in effect shall be deemed continuously to represent and warrant, that (a) it is the legal record and beneficial owner of, and has good and (subject to applicable securities laws) marketable title to, the Pledged Shares, subject to no lien or encumbrance whatsoever, except the lien created by this Agreement; (b) it has full power, authority and legal right to pledge all the Pledged Shares pursuant to this Agreement; (c) this Agreement has been duly authorized, executed and delivered by the Pledgor and constitutes a legal, valid and binding obligation of the Pledgor enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting enforcement of creditors' rights generally and except

as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law); (d) no consent of any other person (including, without limitation, stockholders or creditors of the Pledgor), and no consent, license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority, domestic or foreign, is required to be obtained by the Pledgor in connection with the execution, delivery and performance of this Agreement, other than those that have been obtained prior to the date hereof and other than filings for disclosure purposes pursuant to the Securities and Exchange Act of 1934; (e) the execution, delivery and performance of this Agreement will not violate any provisions of any applicable law or regulation or of any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, or of the certificate of incorporation or by-laws of Alpharma or of the Pledgor, or of any securities issued by the Pledgor, or of any mortgage, indenture, lease, contract, or other agreement, instrument or undertaking to which the Pledgor is a party, or which purports to be binding upon the Pledgor or upon any of its assets, and will not result in the creation or imposition of any lien or other encumbrance on any of the assets of the Pledgor except as contemplated by this Agreement; (f) all of the Pledged Shares have been duly and validly issued, are fully paid and non-assessable; (g) neither the use of proceeds received by the Borrower under the Loan Agreement, nor the pledge of the Pledged Shares under this Agreement, violates Regulation G, T, U or X of the Board of Governors of the United States Federal Reserve System as now or from time to time hereafter in effect; (h) the pledge of the Pledged Shares and the perfection of such pledge, as contemplated in Section 3 of this Agreement, creates a legal, valid and enforceable lien on, and a first perfected security interest in, the Pledged Shares and the proceeds thereof and therefrom, subject to no prior lien or other encumbrance, or to any agreement purporting to grant to any third party a lien or other encumbrance on the property or assets of the Pledgor which would include the Pledged Shares; (i) pursuant to the provisions of Section 8.c. of the Stock Subscription and Purchase Agreement, dated February 10, 1997, by and between Borrower and Alpharma (the "Stock Purchase Agreement"), Borrower has assigned all of its rights and interests under the Stock Purchase Agreement to the Pledgor in order lawfully to permit the Pledgor to enter into this Agreement and to pledge the Pledged Shares to the Secured Party hereunder; and (j) neither the Pledgor nor the Borrower is an "investment company" as such term is defined in Section 3 of the Investment Company Act of 1940. The Pledgor covenants and agrees that it will (i) defend the Secured Party's right, title and security interest in and to the Pledged Collateral against the claims and demands of all entities, and (ii) have like title to and right to pledge any other property at any time hereafter pledged to the Secured Party

as Pledged Collateral hereunder, and will likewise defend the Secured Party's right thereto and security interest therein.

SECTION 5. Further Assurances. The Pledgor agrees that at any time and from time to time, at its expense it will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that the Secured Party may reasonably request, in order to perfect and protect the security interest intended to be granted hereby, and to enable the Secured Party to exercise and enforce its rights and remedies hereunder with respect to any of the Pledged Collateral.

SECTION 6. Voting Rights. Upon the occurrence and during the continuance of an Event of Default, all rights of Pledgor to exercise the voting and other consensual rights which it would otherwise be entitled to exercise shall cease, and all such rights shall thereupon become vested in the Secured Party, which shall thereupon have the sole right to exercise such voting and other consensual rights.

SECTION 7. Stock Dividends and Distributions. If, while this Agreement is in effect, the Pledgor shall become entitled to receive or shall receive any additional securities representing a stock dividend upon (or a distribution in connection with any reclassification or increase or reduction of capital by, or issued in connection with any reorganization of, Alpharma), or in addition to, in substitution of, or in exchange for, any Pledged Shares, or otherwise, the Pledgor agrees to accept the same and to hold the same in trust on behalf of and for the benefit of the Secured Party and to pledge the same forthwith to the Secured Party in accordance with the terms and provisions of this Agreement, as additional Collateral to secure the Obligations. Any sums paid upon or in respect of the Pledged Shares upon the liquidation or dissolution of Alpharma thereof shall similarly be paid over to the Secured Party to be held by it as additional Collateral for the Obligations.

SECTION 8. Transfers and Other Liens. The Pledgor agrees that it will not (i) sell or otherwise dispose of, or grant any option or warrant with respect to, any of the Pledged Collateral or enter into any agreement to do any of the foregoing, or (ii) create or permit to exist any lien or other encumbrance upon or with respect to any of the Pledged Collateral, except for liens or other encumbrances in favor of the Secured Party.

SECTION 9. Secured Party Appointed Attorney-in-Fact. The Pledgor hereby appoints the Secured Party attorney-in-fact, with full authority in the place and stead of Pledgor and in the name of Pledgor or otherwise, from time to time in the Secured Party's discretion, to take any action and to execute any

instrument which the Secured Party may deem necessary or advisable to accomplish any of the purposes expressly set forth in this Agreement, including, without limitation, if and only if an Event of Default has occurred and is continuing, to receive, endorse and collect all instruments made payable to Pledgor representing any dividend, interest payment or other distribution in respect of the Pledged Collateral or any part thereof and to give full discharge for the same.

SECTION 10. Secured Party May Perform. If Pledgor fails to perform any agreement contained herein, the Secured Party may itself perform, or cause the performance of, such agreement, and the expenses of the Secured Party incurred in connection therewith shall be payable by Pledgor under Section 17 of this Agreement.

SECTION 11. Reasonable Care. The Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of any Pledged Collateral in its possession if the Pledged Collateral is accorded treatment substantially equal to that which the Secured Party accords its own property, it being understood that the Secured Party shall not have any responsibility for (i) ascertaining or taking action with respect to conversions, exchanges, tender offers or other matters relative to any of the Pledged Collateral, whether or not the Secured Party has or is deemed to have knowledge of such matters, or (ii) taking any necessary steps to preserve rights against any entity with respect to any of the Pledged Collateral.

SECTION 12. Remedies upon Default. (a) Upon the occurrence and during the continuance of any Event of Default under the Loan Agreement, the Secured Party without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon the Pledgor or any other entity (all and each of which demands, advertisements and notices are hereby expressly waived by the Pledgor), may (i) forthwith collect, receive, appropriate and realize upon the Pledged Collateral, or any part thereof, and (ii) if an Event of Default is continuing after expiration of all applicable grace and cure periods under the Loan Agreement (the "Default Cure Period") forthwith sell, assign, give option or options to purchase, contract to sell or otherwise dispose of and deliver (each, a "Transfer") the Pledged Collateral, or any part thereof, in one or more parcels at public or private sale or sales, at any exchange, broker's board or at the Secured Party's offices or elsewhere, (A) upon such terms and conditions as the Secured Party may deem advisable, (B) at such prices as the Secured Party may deem best, but not less than eighty percent (80%) of the then current market price of the Class A shares of common stock of Alpharma, Inc., (C) for cash or on credit or for future delivery without assumption of any credit risk, (D) with the right to the Secured Party upon any such sale

or sales, public or private, to purchase the whole or any part of the Pledged Collateral so sold, free of any right or equity of redemption in the Pledgor, which right or equity is hereby expressly waived and released by the Pledgor, and (E) provided that prior to any such Transfer, the Secured Party shall give written notice thereof to the Board of Directors of the Issuer.

(b) The Secured Party hereby acknowledges that the Pledgor is a "control person" (as such term is defined in Rule 405 of the Securities Act of 1933, as amended (the "Securities Act")) of Alpharma Inc., a Delaware corporation and issuer of the Pledged Shares (the "Issuer"). As such, the Secured Party acknowledges that any Transfer of such Pledged Shares by the Secured Party might require registration under the Securities Act of 1933. In any event, the Secured Party hereby covenants that it shall not make any Transfer of the Pledged Securities in a manner which conflicts with the Securities Act.

(c) The Secured Party shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all costs and expenses of every kind incurred therein or incidental to the care, safekeeping or otherwise of any and all of the Pledged Collateral or in any way related to the rights of the Secured Party hereunder, including reasonable attorneys' fees and legal expenses, to the payment in whole or in part, of the Obligations, in such order as the Secured Party may elect, and only after so paying over such net proceeds and after the payment by the Secured Party of any other amount required by any provision of law, need the Secured Party account for the surplus, if any, to the Pledgor. After the Default Cure Period has lapsed and the Secured Party intends to exercise its remedy under Section 12(a)(ii) hereof, the Pledgor agrees that the Secured Party need not give more than five days notice of the time and place of any public sale, or of the time after which a private sale or other intended disposition is to take place, and that such notice is reasonable notification of such matters. No notification need be given to the Pledgor if it has signed after default a statement renouncing or modifying any right to notification of sale or other intended disposition. In addition to the rights and remedies granted to it in this Agreement and in any other instrument or agreement securing, evidencing or related to any of the Obligations, the Secured Party shall have all the rights and remedies of a secured party under applicable law. The Pledgor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Pledged Collateral are insufficient to pay all the Obligations and all other amounts to which the Secured Party is entitled, and shall also be liable for the fees of any attorneys employed by the Secured Party to collect such deficiency.

(d) Instead of exercising the power of sale provided in Section 12(a)(ii) hereof, the Secured Party may proceed by a suit or suits at law or in equity to foreclose the pledge under this Agreement and sell the Pledged Collateral or any portion

thereof under a judgment or decree of a court or courts of competent jurisdiction.

(e) The Secured Party, as attorney-in-fact pursuant to Section 9 hereof may, in the name and stead of the Pledgor, make and execute all conveyances, assignments and transfers of the Pledged Collateral sold pursuant to Section 12(a) hereof or Section 12(b) hereof, and the Pledgor hereby ratifies and confirms all that the Secured Party, as said attorney-in-fact, shall so do by virtue hereof. Nevertheless, the Pledgor shall, if so requested by the Secured Party, ratify and confirm any sale or sales by executing and delivering to the Secured Party, or to any purchaser or purchasers of the Pledged Collateral, all such instruments as may, in the judgment of the Secured Party, be advisable for the purpose.

(f) The receipt of the Secured Party for the purchase money paid at any such sale made by it shall be a sufficient discharge therefor to any purchaser of the Pledged Collateral, or any portion thereof, sold as aforesaid; and no such purchaser (or the representatives or assigns of such purchaser), after paying such purchase money and receiving such receipt, shall be bound to see to the application of such purchase money or any part thereof, or in any manner whatsoever be answerable for any loss, misapplication or nonapplication of any such purchase money, or any part thereof, or be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale.

(g) No sale or other disposition of all or any part of the Pledged Collateral by the Secured Party pursuant to this Agreement shall be deemed to relieve the Pledgor or the Borrower of its obligations in respect of any Obligations except to the extent the proceeds thereof are applied by the Secured Party to the payment of such Obligations.

SECTION 13. Secured Party's Right of Set-off. Pledgor recognizes and agrees that with respect to any time or other deposit, certificate of deposit or any other balance of account standing to the credit of Pledgor on the books of the Secured Party wherever located, the Secured Party has a right of set-off to the full extent permitted by law. Pledgor further agrees that the Secured Party may exercise such right of set-off at any time when an Event of Default under the Loan Agreement shall occur, regardless of the stated maturity of any time deposit or other such credit balance.

SECTION 14. Registration Rights. (a) If the Secured Party shall determine to exercise its right to sell all or any of the Pledged Collateral pursuant to Section 12(a)(ii) of this Agreement, Pledgor agrees that, upon request of the Secured Party, Pledgor will, at its own expense, use its best efforts to cause Alpharma to:

(i) execute and deliver all such instruments and documents, and do or cause to be done all such other acts

and things, as may be necessary or, in the opinion of the Secured Party, advisable to register such Pledged Collateral under the provisions of the United States Securities Act of 1933, as amended, and any rules or regulations promulgated thereunder (the "Securities Act"), and to cause the registration statement related thereto to become effective and to remain effective for such period as prospectuses are required by law to be furnished, and to make all amendments and supplements thereto and to the related prospectus which, in the opinion of the Secured Party, are necessary or advisable, all in conformity with the requirements of the Securities Act;

(ii) use its best efforts to qualify the Pledged Collateral under the state securities or "Blue Sky" laws and to obtain all necessary governmental approvals for the sale of the Pledged Collateral, as requested by the Secured Party;

(iii) to make available to security holders, as soon as practicable, an earnings statement which will satisfy the provisions of Section 11(a) of the Securities Act; and

(iv) do or cause to be done all such other acts and things as may be necessary to make such sale of the Pledged Collateral or any part thereof valid and binding and in compliance with applicable law.

(b) Pledgor agrees to indemnify, pay and hold the Secured Party and each underwriter (within the meaning of Section 2(11) of the Securities Act) and the officers, directors, employees and agents of the Secured Party and each underwriter and each Person controlling (within the meaning of the Securities Act) the Secured Party or any underwriter (collectively called the "Indemnitees") harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding, whether or not such Indemnitee shall be designated a party thereto), which may be imposed on, incurred by, or asserted against such Indemnitee, in any manner related to or arising out of any actual or alleged untrue statement of any material fact contained in any such registration statement or qualification statement or any similar document, or any part thereof or amendment or supplement thereto, or any actual or alleged omission to state any material fact required to be stated in any such registration statement, qualification statement or any similar document, or any part thereof or amendment or supplement thereto, or necessary to make the statements contained therein

not misleading (the "Indemnified Liabilities"); provided that Pledgor shall have no obligation to an Indemnitee hereunder with respect to Indemnified Liabilities on account of any actual or alleged untrue statement contained in, or any actual or alleged omission from, any information furnished in writing to Pledgor by such person specifically for use in such registration statement, qualification statement, or similar document. To the extent that the undertaking to indemnify, pay and hold harmless set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, Pledgor shall contribute the maximum portion which it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by the Indemnitees or any of them. All obligations provided for in this paragraph of Section 14 shall survive the repayment of the Loan, the termination of this Agreement and the Loan Agreement, and the discharge or repayment of the Obligations. Pledgor further acknowledges the impossibility of ascertaining the amount of damages which would be suffered by the Secured Party by reason of the failure by Pledgor to perform any of the covenants contained in this Section and, consequently, agrees that, if Pledgor shall fail to perform any of such covenants, it shall pay, as liquidated damages and not as a penalty, an amount equal to the lesser of (i) the value of the Pledged Collateral on the date the Secured Party shall demand compliance with this Section less the proceeds of the sale of any of the Pledged Collateral pursuant to this Section 14, or (ii) the Obligations. Upon such payment, the Secured Party will deliver to Pledgor any part of the Pledged Collateral with respect to which such payment is made.

(c) In order further to provide the Secured Party with the rights to which it is entitled under Section 14(a) of this Agreement, subject to the restrictions contained therein and in Section 12(a)(ii) hereof, Pledgor hereby assigns to the Secured Party the Registration Rights of the Borrower and Pledgor under Section 6 of the Stock Purchase Agreement with respect to 1,273,438 of the Pledged Shares. Pledgor represents that Alpharma has consented in writing to the assignment of such rights to the Secured Party hereunder.

SECTION 15. Private Sale. Subject to the restrictions on Transfers of the Pledged Shares set forth in Section 12(a)(ii) hereof, (a) the Pledgor recognizes that the Secured Party may be unable to effect a public sale of any or all the Pledged Shares, by reason of certain prohibitions contained in the Securities Act, and accordingly that the Secured Party may be compelled to resort to one or more private sales thereof to a restricted group of purchasers who will be obliged to agree, among other things, to acquire such securities for their own account, for investment and not with a view to the distribution and resale thereof. The Pledgor acknowledges and agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner, and waives any claims against the Secured Party arising by reason

of the fact that the price at which the Pledged Shares may be sold in a private sale may be less than the price which might have been obtained in a public sale or was less than the aggregate amount of the Obligations or the stock exchange market price of shares of Alpharma of the same class as the Pledged Shares, even if the Secured Party accepts the first offer received and does not offer the Pledged Shares to more than one possible Purchaser. The Secured Party shall be under no obligation to delay a sale of any of the Pledged Collateral for the period of time necessary to permit the registration of such securities for public sale under the Securities Act, or under applicable state securities laws.

(b) The Pledgor agrees to use its best efforts to do or cause to be done all such other acts and things as may be necessary to make such sale or sales of any portion of or all the Pledged Collateral valid and binding and in compliance with any and all applicable laws, regulations, orders, writs, injunctions, decrees or awards of any and all courts, arbitrators or governmental instrumentalities, domestic or foreign, having jurisdiction over any such sale or sales, all at the Pledgor's expense. The Pledgor further agrees that a breach of any of the covenants contained in this Section 15 will cause irreparable injury to the Secured Party, that the Secured Party has no adequate remedy at law in respect of such breach and, as a consequence, agrees that each and every covenant contained in this paragraph shall be specifically enforceable against the Pledgor. The Pledgor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants except for a defense that no Event of Default has occurred under the Loan Agreement.

SECTION 16. 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 or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 17. Indemnity and Expenses. Pledgor shall on demand indemnify the Secured Party from and against any and all claims, losses and liabilities growing out of or resulting from this Agreement (including, without limitation, enforcement of this Agreement). Pledgor shall upon demand pay to the Secured Party the amount of any and all expenses, including the fees and expenses of its counsel and of any experts and agents, which the Secured Party may incur in connection with (i) the preparation and administration of this Agreement, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Pledged Collateral, (iii) the exercise or enforcement of any of the rights of the Secured Party

hereunder, and (iv) the failure by Pledgor to perform or observe any of the provisions hereof.

SECTION 18. Security Interest Absolute. All rights of the Secured Party and security interests hereunder, and all obligations of the Pledgor hereunder, shall be absolute and unconditional irrespective of:

(i) any lack of validity or enforceability of the Loan Agreement or any instrument related thereto;

(ii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver under, or any consent to any departure from, the Loan Agreement;

(iii) any exchange, release or non-perfection of any other collateral, or any release or amendment or waiver of, or consent to departure from, any guaranty for all or any of the Obligations; or

(iv) any other circumstance which might otherwise constitute a defense available to, or a discharge of, the Pledgor or a third-party pledgor.

SECTION 19. Amendments. No amendment or waiver of any provision of this Agreement, nor consent to any departure by Pledgor here from, shall in any event be effective unless the same shall be in writing and signed by the Secured Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 20. Addresses for Notices. All notices and other communications provided for under this Agreement shall be in writing and shall be addressed as follows:

If to the Secured Party, at:

Den norske Bank ASA
P.O. Box 1171 Sentrum
N-0107 Oslo
Norway

Telefax No.: +47 22 48 10 46
Attention: Credit Administration

If to the Pledgor, at:

Wangs Fabrik AS

P.O. Box 158 Skoyen
0212 Oslo
Norway

Telefax No.: +47 22 52 91 50
Attention: Sverre Bjertnes

or to such other address as one party may notify the other in writing. Notices sent by letter or telefax shall be effective upon receipt. Each party shall confirm by letter any telefax notice to the other party to this Agreement.

SECTION 21. Continuing Security Interest; Transfer of Facility. This Agreement shall create a continuing security interest in the Pledged Collateral and shall (i) remain in full force and effect until payment in full of the Loan and all other Obligations then due and owing, (ii) be binding upon the Pledgor, its successors and assigns, and (iii) inure to the benefit of the Secured Party and its successors, transferees and assigns. Without limiting the generality of the foregoing clause (iii), the Secured Party may assign or otherwise transfer the Loan, in whole or in part, to any other person or entity, and such other person or entity shall thereupon become vested with all the benefits in respect thereof granted to the Secured Party herein or otherwise. Upon the payment in full of the Loan and all other Obligations then due and owing, Pledgor shall be entitled to the return, upon its request and at its expense, of such of the Pledged Collateral as shall not have been sold or otherwise applied pursuant to the terms hereof.

SECTION 22. No Waiver; Cumulative Remedies. Each right, power and remedy herein specifically granted to the Secured Party or otherwise available to it at law or in equity or otherwise shall be cumulative, and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or otherwise; and each right, power and remedy, whether specifically granted herein or otherwise existing, may be exercised at any time and from time to time as often and in such order as may be deemed expedient by the Secured Party in its complete discretion; and the exercise or commencement of exercise of any right, power or remedy shall not be construed as a waiver of the right to exercise, at the same time or thereafter, the same or any other right, power or remedy. No delay or omission by the Secured Party in exercising any such right or power, or in pursuing any such remedy, shall impair any such right, power or remedy, or be construed to be a waiver of

any default on the part of the Pledgor or Borrower or an acquiescence therein. No waiver by the Secured Party of any breach or default of or by the Pledgor

hereunder shall be deemed to be a waiver of any other similar, previous or subsequent breach or default.

SECTION 23. Governing Law; Terms. This Agreement shall be governed by and be construed in accordance with the internal laws of the Kingdom of Norway.

SECTION 24. Submission to Jurisdiction; Agent for Service of Process. (a) The Pledgor hereby irrevocably submits to the non-exclusive jurisdiction of any state or federal court sitting in the County of New York, State of New York, in connection with any action or proceeding arising out of or related to this Agreement, or any other Security Document, or the transactions contemplated hereby or thereby, irrevocably consents to the service of process in such actions, and, to the maximum extent permitted by law, waives irrevocably any objection to venue or objections in the nature of forum non conveniens that it may have.

(b) The Pledgor hereby irrevocably appoints C T Corporation System (the "Process Agent"), with an office on the date hereof at 1633 Broadway, New York, New York 10019, United States, as its agent to receive on behalf of itself and its property service of copies of the summons and complaint and any other process which may be served in any such action or proceeding. Such service may be made by mailing or delivering a copy of such process to the Pledgor in care of the Process Agent (or any successor thereto, as the case may be) at such Process Agent's above address (or the address of any successor thereto, as the case may be), and the Pledgor hereby irrevocably authorizes and directs the Process Agent (and any successor thereto) to accept such service on its behalf. The Pledgor shall appoint a successor agent for service of process should the agency of C T Corporation System terminate for any reason, and further shall at all times maintain an agent for service of process in New York, New York, so long as there shall be outstanding any Obligations hereunder. The Pledgor shall give notice to the Secured Party of any appointment of successor agents for service of process, and shall obtain from each successor agent a letter of acceptance of appointment and promptly deliver the same to the Secured Party. As an alternative method of service, the Pledgor also irrevocably consents to the service of any and all process in any such action or proceeding by the mailing of copies of such process to it at its address specified in Section 20 hereof. The Pledgor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Section 24 shall affect the right of the Secured Party to serve legal process in any other manner permitted by law, or

affect the right of the Secured Party to bring any action or proceeding against

the Pledgor or its properties in the courts of any other jurisdiction.

SECTION 25. WAIVER OF JURY TRIAL. BOTH PLEDGOR AND SECURED PARTY HEREBY IRREVOCABLY WAIVE ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE LOAN AGREEMENT, OR ANY OTHER SECURITY DOCUMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

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IN WITNESS WHEREOF, Pledgor and the Secured Party have each caused this Pledge Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

WANGS FABRIK AS

By: /s/Roald Jotun; Sverre Bjertnes
Name: Roald Jotun; Sverre Bjertnes
Title: Administrative Director;
V.P. of Finance

DEN NORSKE BANK ASA

By: /s/Pal Skoe
Name: Pal Skoe
Title: Sr. Vice President

Attachment: Exhibit 1
Description of Pledged Securities

Exhibit 1

to Securities

Pledge Agreement

The Securities pledged to the Secured Party are Two Million (2,000,000) shares of Class B Common Stock, $0.20 par value, of Alpharma Inc. (formerly A.L. Laboratories, Inc.), a corporation organized and existing under the laws of the State of Delaware.

Exhibit III

NOK 200,000,000

LOAN FACILITY AGREEMENT

between

AL INDUSTRIER AS

and

DEN NORSKE BANK ASA

DATED June 19, 1997

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EXHIBIT 1
FORM OF DRAWDOWN NOTICE

This Loan Facility Agreement (the "Agreement") is made on June 19, 1997

between:

(1) AL INDUSTRIER AS of Harbitzalleen 3.0212 Oslo, Norway
(the "Borrower"):and

(2) DEN NORSKE BANK ASA of Stranden 21, Oslo, Norway
Foretaksregisteret NO 810 506 482 (the Register of Business Enterprises)
(the "Bank").

1. DEFINITIONS

1.1 As used in this Agreement and in any documents delivered pursuant hereto, the following expressions shall have the following meanings respectively:

"Banking Day"	means a day upon which banks are open for transactions contemplated by this Agreement in (a) Norway, and (b) additionally, in relation to payments hereunder, the place for provision of funds or due payment;
"Commitment"	means NOK 200,000,000 (as the same may be reduced from time to time in compliance with Clauses 2.3 or 7.2 (e));
"Counter-Indemnity"	means the counter indemnity/recourse letter executed by the Borrower in favour of the Bank stating inter alia its liability towards the Bank in respect of the Irrevocable Payment Letter;
"Drawdown Date"	means a date upon which a Drawing is advanced to the Borrower;
"Drawing"	means an advance to the Borrower in an amount of not less than NOK 10,000,000 but in

	multiples of NOK 5,000,000 of the Commitment;
"Event of Default"	means any of the events specified in Clause 12;
"Facility"	means the loan facility, the terms and conditions of which are set out in this Agreement,
"Interest Payment Date"	means the last day of each Interest Period;
"Interest Period"	means a period calculated in accordance with the provisions of Clause 5.1 or Clause 11.2;

"Irrevocable Payment Letter"	means a letter dated 21 February 1997 from the Bank of Union Bank of Norway subject to which the Bank undertakes, upon certain terms and conditions, to make that certain payment as set out in the Purchase Agreement;
"NIBOR"	(Norwegian Interbank Offered Rate) means the rate per annum determined by the Bank as the rate at which the Bank, in accordance with its usual practice, is offering comparable lendings in NOK for the relevant Interest Period in the Norwegian Interbank Market at or about 12:00 noon Norwegian time on the Quotation Date;
"Loan"	means the aggregate principal amount of the Commitment for the time being advanced and outstanding hereunder;
"Margin"	means (i) if Value Adjusted Equity is NOK 1,000,000,000 or more: 0,80 per cent per annum, and (ii) if Value Adjusted Equity is between NOK 750,000,000 and NOK 1,000,000,000: 1 per cent per annum, and (iii) if Value Adjusted Equity is less than NOK

	750,000,000: 1.20 per cent per annum, provided always that the applicable margin as calculated under either of (i), (ii) or (iii) above shall be set in advance for the whole calender quarter which commences immediately subsequent to the expiry of the present calender quarter during which the current figures of Value Adjusted Equity are presented to the Bank.
"Maturity Date"	means the date occurring 60 months after the first Drawdown Date;
"month(s)"	means a period calculated from any

specified day to and including the day numerically corresponding to such specified day (or, if such specified day is the last day or if there shall be no day numerically corresponding to such specified day, the last day) in the relevant subsequent calendar month;

"NOK" means the lawful currency of Norway;

"Purchase Agreement" means the stock subscription and purchase agreement dated 10 February 1997 between Alpharma Inc. as issuer and seller and the Borrower as subscriber and purchaser of a certain number of shares at a price equal to the Subscription Consideration and on terms as set out therein;

"Quotation Date" means in relation to any Interest Period for which an interest rate is to be determined hereunder (a) the day on which quotations would ordinarily be given in the Norwegian Interbank Market for deposits in NOK for delivery on the first day of that Interest Period,

or (b) if such earlier day is not a Banking Day the preceding Banking Day;

"Security Documents" means the documents listed in Clause 7.3;

"Subscription Consideration" means USD 20,807,976.92;

"Taxes" means any taxes, levies, duties, charges, fees, deductions and withholdings levied or imposed by any governmental or other taxing authority whatsoever;

"Term Date" means the date occurring 59 months after the first Drawdown Date;

"USD" means the lawful currency of the United States of America; and

"Value Adjusted Equity" means in respect of the Borrower, the aggregate value, calculated on the last day of each calendar quarter and presented to the Bank no later than 60 days after each such date, of

(i) yearly (on a 12 months rolling basis) profit from operations less royalty to shareholders in Nopal AS multiplied by 10, and

(ii) yearly (on a 12 months rolling basis) profit from operations in Dynal AS multiplied by 10, the sum of which shall, for the purpose of this definition in no event be calculated to be less than NOK 400,000,000 and shall be further multiplied by the Borrower's ownership interest (expressed in per cent) in Dynal AS, provided always that if and when Dynal AS becomes listed on any stock exchange. Dynal AS' total consolidated stock value multiplied by the

Borrower's ownership interest (expressed in per cent) in the same shall comprise the value applicable under this sub-clause (ii), and

(iii) the total consolidated stock value of Alpharma, Inc. as listed on the New York Stock Exchange multiplied by the Borrower's ownership interest (expressed in per cent) in Alpharma Inc.

less the aggregate, on the date of calculation, net interest bearing liabilities of the Borrower and of AS Wangs Fabrik.

2. THE LOAN FACILITY

2.1 Upon satisfaction of the conditions set out in Clause 4 the Bank shall make the Commitment available to the Borrower during the period from the date hereof up to and including the Term Date. The first Drawing shall have to be made not later than on 30 June 1997.

2.2 Up to the Term Date the Borrower may utilize the Facility on a revolving credit basis, such that any amount repaid prior to the Term Date may be redrawn by the Borrower, subject to the terms and conditions of this Agreement. Not more than 6 Drawings may be outstanding hereunder at any given time.

2.3 The Borrower may cancel any undrawn amount of the Commitment in whole or in part by giving 10 Banking Days irrevocable prior written notice of such cancellation to the Bank. Amounts cancelled may not be subsequently drawn.

2.4 The obligation of the Bank under the Irrevocable Payment Letter to pay the Subscription Consideration on behalf of the Borrower, the counter liability of which by the Borrower to the Bank is evidenced by the Counter-Indemnity, shall be considered to be made available to the Borrower under and as a part of the Commitment in accordance with Clause 2.1 above. Such payment obligation of the Bank shall therefor be considered as being advanced and outstanding under this Agreement, and shall accordingly be included in the term "Loan" as defined

herein. The amount of such advance as aforesaid shall be calculated on each date of receipt by the Bank of a drawdown notice in accordance with Clause 4.1 (b) below, as the NOK equivalent rounded upwards to the nearest NOK 1,000,000, of the Subscription Consideration.

3. PURPOSE

3.1 The Borrower shall apply the Commitment in refinancing its foreign currency loans the equivalent of which is originally NOK 70,000,000 and NOK 10,000,000 and in financing the purchase of 1,273,438 subscribed shares in Alpharma Inc.

4. CONDITIONS PRECEDENT

4.1 A Drawing may be made on any Banking Day during the period from the date hereof up to and including the Term Date, provided:

(a) the Bank shall have received not less than 3 Banking Days prior

to the first proposed Drawdown Date the following in form and content satisfactory to it:-

(i) a counterpart of this Agreement duly signed on behalf of the Borrower;

(ii) a company certificate evidencing that the Borrower is duly registered as a limited company and a copy of its articles of association;

(iii) a copy of the resolution of the board of directors of the Borrower approving the execution and performance by the Borrower of this Agreement and the relevant Security Documents and specifying the persons authorized to sign this Agreement and such Security Documents on its behalf;

(iv) the Security Documents;

(v) legal opinion(s) from such counsel in such jurisdictions as the Bank may reasonably have requested addressing questions or circumstances of relevance to this Facility;

(vi) a copy of any consent necessary from governmental or other authorities for the execution of and performance under this Agreement by the Borrower;

(vii) a company certificate evidencing that AS Wangs Fabrik is duly registered as a limited company and a copy of its articles of association;

(viii) a copy of the resolution of the board of directors of AS Wangs Fabrik approving its execution and performance of the relevant Security Documents;

(b) the Bank shall have received not later than 12:00 noon Oslo time on the third Banking Day prior to each proposed Drawdown Date an irrevocable written drawdown notice substantially in the form of Exhibit 1 attached hereto;

(c) the Bank shall not have determined prior to 12:00 noon Norwegian time on the Quotation Date prior to the Drawdown Date that it is unable to obtain deposits in the Norwegian Interbank Market in a sum necessary to fund the Drawing; and

4.2 The Bank may, in its discretion, (i) extend the period for delivery of any of the documents referred to above on such conditions as it deems appropriate and (ii) require any copy document to be certified

as a true copy.

5. INTEREST

5.1 Each Interest Period shall begin on the Drawdown Date or, as the case may be, on the Interest Payment Date in respect of the preceding Interest Period and shall end on such date 1, 3, 6 or 12 months thereafter as the Borrower may elect, subject to availability, by not less than 3 Banking Days' written notice to the Bank, provided that:

(a) if any Interest Period would otherwise end on a day which is not a Banking Day it shall be extended to end on the succeeding Banking Day

unless it would thereby end in a new calendar month in which event it shall be shortened to end on the preceding Banking Day:

(b) subject to paragraph (c) below if no election is made by the Borrower in respect of any Interest Period the length of such Interest Period shall be 3 months;

(c) the availability of 1 month Interest Periods shall be limited to 3 for each twelve month period after the first Drawdown Date.

5.2 The Borrower shall pay interest on the Loan or the relevant part thereof in arrears on each interest Payment Date and additionally in the case of an Interest Period exceeding 6 months duration at six-monthly intervals during such Interest Period at the annual rate which is conclusively certified by the Bank to be the aggregate of the Margin and NIBOR.

5.3 The Bank shall give notice to the Borrower of each interest rate fixed on the Quotation Date for the relevant Interest Period, which notice shall, in the absence of manifest error, be conclusive.

6. REPAYMENT

6.1 Each Drawing advanced and outstanding under the Agreement shall be due and repayable on its respective Interest Payment Date.

6.2 The Borrower shall repay the Loan outstanding on the Term Date in one amount on the Maturity Date.

7. REPRESENTATIONS, UNDERTAKINGS AND SECURITY

7.1 The Borrower represents to the Bank that:

(a) It is duly formed and validly existing under the laws of Norway and has the power and has obtained all necessary consents for the execution and performance of this Agreement and the Security Documents to which it is a party:

(b) this Agreement constitutes and those of the Security Documents to which it is a party upon execution will constitute valid, binding and enforceable obligations of the Borrower, and the execution and performance of this Agreement and such Security Documents do not and will not contravene any applicable law, order, regulation or restriction of any kind, including correctual restrictions, binding on the Borrower; and

(c) it is not default under any other agreement to which it is a party, nor is it in default in respect to any financial commitment or obligation.

7.2 The Borrower undertakes to the Bank that so long as any amount is outstanding hereunder:

(a) It will promptly inform the Bank of any occurrence of which it becomes aware which in its reasonable opinion, might adversely affect its ability to perform its obligations hereunder or under any Security Document or constitute an Event of Default;

(b) It will deliver to the Bank copies of (i) the annual audited accounts of itself, Nopal AS, Dynal AS and Alpharma Inc. not later than 180 days after the end of each respective financial year (ii) the unaudited quarterly reports of the same including balance sheets and profit and loss statements within 60 days after the end of each calendar quarter and (iii) such other financial information as the Bank may reasonably request;

(c) It will not make any further borrowings or enter into any guarantee liabilities exceeding in aggregate NOK 5,000,000 without the prior written consent of the Bank;

(d) It will not create, incur or allow to exist over any of its assets any further mortgage, charge, pledge or lien other than those mentioned in Clause 7.3 or, as the case may be, use any existing security as aforesaid (which may be released following repayment in part or in full of the liabilities so secured) to secure any other (new) financial obligation, without the prior written consent of the Bank;

(e) it will, in case of a sale of the whole or any part of its shares in Dynal AS, Nopal AS or Alpharma Inc., apply all proceeds of such sale in repayment of the Loan, and the Commitment shall be reduced accordingly.

7.3 The Loan, and all amounts outstanding hereunder, shall be secured by the following in form and content satisfactory to the Bank:

(a) a pledge of all the Borrower's shares in Nopal AS as generally deposited with the Bank in accordance with "pantsettelseserklaering" dated 12 October 1994; and

(b) a pledge over a total of 2,000,000 shares of class B stock in Alpharma Inc. executed by AS Wangs Fabrik.

8. UNAVAILABILITY

8.1 In the event that on any Quotation Date the Bank is unable to obtain deposits in the Norwegian Interbank Market to fund a Drawing or the Loan, it shall forthwith notify the Borrower and until such notice is withdrawn the obligations of the Bank to advance any Drawing shall be suspended. The Bank shall endeavour to fund the Loan from such other sources as may be available to it and in such event the rate of interest payable on such amount shall be the aggregate of the Margin and such rate as the Bank may from time to time certify as being the cost to it of funds in NOK.

8.2 In the event that the Bank is unable to fund such amount from alternative sources, it shall forthwith notify the Borrower and the Borrower shall repay such amount on the earlier of the next following Interest Payment Date and the date falling 5 Banking Days after receipt of such notice. In the event that the Bank is able to fund such amount from alternative sources, but the Borrower considers the interest rate so determined to be too high, it may prepay such amount on giving the Bank not less than 5 Banking Days' Irrevocable written notice.

If at any time when the Bank is funding the Loan from alternative sources, it determines that deposits are available to it in the Norwegian Interbank Market, it shall forthwith notify the Borrower and the rate of interest payable on such amount for the period from the expiry of the then current period for funding from alternative sources to the expiry of the then current Interest Period determined

under Clause 5.1 shall be the aggregate of the Margin and such rate as the Bank may certify as the rate at which it is able to obtain deposits for such period as aforesaid.

9. CHANGES IN CIRCUMSTANCES

9.1 If by reason of: (i) changes in any existing law, rule or regulation, or (ii) the adoption of any new law, rule or regulation, or (iii) any change in the interpretation or administration of (i) or (ii) above by any governmental authority, or (iv) compliance with any directive or request from any governmental authority (whether or not having the force of law):

(a) the Bank incurs a cost as a result of it having entered into this Agreement and/or performing its obligations hereunder; or

(b) there is an increase in the cost to the Bank of maintaining or funding the Commitment, the Loan or any advances hereunder; or

(c) the Bank becomes liable for any new taxes (other than on net income) calculated by reference to the Commitment or the Loan; or

(d) the Bank becomes subject to any new or modified capital adequacy or similar requirements which will have the effect of increasing the amount of capital required or expected to be maintained by the Bank based on the Bank's obligations hereunder; or

(e) the Bank's effective return hereunder is reduced in any other manner;

then any such cost; liability or reduction of return as referred to in the preceding paragraphs (a)-(e) shall be payable by the Borrower upon request by the Bank either in the form of an increased margin or the form of an indemnification. The Bank may not claim such compensation with retroactive effect. The Bank shall give the Borrower notice within a reasonable time of its intention to claim compensation under this Clause 9.1 and it shall specify the form and amount of such compensation. The Bank's determination of the amount of compensation to

be made under this Clause 9.1 shall, absent manifest error, be conclusive. The Borrower shall be entitled to prepay the Loan in accordance with Clause 7 at any

time following receipt of notice from the Bank as aforesaid on giving not less than 5 Banking Days' irrevocable written notice. In such event the Borrower shall nevertheless compensate the Bank for such requested indemnification for the period up to and including the date of prepayment.

9.2 In the event that it shall be unlawful for the Bank to make available the Commitment or maintain or fund the Loan hereunder then the Bank's obligations shall terminate and all amounts owing by the Borrower to the Bank shall become due and payable on demand.

10. FEES AND EXPENSES

10.1 The Borrower shall pay to the Bank:

(a) on the date hereof, an arrangement fee of 0.35 per cent flat of the Commitment;

(b) a commitment fee in USD in respect of the undrawn part of the Commitment for the period from the date hereof up to and including the earlier of the date on which the Commitment is fully utilized and the Term Date, equal to 50 per cent of the applicable Margin at such time calculated on the daily average undrawn amount of the Commitment, such fee to be payable quarterly in arrears commencing on the date hereof and finally on the last day of such period as aforesaid; and

(c) upon demand, all expenses (including internal and external legal and collateral fees) incurred by the Bank in connection with the preparation, execution or termination of this Agreement and any other documents delivered pursuant to this Agreement or the preservation or enforcement of any rights hereunder and/or thereunder.

10.2 The obligations of the Borrower in Clause 10.1 (c) above shall survive the final Repayment Date.

11. PAYMENTS

11.1 In the event that the date on which a payment is due to be made hereunder is not a Banking Day, such date of payment shall be the following Banking Day unless it

would thereby fall in a new calendar month in which event it shall be the preceding Banking Day.

11.2 In the event that any payment to be made hereunder by the Borrower to the Bank is not received on the due date therefor, interest will be charged by the Bank from the due date until the date that payment is received at a rate which is equal to the aggregate of (i) the Margin (ii) a default funding charge of 3% per annum and (iii) the rate at which deposits from one Banking Day to the next in an amount approximately equal to the defaulted amount due to the Bank is offered to the Bank in the Norwegian Interbank Market at 12:00 noon Norwegian time on the due date for payment and on each succeeding Banking Day until payment in full of the amount due is received by the Bank, provided that if the Bank determines that such default may be reasonably expected to continue unremedied for a period exceeding one week then it may require by notice to the Borrower that the funding cost shall be determined by reference to the rate at which deposits are offered as aforesaid for periods of such length (not exceeding three months) as it may designate. Interest charged under this Clause 11.2 shall be payable on demand and unless so paid shall be added to the defaulted amount at the end of each month following the due date for payment of such amount.

11.3 All payments to be made by the Borrower hereunder shall be made without set-off or counterclaim.

11.4 All payments to be made by the Borrower hereunder shall be made free and clear of and without deduction for or on account of any present or future Taxes of any nature now or hereafter imposed unless the Borrower is compelled by law to make payment subject to any such Taxes. In that event the Borrower shall (i) pay to the Bank such additional amount as may be necessary to ensure that the Bank receives a net amount equal to that which it would have received had such payment not been made subject to any Taxes, and (ii) deliver to the Bank within 10 Banking Days of any request by it an official receipt in respect of the payment of any Taxes so deducted.

11.5 If any amount of principal is, for any reason whatsoever, repaid on a day other than the last day of the then current Interest Period relating to such amount, the Borrower shall pay to the Bank on request such amount as may be necessary to compensate the Bank for any loss or

premium or penalty incurred by it in respect

of the liquidation or re-employment of funds borrowed for the purpose of maintaining the amount repaid.

11.5 Interest, commitment fee and any other payments hereunder of an annual nature shall accrue from day to day and be calculated on the actual number of days elapsed and on the basis of a 360 day year.

12. EVENTS OF DEFAULT

12.1 The obligations of the Bank hereunder shall terminate forthwith and any amount outstanding shall become immediately due and payable together with interest thereon and the Bank may enforce its rights under this Agreement and the Security Documents in the manner and order it deems appropriate, if any of the following events occurs and the Bank gives notice to the Borrower:

(a) if the Borrower fails to pay any sum due hereunder on the due date end, to the extent such failure is caused by any technical or administrative error, within 3 Banking Days of the due date; or

(b) if the Borrower defaults in the due performance or observance of any term or covenant contained herein or in any Security Document and such default continues unremedied for a period of 10 Banking Days after the Bank has given to the Borrower notice of such default; or

(c) if any material representation made by the Borrower in this Agreement or in any notice, certificate or statement delivered or made pursuant hereto proves to have been inaccurate or misleading when made; or

(d) if any indebtedness in respect of borrowed money or guarantee liabilities of the Borrower is not paid when due or becomes due prior to the specified payment date by reason of default; or

(e) if a distress or other execution is levied upon or against any substantial part of the assets of the Borrower and is not discharged within 30 days; or

(f) If Borrower is unable or admits in writing its inability to pay its lawful debts as they mature or makes a general assignment for the benefit of its creditors; or

(g) if any proceedings are commenced in or any order or judgment is given by any court for the liquidation, winding-up or reorganisation of the Borrower or for the appointment of a receiver, trustee or liquidator of the Borrower or all or any part of its assets (save for the purpose of amalgamation or reorganisation not involving insolvency, the terms of which shall have received the prior written approval of the Bank); or

(h) if the Borrower ceases or threatens to cease to carry on its business or disposes or threatens to dispose of a substantial part of its assets or the same are seized or appropriated for any reason; or

(i) if any Security Document ceases to be in full force and effect; or

(j) if any consent required for the performance by the Borrower of its obligations hereunder is revoked or is otherwise modified in a manner unacceptable to the Bank; or

(k) if there is any material, in the Bank's opinion, change of ownership in the Borrower or in AS Wangs Fabrik without the prior written approval of the Bank; or

(l) if Value Adjusted Equity is or becomes less than NOK 500,000,000; or

(m) if a situation arises which, in the opinion of the Bank, will prevent fulfilment by the Borrrower of its obligations hereunder.

12.2 Clause 12.1 (d) - (i) shall also apply with respect to AS Wangs Fabrik.

13. TRANSFER

13.1 The Bank may upon prior written consent from the Borrower transfer all or part of its participation in the Facility to any other bank or financial institution. In such event references herein to the Bank shall be construed as references to its transferee or transferees to the extent necessary.

14. NOTICES AND TIME

14.1 Every notice under this Agreement shall be in writing and may be given or made by letter or telefax. Communications hereunder shall be addressed as follows:

(a) if to the Bank, at P.O. Box 1171
Sentrum, N-0107 Oslo, Norway,
telefax no. 22 48 10 46
Attention: Credit Administration

(b) if to the Borrower, at P.O. Box 158
Sk(o with slash)yen, 0212 Oslo
telefax no. 22 62 91 50,
Attention: Sverre Bjertnes;

or such other address as one party may notify the other in writing.

14.2 Communications sent by letter or telefax shall be effective upon receipt. Any communication by telefax from the Borrower to the Bank shall be confirm by letter if so requested by the Bank.

14.3 No failure or delay on the part of the Bank to exercise any power or rights under this Agreement or the Security Documents shall operate as a waiver thereof or of any other power or right. The remedies provided herein are cumulative and are not exclusive of any remedies provided by law.

15. GOVERNING LAW AND JURISDICTION

15.1 This Agreement shall be governed by and construed in accordance with Norwegian law.

15.2 The Borrower hereby irrevocably submits to the non-exclusive jurisdiction of the Norwegian courts, the venue to be elected by the Bank.

The Borrower

AL INDUSTRIER AS

By /s/ Roald Jotun; /s/ Sverre Bjertnes

Name in block letters Roald Jotun; /s/ Sverre Bjertnes

Title Administrative Director; V.P. of Finance

The Bank

p.p. DEN NORSKE BANK ASA

By /s/ Pal Skoe

Name in block letters Pal Skoe

Title Sr. Vice President

EXHIBIT 1

FORM OF

D R A W D O W N N O T I C E

From: AL INDUSTRIER AS

To: Den norske Bank ASA

Attention: Credit Administration

Date:

Dear Sirs,

We refer to a Loan Facility Agreement dated 19 (the "Agreement") made between ourselves as Borrower and Den norske Bank ASA. Terms defined in the Agreement shall have the same meaning in this notice.

We hereby give you irrevocable notice that pursuant to the Agreement and on 19 , we wish to draw down the amount of NOK upon the terms and subject to the conditions contained therein.

The Interest Period for the Drawing shall, subject to the provisions of the Agreement, be of months duration.

The Drawing, net of applicable fees and expenses described in Clause 10, shall be transferred to the amount of with , account no. .

As of today no event has occurred which with or without notice and/or lapse of time would constitute an Event of Default under the Agreement.

In the event that drawdown does not take place on the aforementioned date, by reasons beyond the control of the Bank, we hereby undertake to reimburse you for any and all costs incurred, including but not limited to interest.

Yours faithfully,
AL INDUSTRIER AS
