

American Federation of Labor and Congress of Industrial Organizations



815 Sixteenth Street, N.W.
Washington, D.C. 20006
(202) 637-5000
www.aflcio.org

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May 16, 2011

William J. Candee
Co-Chairman of the Board of Directors
Forest Laboratories, Inc.
909 Third Avenue
New York, NY 10022

Dear Co-Chairman Candee:

I write on behalf of the AFL-CIO, a shareholder of Forest Laboratories, Inc., to request that the Board of Directors seek the resignation of Chairman, CEO and President Howard Solomon in light of his possible exclusion from federal healthcare programs by the Office of the Inspector General, Department of Health and Human Services. We believe that it is in the best interests of shareholders for Mr. Solomon to resign and for the Board of Directors to implement its leadership succession plan.

As you are well aware, company subsidiary Forest Pharmaceuticals, Inc. pled guilty to one criminal felony count of obstructing justice, one criminal misdemeanor count of distributing an unapproved drug in interstate commerce, and one criminal misdemeanor count of distributing a misbranded drug in interstate commerce. Forest Pharmaceuticals also agreed to pay more than \$313 million including \$150 million in criminal penalties.

These are very serious matters and, at the very least, raise a serious question regarding a lack of proper management oversight of Forest Pharmaceuticals. While we recognize that Mr. Solomon was not personally accused of wrongdoing, we believe that the Chairman and CEO should be held accountable for major regulatory compliance failures by company subsidiaries. Part of the job of Chairman and CEO is to manage the company and its subsidiaries to prevent wrongdoing.

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Moreover, we believe that Mr. Solomon should resign rather than bring litigation to prevent his exclusion from participation in federal healthcare programs by the Office of the Inspector General, Department of Health and Human Services. Such an exclusion from federal healthcare programs could dramatically harm shareholders if Mr. Solomon remains an executive of Forest Laboratories and the company is unable to sell pharmaceutical drugs to Medicare, Medicaid, and the Veterans Administration.

In our view, Mr. Solomon's decision to litigate his exclusion from federal healthcare programs creates unnecessary uncertainty for company shareholders.

Sincerely,

A handwritten signature in black ink, appearing to read "D. F. Pedrotty", written in a cursive style.

Daniel F. Pedrotty
Director
Office of Investment

DFP/sdw
opeiu #2, afl-cio