

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

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**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): July 25, 2008**

**Sucampo Pharmaceuticals, Inc.**

(Exact Name of Registrant as Specified in Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

001-33609

(Commission File Number)

13-3929237

(IRS Employer Identification No.)

4520 East-West Highway, Suite 300  
Bethesda, Maryland

(Address of Principal Executive Offices)

20814

(Zip Code)

Registrant's telephone number, including area code: (301) 961-3400

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.**

Mariam E. Morris, the current Chief Financial Officer of the registrant, will resign from her position with the registrant effective July 31, 2008.

On July 25, 2008, the Compensation Committee of the registrant's Board of Directors approved the following agreements with Ms. Morris in connection with her resignation:

- A Separation Agreement and General Release, providing for a separation payment of \$115,500 and a bonus payment of \$40,000, both payable in a lump sum, and payment of health insurance premiums for a period of up to six months.
- A Consulting Agreement, under which Ms. Morris will provide consulting services to the senior management of the Company on an as-requested basis for a period of six months commencing August 1, 2008 regarding historic corporate finance, financial reporting and treasury operations matters. Ms. Morris will be compensated at a rate of \$3,500 per month plus \$200 per hour for every hour worked in excess of 20 hours in any month.

A copy of the Separation Agreement and General Release and Consulting Agreement are filed herewith as Exhibit 10.1 and 10.2, respectively, to this Current Report on Form 8-K, and the summary description of these agreements set forth above is qualified in its entirety by reference to the complete agreements as filed.

**Item 9.01 Financial Statements and Exhibits****(d) Exhibits**

- 10.1 Separation Agreement and General Release, dated July 27, 2008, between the registrant and Mariam E. Morris.
  - 10.2 Consulting Agreement, dated July 27, 2008, between the registrant and Mariam E. Morris.
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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SUCAMPO PHARMACEUTICALS, INC.

Date: July 28, 2008

By: /s/ JAN SMILEK

Name: Jan Smilek

Title: Chief Accounting Officer

**SEPARATION AGREEMENT AND GENERAL RELEASE**

This Separation Agreement and General Release (“General Release”) is made and entered into by and between Mariam Morris (“Ms. Morris” or “you”) and Sucampo Pharmaceuticals, Inc. (“SPI”), a corporation organized under the laws of the State of Delaware, and its affiliates (hereinafter collectively referred to as the “Company”).

**WHEREAS**, Ms. Morris’ employment will end upon the mutually agreed upon date of July 31, 2008 (the “Date of Termination”);

**WHEREAS**, following the Date of Termination, Ms. Morris will be retained by the Company as an independent contractor consultant pursuant to the terms of the Consulting Agreement entered into between the parties on August 1, 2008;

**WHEREAS**, Ms. Morris and the Company intend to settle any and all claims that Ms. Morris may have against the Company as a result of any act, occurrence, decision, event or omission occurring at any time prior to the signing of this General Release, including, but not limited to, any matter or fact arising out of Ms. Morris’ employment with SPI, the termination of Ms. Morris’ employment, or the events giving rise to this General Release;

**NOW, THEREFORE**, in consideration of the provisions and the mutual covenants contained herein, the parties agree as follows:

1. Separation from Employment. Effective as of the Date of Termination, your employment will end. Except as provided in this General Release, all benefits and privileges of employment shall cease as of that date.

2. Separation Benefits. In connection with your separation from employment and in consideration of this General Release:

(a) The Company will pay you the gross amount of \$115,500 (equivalent to six months of your base salary) (the “Severance Payment”), less required deductions for tax withholding; and

(b) If you elect COBRA continuation of your health insurance coverage, the Company will pay for the amount of COBRA continuation premium, less the amount equal to the SPI employee portion of health premiums, for a period ending on the earlier of (i) a date that is six (6) months following the Date of Termination, or (ii) the date that you become eligible as an employee or spouse of an employee of another firm for group medical coverage. Current medical coverage will continue through the end of July 2008.

(c) The Company will pay you an additional \$40,000 gross, less required deductions for tax withholding, representing a prorated portion of your 2008 Management Bonus target of 30%.

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(d) Your rights with respect to any stock options previously awarded to you will be determined in accordance with the applicable award agreement and the Company's Stock Incentive Plan.

3. Conditions of Payment. You agree you are not entitled to the payments and benefits referenced in Section 2 unless you remain employed in your current position through the Date of Termination and unless you sign this General Release and do not rescind and/or revoke in accordance with Section 6 below.

4. Terms of Payment. The Severance Payment described in Section 2(a) will be sent to you at your last address of record within ten (10) days after the expiration of the revocation period described in Section 6 below, provided you do not revoke the General Release.

5. Release of Claims. Ms. Morris and the Company intend to settle any and all claims that Ms. Morris may have against the Company as a result of the hiring of Ms. Morris, Ms. Morris' employment, Ms. Morris' compensation while employed, and the termination of Ms. Morris' employment. Ms. Morris agrees that in exchange for SPI's promises in the General Release and in exchange for the separation pay and benefits to be paid to Ms. Morris as described in the General Release, Ms. Morris, on behalf of herself and her heirs, successors and assigns, hereby releases and forever discharges the Company, its predecessors, successors, and assigns, and their respective officers, directors, shareholders, agents, employees, and insurers (the "Released Parties"), from all liability for damages and from all claims that Ms. Morris may have against the Released Parties arising from or relating to the hiring of Ms. Morris, Ms. Morris' compensation while employed, Ms. Morris' employment and the termination of Ms. Morris' employment, the terms of the Employment Agreement dated January 2, 2007, as amended, between Ms. Morris and the Company, and any other actions, decisions, alleged omissions, or events occurring on or prior to the signing of this General Release.

A. Ms. Morris understands and agrees that Ms. Morris' release of claims in this General Release includes, but is not limited to, any claims Ms. Morris may have under Title VII of the Federal Civil Rights Act of 1964, as amended; the Americans with Disabilities Act, the Equal Pay Act, the Employee Retirement and Income Security Act, the Age Discrimination in Employment Act, the Older Worker Benefits Protection Act, the Maryland Fair Employment Practices Act, or any other federal, state, or local statute, ordinance, or law.

B. Ms. Morris also understands that Ms. Morris is giving up all other claims, whether grounded in contract or tort theories, including, but not limited to, wrongful discharge, breach of contract, tortious interference with contractual relations, promissory estoppel, detrimental reliance, breach of the implied covenant of good faith and fair dealing, breach of express or implied promise, breach of manuals or other policies, breach of fiduciary duty, assault, battery, fraud, invasion of privacy, retaliation, intentional or negligent misrepresentation, defamation, including libel, slander, discharge defamation and self-publication defamation, discharge in violation of public policy, whistleblower, intentional or negligent infliction of emotional distress, or any other theory, whether legal or equitable.

C. Ms. Morris will not institute any lawsuit against the Released Parties arising from or relating to the hiring of Ms. Morris, Ms. Morris' employment, Ms. Morris'

compensation while employed, the termination of Ms. Morris' employment, or any other actions, decisions, alleged omissions, or events occurring prior to the signing of this General Release.

D. To the extent required by law, nothing contained in this General Release will be interpreted to prevent Ms. Morris from filing a charge with a governmental agency (such as the Equal Employment Opportunity Commission) or participating in or cooperating with an investigation conducted by a governmental agency. However, Ms. Morris agrees that Ms. Morris is waiving the right to any monetary damages or other individual legal or equitable relief awarded as a result of any such proceeding related to any claim against the Released Parties arising from or relating to the hiring of Ms. Morris, Ms. Morris' employment, Ms. Morris' compensation while employed, the termination of Ms. Morris' employment, or any other actions, decisions, alleged omissions, or events occurring on or prior to the signing of this General Release.

E. Notwithstanding any of the foregoing, this General Release shall not apply to any rights or benefits Ms. Morris may have related to vested accrued benefits under the terms of the Company's benefit plans, if any, or to her rights under the terms of this General Release itself.

F. This General Release shall be binding upon, and insure to the benefit of, Ms. Morris and the Company and their respective successors and permitted assigns.

G. Ms. Morris hereby acknowledges and states that Ms. Morris has read this General Release. Ms. Morris is hereby advised to consult with an attorney prior to signing this General Release. Ms. Morris further represents that Ms. Morris has had twenty-one (21) days from receipt of this General Release to consider the terms of this General Release, and that changes to this General Release, whether material or immaterial, will not restart this acceptance period. Ms. Morris further represents that this General Release is written in language that is understandable to Ms. Morris, that Ms. Morris fully appreciates the meaning of the terms of this General Release, and that Ms. Morris enters into this General Release freely and voluntarily.

6. Right to Revoke. You are entitled to revoke this General Release insofar as it extends to claims or potential claims arising under the Age Discrimination in Employment Act by giving notice, in writing, of your intent to revoke within seven (7) calendar days following the signing of this Release.

If your revocation is hand-delivered, it must be provided to the Company within the relevant time period set forth above. If your revocation is mailed, it must be postmarked within the relevant time period set forth above. If mailed, your revocation must be sent by certified mail, return receipt requested. Any revocation must be delivered or mailed to the following address:

Susan Bach  
Human Resources  
Sucampo Pharmaceuticals, Inc.  
4520 East-West Highway, 3rd Floor  
Bethesda, MD 20814

This General Release will not become effective until the foregoing revocation period has expired. If you exercise your right to revoke or rescind any part of this General Release, the Company may, at its option, either nullify this agreement in its entirety, or keep it in effect in all respects other than as to that portion of the release of claims that you have revoked or rescinded. You agree and understand that if the Company chooses to nullify the agreement in its entirety, the Company will have no obligations under this General Release to you or to others whose rights derive from you.

7. Confidentiality. You agree that the existence and terms and conditions of this General Release shall remain confidential as between the parties, and may only be disclosed:

(i) by you to immediate family, legal counsel, investment advisor or banks, and accountant or tax advisor, each of which shall be advised of the confidential nature of this General Release and who shall each agree to be bound hereby;

(ii) by the Company to its officers and directors, outside auditors, tax advisors and legal counsel, each of which shall be advised of the confidential nature of this General Release and who shall each agree to be bound hereby; or

(iii) by either party as necessary to effect its terms or as otherwise required by law, regulation, court order or valid legal proceeding.

Without limiting the generality of and subject to the foregoing, you agree information regarding this General Release shall not be disclosed to any third party, including, but not limited to, any current or former Company employee.

8. Agreement with Sucampo Pharmaceuticals, Inc. Relating to Employment Covenants. You acknowledge that you are obliged to continue to perform your obligations under the Employment Covenants established in Article 5 of the Amended Employment Agreement executed on May 12, 2007, between you and the Company (attached as **Exhibit A**) and that such obligations shall continue in full force and effect and be unaffected by this General Release.

9. Return of Information and Assets. You affirm that all originals and all copies of the Company's records, correspondence and documents, and all other property and assets of the Company, created or obtained by you as a result of or in the course of or in connection with employment with the Company which are in your possession or control, whether confidential or not, have been returned to the Company or will be returned to the Company prior to your signing of this General Release.

10. Passwords and Password-Protected Documents. You agree that prior to signing this General Release, you delivered all passwords in use by you at the time of your termination, a list of any documents that you created or of which you are otherwise aware that are password-protected, and the password(s) necessary to access such password-protected documents.

11. No Admission. This General Release does not constitute, and shall not be construed as, an admission of fault or liability of any kind by the Company and the Company

expressly denies any fault, liability, wrongdoing or obligation of any kind with regard to you or any other person employed by the Company.

12. Governing Law; Severability. This General Release shall be governed by the laws of the State of Maryland. If any part of this General Release is construed to be invalid and/or unenforceable, such part shall be modified to achieve the objective of the parties to the fullest extent permitted and the balance of this General Release shall remain in full force and effect.

13. Entire Agreement. This General Release and the documents referenced herein contain the entire agreement between you and the Company with respect to your employment and separation from employment and there are no promises or understandings outside of this General Release and the documents referenced herein with respect to your employment or your separation from employment with the Company. Any modification of or addition to this General Release must be in a writing signed by you and the Company.

14. Waiver. The waiver by either party of a breach by the other party of any provision of this General Release shall not operate or be construed as a waiver of any subsequent breach.

**15. ACKNOWLEDGMENT. BY YOUR SIGNATURE BELOW, YOU ACKNOWLEDGE THAT YOU FULLY UNDERSTAND AND ACCEPT THE TERMS OF THIS GENERAL RELEASE AND YOU REPRESENT AND AGREE THAT YOU UNDERSTAND THE MEANING OF THE TERMS OF THIS GENERAL RELEASE AND THEIR EFFECT. YOU ALSO ACKNOWLEDGE THAT YOUR SIGNATURE IS FREELY, VOLUNTARILY AND KNOWINGLY GIVEN, HAVING HAD THE OPPORTUNITY TO OBTAIN ADVICE OF COUNSEL AND HAVING BEEN PROVIDED A FULL OPPORTUNITY AND REASONABLE TIME TO REVIEW AND REFLECT ON THE TERMS OF THIS GENERAL RELEASE.**

Dated: July 27, 2008

/s/ MARIAM E. MORRIS  
Mariam M. Morris

Dated: July 25, 2008

SUCAMPO PHARMACEUTICALS, INC.

By /s/ TIMOTHY I. MAUDLIN

Its Lead Independent Director



## INDEPENDENT CONTRACTOR AGREEMENT

## CONSULTING SERVICES

THIS INDEPENDENT CONTRACTOR AGREEMENT ("Agreement") is made as of August 1, 2008 (the "Execution Date"), by and between SUCAMPO PHARMACEUTICALS, INC., a Delaware corporation with offices at 4520 East West Highway, Third Floor, Bethesda, Maryland 20814 (hereinafter "Sucampo"), and Mariam Morris of 8742 Delcris Drive, Montgomery village, MD 20886 (hereinafter "Contractor").

**WHEREAS**, Sucampo is engaged in the research, development, manufacture and marketing of various proprietary pharmaceutical compounds;

**WHEREAS**, Contractor has unique and specialized knowledge of, among other things, Sucampo's historic corporate finance, financial reporting and treasury operations;

**WHEREAS**, Contractor was previously employed by Sucampo pursuant to the terms of an Amended Employment Agreement dated as of May 12, 2007, with certain subsequent amendments, and Contractor's employment with Sucampo terminated as of July 31, 2008;

**WHEREAS**, Sucampo desires to retain Contractor for the purpose of consultation with senior management regarding historic corporate finance, financial reporting and treasury operations matters pursuant to the terms of this Agreement;

**NOW, THEREFORE**, for and in consideration of the premises and covenants contained herein, the parties hereto do mutually agree as follows:

**SECTION 1: Performance.** During a period not to exceed six (6) months commencing on August 1, 2008, Contractor will provide to Sucampo consultation services of the nature described above on an as needed basis with reasonable advance notice, within the parameters of specific requests or assignments from Sucampo's Acting Chief Financial Officer, Jan Smilek, or his successor, who will serve as Contractor's primary contact at Sucampo. Contractor agrees to be available at reasonable times to provide consulting services.

**SECTION 2: Compensation.** Contractor shall be compensated by Sucampo as follows:

2.1 A monthly retainer of \$3500.00 per month for six (6) months for services provided up to twenty (20) hours per month. This will be paid monthly at the end of each month.

2.2 For time spent in providing such services for all hours worked over twenty (20) hours per month at an hourly rate of \$200 per hour to be billed in increments of 15 minutes at \$50 per increment.

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2.3 Invoices for any hours after twenty (20) in the month will be sent to Sucampo at the following address:

Sucampo Pharmaceuticals, Inc.  
Attn: Accounts Payable  
4520 East West Highway, Third Floor  
Bethesda, MD 20814

2.4 Sucampo will pay all approved invoices within thirty (30) days of invoice receipt. Sucampo will provide reasonable notice to Contractor of invoices with disputable charges and all parties will work together to resolve such disputes in a timely manner.

2.5 Unless otherwise agreed upon in advance by Sucampo, Contractor shall be responsible for all expenses incurred while performing services under this Agreement. This includes, but is not limited to, license fees, memberships and dues; automobile and other travel; meals and entertainment; insurance premiums; and all salary, expenses and other compensation paid to Contractor employees or personnel engaged by Contractor to perform services under this Agreement.

### **SECTION 3: Confidentiality**

3.1 In order that Contractor may provide informed advice and information, Contractor may during the term of her engagement hereunder be provided with certain data and information prepared by or on behalf of and belonging to Sucampo and other confidential information entitled to protection under federal and state law (collectively, "Confidential Information"). Contractor shall maintain Confidential Information in confidence and shall not, without Sucampo's prior written authorization, disclose to any person or organization the data or other Confidential Information transmitted to Contractor by Sucampo or by any person acting on behalf of Sucampo, or prepared by Contractor or on behalf of Contractor in connection with this Agreement, in any form (verbal, written, electronic, or other form). Contractor shall not use Confidential Information for any purpose except for the benefit of Sucampo, pursuant to Section 1 of this Agreement. This confidentiality provision shall remain in effect for ten (10) years following any disclosure made hereunder, except that this provision shall not apply to any information (a) that was in Consultant's possession prior to receipt from Sucampo (subject to Section 5.10 below), (b) that was in the public domain at the time of receipt from Sucampo, (c) that becomes part of the public domain without breach of any obligation of confidentiality to Sucampo, (d) that is lawfully received by Consultant from a third party that has no obligation of confidentiality to Sucampo, or (e) that is required by law to be disclosed. NOTWITHSTANDING THE FOREGOING, however, any trade secret disclosed to Contractor shall be held in strict confidence in perpetuity or until said trade secret is publicly disclosed through no fault of Contractor.

3.2 Contractor shall provide immediate notice to Sucampo of any request or demand made of Contractor that relates to the subject matter on which services have been sought, or

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otherwise with respect to this Agreement. Upon written request, Contractor shall promptly provide to Sucampo all data, information, notes, documents and other materials in any form provided to Contractor or prepared by Contractor on its behalf in connection with this Agreement.

#### **SECTION 4: *Ownership***

4.1 All materials, documents, information, inventions and descriptions that Contractor supplies to Sucampo or Contractor prepares or develops pursuant to this Agreement shall be the sole and exclusive property of Sucampo, shall be deemed to be Confidential Information (as defined above) and may be used by Sucampo for any purpose unless specified otherwise. Likewise, Contractor shall not use such documents, inventions information or descriptions for any purpose other than pursuant to this Agreement without the express written consent of Sucampo. Further, all written materials developed by Contractor for Sucampo shall be deemed works for hire and be the exclusive property of Sucampo. Contractor further agrees to reasonably cooperate with Sucampo to perfect any rights arising hereunder and hereby forever assigns and conveys the same to Sucampo.

4.2 Notwithstanding the foregoing, methods used by Contractor in performing under this Agreement may include Contractor's use of already-copyrighted materials and methods, and such already-copyrighted materials shall not be the property of Sucampo. In the interest of clarity, Contractor's proprietary materials will be labeled with the copyright and, where necessary, noted to be "Business Confidential" before being shared with Sucampo.

#### **SECTION 5: *Miscellaneous***

5.1 **Irreparable Harm.** Sucampo and Contractor mutually acknowledge and agree that Confidential Information disclosed and developed under this Agreement is valuable principally because of its confidential nature, and so any improper disclosure of Confidential Information will represent irreparable harm that cannot be adequately compensated monetarily.

5.2 **Independent Contractor Relationship; State and Federal Taxes.** This Agreement shall not be construed to create an employment or agency relationship between Sucampo and Contractor. Contractor is an independent contractor. Contractor acknowledges that any Contractor personnel who may be assigned to perform consulting services for Sucampo are not employees of Sucampo and, as such, will not be entitled to insurance or other benefits made available to Sucampo employees. Contractor shall be solely responsible for the payment of, and Sucampo shall not withhold from payment of services under this Agreement, any and all taxes and other contributions associated with compensation for Contractor, Contractor's employees or any Contractor personnel assigned to Sucampo under this Agreement as may be required by applicable local, state and federal laws. Contractor shall pay all taxes incurred while performing services under this Agreement including all applicable income taxes and, if Contractor is not a corporation, self-employment (Social Security) taxes. Upon demand, Contractor shall provide Sucampo with proof that such payments have been made.

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5.3 **Benefits.** Contractor understands that neither Contractor nor any Contractor employees or personnel are eligible to participate in any employee pension, health, vacation pay, sick pay or other fringe benefit plan of Sucampo.

5.4 **Workers' Compensation.** Sucampo shall not be obliged to provide workers' compensation insurance on behalf of Contractor or Contractor's employees. If Contractor hires employees to perform any work under this Agreement, Contractor shall obtain workers' compensation insurance for any such employees and provide Sucampo with a certificate of workers' compensation insurance before the employees begin the work. If not operating as a corporation, Contractor shall obtain workers' compensation insurance coverage for Contractor herself. Contractor shall provide Sucampo with proof that such coverage has been obtained before performing services under this Agreement.

5.5 **Unemployment Compensation.** Sucampo shall not be obliged to make any state or federal unemployment compensation payments on behalf of Contractor or any Contractor employees or personnel. Contractor will not be entitled to these benefits in connection with work performed under this Agreement.

5.6 **Insurance and Liability.** Contractor acknowledges and agrees that Sucampo will not provide any insurance coverage of any kind for Contractor or any Contractor employees or personnel.

5.7 **Independent Contractor Status.** Sucampo and Contractor acknowledge the following rights consistent with an independent contractor relationship: Contractor has the right to perform services for others during the term of this Agreement; Contractor has the sole right to control and direct the means, manner and method by which the services required by this Agreement will be performed; Contractor has the right to perform the services required by this Agreement at any place, location or time; Contractor will furnish all equipment and materials used to provide the services required by this Agreement; Contractor has the right to hire assistants as subcontractors, or to use employees to provide the services required by this Agreement; the Contractor or Contractor's employees or contract personnel shall perform the services required by this Agreement and Sucampo shall not hire, supervise or pay any assistants to help Contractor; neither Contractor nor any Contractor employees or personnel shall receive any training from Sucampo in the skills necessary to perform the services required by this Agreement; Sucampo shall not require Contractor or Contractor's employees or contract personnel to devote full time to performing the services required by this Agreement.

5.8 **Business Permits, Certificates and Licenses.** Contractor has complied with all federal, state and local laws requiring business permits, certificates and licenses required to carry out the services to be performed under this Agreement.

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5.9 **Choice of law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Maryland without regard to conflict of laws provisions.

5.10 **Continued Applicability of Employment Agreement Provisions.** Contractor acknowledges that she is obliged to continue to perform and honor her obligations under the "Employment Covenants" (the "Ongoing Covenants") established in Article 5 of the Amended Employment Agreement executed on May 12, 2007, between the Contractor and Sucampo, and that such obligations shall continue in full force and effect and shall be unaffected by this Agreement.

5.11 **Supersedes Other Agreements.** This Agreement, together with the Ongoing Covenants, constitutes the entire agreement on the provision of consulting services between the parties and supersedes all other such agreements whether written or oral. This Agreement shall be construed according to its fair meaning and not strictly for or against any party.

5.12 **Modifications.** This Agreement may be modified only by a written agreement signed by both Contractor and an authorized officer of Sucampo.

5.13 **Assignment.** This Agreement may not be assigned or transferred by the Contractor without the prior written agreement of Sucampo.

5.14 **No Partnership.** This Agreement shall not be construed to create a partnership relationship. Contractor does not have the authority to enter into contracts on Sucampo's behalf.

5.15 **Severability.** In the event that any provision of this Agreement conflicts with the law under which this Agreement is to be construed or if any such provision is held invalid by a court, such provision shall be deemed to be restated to reflect as nearly as possible the original intentions of the parties in accordance with applicable law, and the remainder of this Agreement shall remain in full force and effect.

5.16 **Dispute Resolution.** If a dispute arises under this Agreement, the parties agree to first try to resolve the dispute with the help of a mutually agreed upon mediator in Montgomery County, Maryland. Any costs and fees other than attorney fees associated with the mediation shall be shared equally by the parties. If it proves impossible to arrive at a mutually satisfactory solution through mediation, the parties agree to submit the dispute to a mutually agreed upon arbitrator in the State of Maryland, whose decision shall be final and binding upon the parties. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction to do so. Costs of arbitration, including attorney fees, will be allocated by the arbitrator.

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5.17 **Notices.** All notices and other legal communications in connection with this Agreement shall be in writing by confirmed-delivery email, confirmed facsimile transmission, or overnight mail via Federal Express or similar courier and shall be considered given as below.

If to Sucampo:

Sucampo Pharmaceuticals, Inc.  
c/o Mr. Jan Smilek  
4520 East West Highway, Third Floor  
Bethesda, MD 20814  
Email: [j.smilek@sucampo.com](mailto:j.smilek@sucampo.com)  
Facsimile: 301-961-3440

If to Contractor:

Mariam Morris  
8742 Delcris Drive  
Montgomery Village, MD 20886  
Email: [Mariam\\_morris@hotmail.com](mailto:Mariam_morris@hotmail.com)

**SECTION 6: Agreement Term and Termination** The term of this Agreement shall commence as of the Execution Date, and shall terminate with regard to Section 1 and Section 2 upon the earlier of February 1, 2009, or the expiration of ten (10) days written notice from either party to the other. All other Sections shall remain in full force and effect until they expire by their terms.

Accepted and agreed,

SUCAMPO PHARMACEUTICALS, INC.

/s/ TIMOTHY I. MAUDLIN

By: Tim Maudlin, Lead Independent Director

CONTRACTOR

/s/ MARIAM E. MORRIS

By: Mariam Morris

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