

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

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): January 28, 2011

Sucampo Pharmaceuticals, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware

001-33609

30-0520478

(State or Other Jurisdiction
of Incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

4520 East-West Highway, Suite 300
Bethesda, Maryland

20814

(Address of Principal Executive Offices)

(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.

As previously reported, in a Form 8-K on January 13, 2011 by Sucampo Pharmaceuticals, Inc., Jan Smilek resigned from his position with the registrant effective January 12, 2011. In connection with his resignation, the Company entered into the following agreements on January 28, 2011:

- A Separation Agreement and General Release, most of the terms of which were previously negotiated pursuant to the Employment Agreement, providing for a separation payment of \$113,147.32, outplacement services of \$3,000 and eligibility of a bonus payment for 2010, all payable in a lump sum, payment of health insurance premiums for a period of up to six months and a consulting agreement in exchange for a general release from all claims against the Company as well as agreed to cooperation, non-solicitation, confidentiality, and non-disparagement provisions in favor of the Company. In addition, as of January 12, 2011, 16,250 shares of Mr. Smilek's previously awarded stock options were vested and became exercisable. As of June 30, 2011, 12,500 shares also previously awarded to Mr. Smilek will vest and will become exercisable as a result of his maintaining a continuous employment relationship through the consulting agreement.
- A Consulting Agreement, under which Mr. Smilek will provide consulting services for certain specified activities to the senior management of the Company on an as-requested basis for a period of up to six months commencing January 13, 2011. Mr. Smilek will be compensated at a rate of \$250 per hour not to exceed 20 hours in total.

This description is a summary of the terms and conditions of the Separation Agreement and Consulting Agreement are attached as Exhibits 99.1 and 99.2, respectively, to this Current Report on Form 8-K and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

99.1 Separation Agreement and General Release between the registrant and Jan Smilek.

99.2 Consulting Agreement between the registrant and Jan Smilek.

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: February 2, 2011

By: /s/ THOMAS J. KNAPP

Name: Thomas J. Knapp

Title: Sr. VP, General Counsel & Corporate Secretary

SEPARATION AGREEMENT AND RELEASE

This Separation Agreement and Release ("Agreement") dated January 12, 2011 is made by and between Jan Smilek and Sucampo Pharmaceuticals, Inc., a corporation duly incorporated under Delaware law, and its subsidiaries and affiliates (collectively referred to as the "Company").

The last day of employment for Jan Smilek is January 12, 2011 (Termination Date). The Employment Agreement dated November 20, 2008 ("Employment Agreement") between Jan Smilek and the Company is hereby terminated on the Termination Date, except Article 5 and Section 6.7. The effective date of this Agreement is the date on which Jan Smilek signs the Agreement ("Effective Date").

In order to settle as fully as possible all known and unknown claims I, Jan Smilek, might have against Company and all related parties, the Company and I agree as follows:

(a) Consideration: Within 14 days after the Company receives this Agreement and it has become effective, the Company will pay me the following:

(i) The gross amount of \$113,147.32 (equivalent to six months of your current base salary) (Severance Payment), less required deductions for tax withholding, a benefit which is provided for under the Employment Agreement;

(ii) Thirty (30) days pay at your current base salary in lieu of any notice required under the Employment Agreement beginning on the day after your Termination Date, a benefit which is provided for under the Employment Agreement;

(iii) If you elect COBRA continuation of your health insurance coverage, the Company will reimburse you for any COBRA continuation premium payments made by you for a period ending on a date that is six (6) months following the Termination Date, a benefit which is provided for under the Employment Agreement. Current medical coverage will continue through the end of January 2011;

(iv) You will be eligible for your 2010 Management Bonus using a 100% bonus rating for the individual portion of your bonus but the corporate rating will be the rating that is to be determined by Dr. Ryuji Ueno, CEO, and the Compensation Committee in accordance with the bonus program currently in place, a benefit for which you are otherwise not entitled to;

(v) a consulting agreement for up to six (6) months at \$250 per hour for work performed but not to exceed 20 hours of work unless otherwise agreed in writing between us, a benefit for which you are otherwise not entitled to and which is attached to this Agreement as Exhibit A;

(vi) 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; and

(vii) The Company will provide you with outplacement services with a total value of three thousand dollars (\$3,000.00), a benefit for which you are otherwise not entitled to.

The amounts set forth above will not be taken into account in determining my rights or benefits under any other program. The Company shall report this payment to taxing authorities, and withhold taxes from it, as it determines it is required to do by applicable law.

(b) Release: I release (*i.e.*, give up) all known and unknown claims that I presently have against the Company, all current and former, direct and indirect parents, subsidiaries, brother-sister companies, and all other affiliates and related partnerships, joint ventures, or other entities, and, with respect to each of them, their predecessors and successors; and, with respect to each such entity, all of its past, present, and future employees, officers, directors, stockholders, owners, representatives, assigns, attorneys, agents, insurers, employee benefit programs (and the trustees, administrators, fiduciaries, and insurers of such programs), and any other persons acting by, through, under or in concert with any of the persons or entities listed in this section, and their successors (Released Parties), except claims that the law does not permit me to waive by signing this Agreement. For example, I am releasing all common law contract, tort, or other claims I might have, as well as all claims I might have under the Age Discrimination in Employment Act (ADEA), the Worker Adjustment & Retraining Notification Act (WARN Act), Title VII of the Civil Rights Act of 1964, Sections 1981 and 1983 of the Civil Rights Act of 1866, the Americans With Disabilities Act (ADA), the Employee Retirement Income Security Act of 1974 (ERISA), and any similar domestic or foreign laws, such as Maryland laws.

(c) Applicable Law: This agreement is governed by Federal law and the laws of Maryland.

(d) Representations and Promises: The Company and I acknowledge and agree that:

(i) **Complete Agreement:** This Agreement is the entire agreement relating to any claims or future rights that I might have with respect to the Company and the Released Parties. Once in effect, this Agreement is a legally admissible and binding agreement. It shall not be construed strictly for or against me, the Company, or any Released Party.

(ii) **Amendments:** This Agreement only may be amended by a written agreement that the Company and I both sign.

(iii) **Representations:** When I decided to sign this Agreement, I was not relying on any representations that are not in this Agreement. The Company would not have agreed to pay the consideration I am getting in exchange for this Agreement but for the representations and promises I am making by signing it. I have not suffered any job-related wrongs or injuries, such as any type of discrimination, for which I might still be entitled to compensation or relief now or in the future. I have properly reported all hours that I have worked and I have been paid all wages, overtime, commissions, compensation, benefits, and other amounts that the Company or any Released Party should have paid me in the past. I understand that the Company in the future may improve employee benefits or pay. I understand that my old job may be refilled. I have not been told that the Company or any Released Party ever will employ me in the future.

(iv) **Reemployment:** I promise not to seek employment with the Company or any Released Party unless it asks me to do so in writing.

(v) **No Wrongdoing:** This Agreement is not an admission of wrongdoing by the Company or any other Released Party; neither it nor any drafts shall be admissible evidence of wrongdoing.

(vi) **Unknown Claims:** I am intentionally releasing claims that I do not know that I might have and that, with hindsight, I might regret having released. I have not assigned or given away any of the claims I am releasing.

(vii) **Effect of Void Provision:** If the Company or I successfully assert that any provision in this Agreement is void, the rest of the Agreement shall remain valid and enforceable unless the other party to this Agreement elects to cancel it. If this Agreement is cancelled, I will repay the consideration I received for signing it.

(viii) **Consideration of Agreement:** If I initially did not think any representation I am making in this Agreement was true or if I initially was uncomfortable making it, I resolved all my doubts and concerns before signing this Agreement. I have carefully read this Agreement, I fully understand what it means, I am entering into it knowingly and voluntarily, and all my representations in it are true. The consideration period described in the box above my signature started when I first was given this Agreement, and I waive any right to have it restarted or extended by any subsequent changes to this Agreement.

(ix) **Disclosure of Unlawful Conduct or False Claims:** I have disclosed to the Company any information I have concerning any conduct involving the Company or any affiliate that I have any reason to believe may be unlawful or that involves any false claims to the United States. I promise to cooperate fully in any investigation the Company or any affiliate undertakes into matters occurring during my employment with the Company or any affiliate. I understand that nothing in this Agreement prevents me from cooperating with any U.S. government investigation. In addition, to the fullest extent permitted by law, I hereby irrevocably assign to the U.S. government any right I might have to any proceeds or awards in connection with any false claims proceedings against the Company or any affiliate.

(x) **Agreement to be Confidential:** I have not disclosed and will never disclose the underlying facts that led up to the settlement evidenced by this Agreement, or the terms, amount, or existence of that settlement or this Agreement, to anyone other than a member of my immediate family or my attorney or other professional advisor and, even as to such a person, only if the person agrees to honor this confidentiality requirement. Such a person's violation of this confidentiality requirement shall be treated as a violation by me. This subsection does not prohibit disclosures to the extent necessary legally to enforce this Agreement or to the extent required by law (but only if I notify the Company of a disclosure obligation or request within one day after I learn of it and permit the Company to take all steps it deems to be appropriate to prevent or limit the required disclosure). Because it would be difficult or impossible to calculate the actual damages the Company would suffer if I violate my confidentiality obligations, which would be substantial, I agree to pay the Company \$5,000 in damages for each violation.

(xi) **Return of Company Property:** I have returned to the Company all files, memoranda, documents, records, copies of the foregoing, Company-provided credit cards, keys, building passes, security passes, access or identification cards, and any other property of the Company or any Released Party in my possession or control. I have executed the Termination Certificate attached as Exhibit B. I have cleared all expense accounts, repaid everything I owe to the Company or any Released Party, paid all amounts I owe on Company-provided credit cards or accounts (such as cell phone accounts), and canceled or personally assumed any such credit cards or accounts. I agree not to incur any expenses, obligations, or liabilities on behalf of the Company.

(xii) **Nondisparagement:** I agree not to criticize, denigrate, or otherwise disparage the Company, any other Released Party, or any of their products, processes, experiments, policies, practices, standards of business conduct, or areas or techniques of research. However, nothing in this subsection shall prohibit me from complying with any lawful subpoena or court order or taking any other actions affirmatively authorized by law.

(e) **Cooperation:** I agree that, as requested by the Company, I will fully cooperate with the Company or any affiliate in effecting a smooth transition of my responsibilities to others. I agree to spend up to a maximum of 20 hours within the next six (6) months, through June 30, 2010 under the terms of the consulting agreement which is attached as Exhibit A. For example, when requested by the Company, I will promptly and fully respond to all inquiries from the Company or any affiliate and its representatives relating to the arbitration entitled Sucampo Pharmaceuticals, Inc., et al. vs. Takeda Pharmaceutical Company, et al. and testify, if necessary, in connection with that arbitration. I further agree that, as requested by the Company, I will cooperate fully with the Company or its representatives in any investigation, proceeding, administrative review or litigation brought against the Company or any Released Party by any government agency or private party pertaining to matters occurring during my employment with the Company or any Released Party. To the extent I incur out-of-pocket expenses (such as postage costs or telephone charges) in assisting the Company or any affiliate at its request, the Company will mail me a reimbursement check for those expenses within 30 days after it receives my request for payment, along with satisfactory written substantiation of the claimed expenses.

(f) Arbitration of Disputes: The Company and I agree to resolve any disputes we may have with each other through final and binding arbitration. For example, I am agreeing to arbitrate any dispute about the validity of this Agreement or any discrimination claim. I also agree to resolve through final and binding arbitration any disputes I have with any other Released Party who elects to arbitrate those disputes under this subsection. Arbitrations shall be conducted by JAMS in accordance with its employment dispute resolution rules. This agreement to arbitrate does not apply to government agency proceedings. **I acknowledge that I understand this section's arbitration requirements and that arbitration would be in lieu of a jury trial.**

(g) Nondisclosure: I acknowledge that I possess secret, confidential, or proprietary information or trade secrets concerning the operations, future plans, or business methods of the Company and its affiliates. I agree that the Company and its affiliates would be severely damaged and irreparably harmed if I used or disclosed this information. To prevent this harm, I have made the following promises; they only supersede other similar promises I may have made to the extent these promises are more protective of the Company's interests, as it determines:

(i) Promise Not to Disclose: I promise never to use or disclose any such information before it has become generally known within the relevant industry through no fault of my own. I agree that this promise will never expire.

(ii) Promise Not to Solicit: To prevent me from inevitably breaking the promise I have just made, I further agree that, for 12 months from the date I sign this Agreement: (1) as to any customer or supplier of the Company or its affiliates with whom I had dealings or about whom I acquired proprietary information during my employment, I will not solicit or attempt to solicit the customer or supplier to do business with any person or entity; and (2) I will not solicit for employment any person who is, or within the preceding 6 months was, an officer, manager, employee, or consultant of the Company or its affiliates, unless the individual was laid off before my solicitation.

(iii) Promise Not to Engage in Certain Employment: I agree that, for 12 months from the date I sign this Agreement, I will not accept any employment or engage in any activity, without the Company's written consent, if the loyal and complete fulfillment of my duties would inevitably require me to reveal or use trade secrets or other confidential information I have promised not to disclose or use, as reasonably determined by the Company.

(iv) Promise to Discuss Proposed Actions in Advance: Before I disclose or use information or commence employment, solicitations, or any other activity that could possibly violate the promises I have just made, I promise that I will discuss my proposed actions with General Counsel at 240-223-3627, who will advise me in writing whether my proposed actions would violate these promises.

I further agree that the Company would be irreparably harmed by any actual or threatened violation of this section, and that the Company will be entitled to an injunction prohibiting me from committing any such violation.

(This section is intentionally left blank.)

YOU MAY NOT MAKE ANY CHANGES TO THE TERMS OF THIS AGREEMENT. BEFORE SIGNING THIS AGREEMENT, READ IT CAREFULLY, AND THE COMPANY SUGGESTS THAT YOU DISCUSS IT WITH YOUR ATTORNEY AT YOUR OWN EXPENSE. TAKE AS MUCH TIME AS YOU NEED TO CONSIDER THIS AGREEMENT BEFORE DECIDING WHETHER TO SIGN IT, UP TO 21 DAYS. BY SIGNING IT YOU WILL BE WAIVING YOUR KNOWN AND UNKNOWN CLAIMS.

FEBRUARY 15, 2011 IS THE DEADLINE FOR YOU TO DELIVER A SIGNED COPY OF THIS AGREEMENT TO SUSAN BACH AT SUCAMPO PHARMACEUTICALS, INC. IF YOU FAIL TO DO SO, YOU WILL NOT RECEIVE THE SPECIAL PAYMENTS OR BENEFITS DESCRIBED IN IT.

YOU MAY REVOKE THIS AGREEMENT IF YOU REGRET HAVING SIGNED IT. TO DO SO, YOU MUST DELIVER A WRITTEN NOTICE OF REVOCATION TO THOMAS J. KNAPP AT SUCAMPO PHARMACEUTICALS, INC. BEFORE SEVEN 24-HOUR PERIODS EXPIRE FROM THE TIME YOU SIGNED IT. IF YOU REVOKE THIS AGREEMENT, IT WILL NOT GO INTO EFFECT AND YOU WILL NOT RECEIVE THE SPECIAL PAYMENTS OR BENEFITS DESCRIBED IN IT.

Date: 1/28/11

/s/ Jan Smilek
Employee

Date: 1/28/11

/s/ Thomas J. Knapp
Company

Mr. Jan Smilek
18223 Red Rock Way
Leesburg, VA 20176

January 21, 2011

Dear Mr. Smilek,

This consulting agreement (this **Consulting Agreement**) sets forth the terms and conditions whereby you agree to provide certain services (as described in paragraph 1.2) to Sucampo Pharma Americas, Inc., a wholly-owned subsidiary of Sucampo Pharmaceuticals, Inc., a Delaware corporation, with affiliate offices located at 4520 East-West Highway, Third Floor, Bethesda, Maryland 20814, (the **Company**).

1. SERVICES

- 1.1 The Company hereby engages you, and you hereby accept such engagement, as an independent contractor to provide certain services to the Company on the terms and conditions set forth in this Agreement.
 - 1.2 You shall provide to the Company consulting services on matters of corporate finance, financial controls and reporting practices, company financial filings, Takeda arbitration, SAG integration, and any others matters as directed by Sucampo on an as needed basis with reasonable advance notice, within the parameters of specific requests or assignments from Sucampo's General Counsel or his delegate, who will serve as Contractor's primary contact at Sucampo.
 - 1.3 The Company shall not control the manner or means by which you perform the Services.
 - 1.4 Unless otherwise set forth above, you shall furnish, at your own expense, the equipment, supplies and other materials used to perform the Services. The Company shall provide you with access to its premises and equipment to the extent necessary for the performance of the Services.
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2. TERM

The term of this Agreement shall commence on January 13, 2011, and shall continue until June 30, 2011, unless earlier terminated in accordance with paragraph 7. Any extension of the term will be subject to mutual written agreement between the parties.

3. FEES AND EXPENSES

3.1 As full compensation for the Services and the rights granted to the Company in this Agreement, the Company shall pay you \$250 per hour (the Fees), billable at quarter increments and payable on provision of the Services to the Company's satisfaction. Your anticipated availability to the Company is not to exceed 20 hours over the term of the Agreement unless otherwise agreed to by Company.

3.2 You are solely responsible for any travel or other costs or expenses incurred by you in connection with the performance of the Services, with the exception of costs expended at the specific written request and/or approval of the Company.

3.3 The Company shall pay all undisputed Fees within thirty (30) days after the Company's receipt of an invoice submitted by you. Invoices should be submitted within thirty (30) days of the provision of Services to ap@sucampo.com.

4. RELATIONSHIP OF THE PARTIES

4.1 You are an independent contractor of the Company, and this Agreement shall not be construed to create any association, partnership, joint venture, employee or agency relationship between you and the Company for any purpose. You have no authority (and shall not hold yourself out as having authority) to bind the Company and you shall not make any agreements or representations on the Company's behalf without the Company's prior written consent.

4.2 Without limiting paragraph 4.1, you will not be eligible under this Agreement to participate in any vacation, group medical or life insurance, disability, profit sharing or retirement benefits or any other fringe benefits or benefit plans offered by the Company to its employees unless the plans provide otherwise, and the Company will not be responsible for withholding or paying any income, payroll, Social Security or other federal, state or local taxes, making any insurance contributions, including unemployment or disability, or obtaining worker's compensation insurance on your behalf. You shall be responsible for, and shall indemnify the Company against, all such taxes or contributions, including penalties and interest. Any persons employed by you in connection with the performance of the Services shall be your employees and you shall be fully responsible for them.

5. INTELLECTUAL PROPERTY RIGHTS

5.1 The Company is and shall be, the sole and exclusive owner of all right, title and interest throughout the world in and to all the results and proceeds of the Services performed under this Agreement (the Deliverables), including all patents, copyrights, trademarks, trade secrets and other intellectual property rights (collectively Intellectual Property Rights) therein. You agree that the Deliverables are hereby deemed a "work made for hire" as defined in 17 U.S.C. § 101 for the Company. If, for any reason, any of the Deliverables do not constitute a "work made for hire," you hereby irrevocably assign to the Company, in each case without additional consideration, all right, title and interest throughout the world in and to the Deliverables, including all Intellectual Property Rights therein.

5.2 Any assignment of copyrights under this Agreement includes all rights of paternity, integrity, disclosure and withdrawal and any other rights that may be known as "moral rights" (collectively, Moral Rights). You hereby irrevocably waive, to the extent permitted by applicable law, any and all claims you may now or hereafter have in any jurisdiction to any Moral Rights with respect to the Deliverables.

6. CONFIDENTIALITY

6.1 In order that you may provide informed advice and information, you have been and will be provided with certain data and information prepared by or on behalf of and belonging to the Company and other confidential information entitled to protection under federal and state law (collectively, "Confidential Information"). You shall maintain Confidential Information in confidence and shall not, without the Company's prior written authorization, disclose to any person or organization the data or other Confidential Information transmitted to you by the Company or by any person acting on behalf of the Company, or prepared by you or on behalf of you in connection with this Agreement, in any form (verbal, written, electronic, or other form). You shall not use Confidential Information for any purpose except for the benefit of the Company, 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 your possession prior to receipt from the Company, (b) that was in the public domain at the time of receipt from the Company, (c) that becomes part of the public domain without breach of any obligation of confidentiality to the Company, (d) that is lawfully received by you from a third party that has no obligation of confidentiality to the Company, or (e) that is required by law to be disclosed. NOTWITHSTANDING THE FOREGOING, however, any trade secret disclosed to you, shall be held in strict confidence in perpetuity or until said trade secret is publicly disclosed through no fault of you.

6.2 You shall provide immediate notice to the Company of any request or demand made of you that relates to the subject matter on which services have been sought, or otherwise with respect to this Agreement. Upon written request, you shall promptly provide to the Company all data, information, notes, documents and other materials in any form provided to you or prepared by you on its behalf in connection with this Agreement.

7. TERMINATION

7.1 Either party may terminate this Agreement without cause upon thirty (30) days' written notice to the other party. In the event of termination pursuant to this paragraph 7.1, the Company shall pay you on a proportional basis any Fees then due and payable for any Services completed up to and including the date of such termination.

8. MISCELLANEOUS

8.1 You shall not export, directly or indirectly, any technical data acquired from the Company, or any products utilizing any such data, to any country in violation of any applicable export laws or regulations.

8.2 All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a Notice) shall be in writing and addressed to the parties at the addresses set forth below (or to such other address that may be designated by the receiving party from time to time in accordance with this section). All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile or e-mail of a PDF document (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only if (a) the receiving party has received the Notice and (b) the party giving the Notice has complied with the requirements of this Section.

If to Sucampo:

Sucampo Pharmaceuticals, Inc.
c/o Mr. Thomas J. Knapp, SVP, General Counsel & Corporate
Secretary

4520 East West Highway, Third Floor
Bethesda, MD 20814
email: tknapp@sucampo.com
facsimile: 301-961-3440

If to Contractor:

Jan Smilek
18223 Red Rock Way
Leesburg, VA 20176
email: _janaang@yahoo.com
facsimile: _____

- 8.3 This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto, and any of the terms thereof may be waived, only by a written document signed by each party to this Agreement or, in the case of waiver, by the party or parties waiving compliance.
- 8.4 This Agreement shall be governed by and construed in accordance with the internal laws of the State of Maryland without giving effect to any choice or conflict of law provision or rule.
- 8.5 The Company and you agree to resolve any disputes we may have with each other through final and binding arbitration. For example, you are agreeing to arbitrate any dispute about the validity of this Agreement or any discrimination claim. You also agree to resolve through final and binding arbitration any disputes that you have with any other Released Party who elects to arbitrate those disputes under this subsection. Arbitrations shall be conducted by JAMS in accordance with its employment dispute resolution rules. This agreement to arbitrate does not apply to government agency proceedings. **You acknowledge that you understand this section's arbitration requirements and that arbitration would be in lieu of a jury trial.**
- 8.6 If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.
- 8.7 This Agreement may be executed in multiple counterparts and by email or facsimile signature, each of which shall be deemed an original and all of which together shall constitute one instrument.

If this letter accurately sets forth our understanding, kindly execute the enclosed copy of this letter and return it to the undersigned.

Very truly yours,

SUCAMPO PHARMA AMERICAS, INC.

By: /s/ Thomas J. Knapp
Name: Thomas J. Knapp
Title: Senior Vice President and General Counsel, Sucampo Pharmaceuticals, Inc.

ACCEPTED AND AGREED:

JAN SMILEK
By: /s/ Jan Smilek
Date: 1/26/11