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Name	Size	Modified
Material documents/35507_Triple i - Kadian Discount Coupon Program Agreement (Execution Copy).pdf	2,229,560	1/13/2010 4:50 PM
Material documents/35790_Agmt.pdf	1,623,588	1/13/2010 4:28 PM
Material documents/36474_agmt.pdf	2,133,866	1/12/2010 10:11 AM
Material documents/36477_agmt.pdf	1,211,537	1/13/2010 4:30 PM
Material documents/6092_Amendment 8 (11- 24-08).pdf	103,708	1/13/2010 4:26 PM
Material documents/6092_Amendment 9 (10-30-09).pdf	166,629	1/13/2010 4:26 PM
Material documents/ACTAVIS KADIAN CERT OF FORMATION.pdf	1,173,596	1/13/2010 3:29 PM
Material documents/ACTAVIS KADIAN OPERATING AGMT.pdf	3,113,928	1/13/2010 3:25 PM
Material documents/CORIUM SETTLEMENT AGMT_001.pdf	1,535,896	1/13/2010 4:34 PM

ADJUDICATED DISCOUNT COUPON PROGRAM AGREEMENT

This agreement ("Agreement") is made and entered as of January 1, 2009 ("**Effective Date**"), by and between Triple i Division of MediMedia USA, Inc. ("**Triple i**") with an address of 350 Starke Road, Carlstadt, NJ 07072 and Actavis Kadian LLC, having an address of 60 Columbia Road, Bldg B, Morristown, NJ 07960 ("**Actavis**").

Background

A. Triple i is in the business of, among other things, providing discount coupons for use by pharmaceutical companies for distribution to physicians and/or other channels.

B. Actavis is in the business of developing, marketing and distributing pharmaceutical products.

C. Actavis desires to utilize the services of Triple i in implementing a Point of Service coupon program ("**POS Coupon Program**") to support the distribution portion of its product Kadian® ("**Product**").

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

I. THE POS COUPON PROGRAM.

- Actavis will work with Triple i to develop a Point of Sale Discount Coupon ("**Discount Coupon**") for use in the POS Coupon Program as set forth in this Agreement. An executive summary and overview of the POS Coupon Program is attached hereto as **Exhibit A** and incorporated herein.
- Actavis, through the POS Coupon Program, shall distribute Discount Coupons to hospitals, physicians, or other channels for distribution to end-user patients for redemption at a Participating Pharmacy/Store (as defined below). A current copy of the Discount Coupon and corresponding easel back stand is attached hereto as **Exhibit B** and incorporated herein.
- Triple i shall be responsible for the development, printing, and distribution of the Discount Coupons and easel back stands; provided however, that Actavis must approve all initial artwork, copy, logos and such other content related to such items. Triple i will not make any changes to the artwork, copy, logo or such other content or the Discount Coupon or easel back stand without the prior written approval of Actavis.
- Prior to the initiation of the POS Coupon Program, Triple i shall provide to the coupon processor a copy of the Actavis approved Discount Coupon to review.

1.01 Redemption of Coupons. For purposes of this Agreement, "**Pharmacy/Store**" shall mean any licensed outlet engaged in the business of dispensing, compounding or selling prescription drugs and related products. "**Participating Pharmacy**" shall mean any Pharmacy/Store taking part in the POS Coupon Program contemplated by this Agreement. The Discount Coupon will be adjudicated utilizing claims processing technology by the Participating Pharmacy. Triple i will accept Participating Pharmacy submissions up to two (2) weeks after the expiration date of the Discount Coupon only for prescriptions filled prior to or on the expiration date of the Discount Coupon. The Participating Pharmacy will submit their claims through their pharmacy claims adjudication process. The Participating Pharmacy with approved claims will be paid within thirty (30) days after the submitted Discount Coupon, for the cost of the Discount Coupon amount plus a handling fee per Discount Coupon as set forth in **Exhibit A**. The Discount Coupons redeemed by the patient participating in the POS Coupon Program pursuant to the terms and conditions contained in such Discount Coupons, shall be processed and paid to the Participating Pharmacy by Triple i every two (2) weeks from the Claim Deposit (defined in Section 1.03 below).

1.02 Reports. Triple i will manage and deliver the data monthly in a standard reporting format, samples of which are attached hereto as **Exhibit C**. Customized reporting is available for additional fees. If Actavis desires a change in reporting format later in the POS Coupon Program, a change request must be approved by both parties in writing. Actavis may, at its option and in its sole discretion, request Triple i to provide data files to a third party for POS Coupon Program analysis and reporting. Data files shall not contain protected health information ("**PHI**") except in accordance with the Health Insurance Portability and Accountability Act ("**HIPAA**") and codified at 45 CFR Parts 160 and 164 as amended from time to time ("**HIPAA Privacy Rules**"). PHI includes, but is not limited to, patient's name, address, date of birth, and social security number.

1.03 Claim Deposit.

A. Prior to the launch of the POS Coupon Program, Actavis shall pay to Triple i an amount equal to Three Hundred and Sixty Thousand Dollars ($360,000), which the parties agree is a good faith estimate of eight (8) weeks of anticipated redemptions ("**Claim Deposit**"). Thereafter, during the term of this Agreement, the Claim Deposit shall be maintained at no less than eight (8) weeks of anticipated Claims (as defined below); provided however, that Triple i shall promptly notify Actavis, in writing, if the balance of the Claim Deposit falls below five (5) weeks of anticipated Claims when the Participating Pharmacies are paid ("**Claim Deposit Notice**"). In the event that the Claim Deposit falls below an amount equal to four (4) weeks of anticipated Claims, Triple i, at its option, may suspend the processing of Claims until the Claim Deposit is replenished to eight (8) weeks of anticipated Claims, or terminate the POS Coupon Program; provided that the Claim Deposit has not been replenished within fifteen (15) days from the date Actavis received the Claim Deposit Notice from Triple i.

B. Commencing as of July 1, 2009, on a calendar quarterly basis, the balance of the Claim Deposit shall be evaluated and adjusted based on actual redemptions during the previous calendar quarter, i.e., April 1 through June 30 ("**Quarterly Evaluation**"). For the avoidance of doubt, if the actual redemptions for the applicable calendar quarter is lower or higher (as applicable) than the anticipated redemptions for such period, the amount of the Claim Deposit shall be adjusted accordingly; provided that, in the event actual redemptions in the applicable calendar quarter are equal to or less than twenty-five percent (25%) of the anticipated Claims for said period, then Triple i shall reimburse Actavis such overage within fifteen (15)

days of the applicable Quarterly Evaluation. Within forty-five (45) days of the expiration or termination of this Agreement, Triple i will return to Actavis any unused balance of the amount of the Claim Deposit.

1.04 Payment and Submission of Claims.

A. On a monthly basis, within fifteen (15) days after the end of each calendar month, Triple i shall, via facsimile or other mutually agreed upon electronic means, provide to Actavis, an invoice stating: (i) the Product name Kadian, (ii) the total amount of the redeemed Discount Coupons for the previous month (the "**Claim**"), and (iii) Actavis' contact name, telephone and facsimile numbers (the "**Claim Invoice**").

B. Within thirty (30) days of the receipt of a Claim Invoice, Actavis shall pay Triple i any undisputed Claim by check or electronic deposit as mutually agreed by Triple i and Actavis. If Actavis disputes the amount of any Claim, Actavis shall notify Triple i within ten (10) business days of receipt of the Claim Invoice, giving in writing its reasons for disputing the amount and any supporting documentation. Failure to provide such notice shall waive Actavis' right to dispute such Claim Invoice.

1.05 Payment of POS Coupon Program Costs Not Related to Claim Redemption.

A. In addition to the Claim Invoice, on a monthly basis, within fifteen (15) days after the end of each calendar month, Triple i shall, via facsimile or other mutually agreed upon electronic means, provide to Actavis, an invoice stating: (i) the Product name Kadian, (ii) the total amount of POS Coupon Program costs that are not related to Claim redemptions (as set forth in Exhibit A of this Agreement) for the previous month, and (iii) Actavis' contact name, telephone and facsimile numbers (the "**POS Program Invoice**").

B. Within thirty (30) days of the receipt of a POS Program Invoice, Actavis shall pay Triple i any undisputed amounts by check or electronic deposit as mutually agreed by Triple i and Actavis. If Actavis disputes any amounts on the POS Program Invoice, Actavis shall notify Triple i within ten (10) business days of receipt of such POS Program Invoice, giving in writing its reasons for disputing the amount and any supporting documentation. Failure to provide such notice shall waive Actavis' right to dispute such POS Program Invoice.

1.06 Recordkeeping. Data for Claims processed (a) shall be available on-line for twelve (12) months from the date of loading a Claim and (b) shall be available on archived media for a period of three (3) years from the date the data are no longer available on-line, or for such longer terms if required by law. Actavis understands and agrees that Triple i does not retain copies of remittance advices to pharmacies/stores, management and financial reports, and other documents and materials forwarded pursuant to this Agreement to Actavis or others. Notwithstanding the foregoing periods, subject to Section V of this Agreement, on-line data, paper documents and data shall be available only for as long as this Agreement has not terminated or expired (or as otherwise required by law).

1.07 Internet. Actavis acknowledges that the Internet is not a secure or reliable environment and that the ability of Triple i to deliver Internet services is dependent upon the Internet and equipment, software, systems, data and services provided by various telecommunications carriers, equipment manufacturers, firewall providers and encryption system developers and other vendors and third parties. Actavis acknowledges that use of the Internet in

conjunction with Triple i's services entails confidentiality and other risks that may be beyond Triple i's reasonable control. Triple i agrees to maintain and make available written and commercially reasonable encryption and other mechanisms to protect against unauthorized interception, corruption, use of or access to confidential information that it receives and/or disseminates over the Internet ("**Internet Mechanisms**"). Triple i may, but shall not be required to, modify the Internet Mechanisms from time to time to the extent it believes in good faith that such modifications will not diminish the security of Triple i's systems.

II. TERM AND TERMINATION.

2.01 Term. This Agreement shall commence upon the Effective Date and shall continue for a period of one (1) year, unless earlier terminated as set forth below.

2.02 Termination.

A. Termination of Agreement. Any party may terminate this Agreement (i) with or without cause, upon thirty (30) days prior written notice to the other parties; or (ii) upon written notice to the other parties in the event any party materially breaches any of the representations, warranties, certifications or obligations set forth in this Agreement, and such breach remains uncured for thirty (30) days after notice thereof, or (iii) immediately upon written notice to the other parties if a party becomes insolvent or a receiver is appointed for its business or properties, which appointment is not vacated within sixty (60) days or if any petition is filed by or against it under any provisions of any bankruptcy, insolvency, or similar laws .

B. Termination of Program. The POS Coupon Program may be immediately terminated by Triple i in accordance with Section 1.03 above or any party upon written notice to the other party in the event of a Change of Law, which results in a material adverse effect on the legitimate expectations of either party regarding the POS Coupon Program at the time such party entered into this Agreement (e.g., violation of applicable federal, state or local law or regulation). For purposes of this Section 2.02(B), a "Change of Law" means (i) any new legislation enacted by the federal or any state government; (ii) any new rule, regulation, guideline, or interpretation issued or promulgated by any governmental agency or governmental third-party payor; and/or (iii) any order or decree issued by any judicial or administrative body .

2.03 Rights Upon Termination. The suspension, termination or expiration of this Agreement shall not affect any payment obligation or other obligation that accrued prior to such suspension, termination or expiration. Upon suspension, expiration or termination, Triple i shall not be required to continue to perform services hereunder, including without limitation processing Claims, or providing ongoing storage and maintenance of records, except as set forth in Section 1.07 above; provided however, that Triple i shall provide Actavis with reasonable transition services and information and documentation that reasonably may be needed by Actavis in connection with the orderly and expeditious transition of the POS Coupon Program to another vendor upon request and full payment of any undisputed amounts.

2.04 The parties agree to meet upon the completion of each wave (as defined in **Exhibit A**) to review and discuss the POS Discount Program in good faith to determine: (i) whether and how cost savings may be achieved; and/or (ii) whether Actavis elects to continue the POS Discount Program.

III. REPRESENTATIONS AND WARRANTIES.

Each party hereby represents and warrants to the other parties the following:

3.01 Authorization and Enforcement of Obligations. Such party (a) has the corporate power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder, and (b) has taken all necessary corporate action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party, and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

3.02 No Conflict. The execution and delivery of this Agreement and the performance of such party's obligations hereunder (a) do not conflict with or violate any requirement of applicable laws or regulations and (b) do not conflict with, violate, breach or constitute a default or require any consent under, any contractual obligation of such party.

3.03 Compliance with Laws. Such party shall perform its obligations under this Agreement in compliance with all federal, state and local laws, rules, regulations and guidelines, as amended from time to time, applicable to such entity and its obligations hereunder.

3.04 Additional Representations and Warranties of Actavis. Actavis represents and warrants to the other parties the following:

A. That any information provided by Actavis to Triple i complies, and continues to comply, with the Federal Food, Drug and Cosmetic Act, as amended, and all other applicable laws, rules and regulations and any information provided to Triple i does not infringe on any third party's intellectual property right (including, but not limited to, patent, trademark, service mark, copyright, trade dress).

B. That the Discount Coupons comply, and shall continue to comply, with FDA promotional and advertising regulations and guidance documents.

3.05 Additional Representations and Warranties of Triple i. Triple i represents and warrants to the other parties the following:

A. Triple i has all rights, title and interest in and to all computer programs, databases and other intellectual property needed to perform the services hereunder sufficient to enable Triple i to use them in performing the services hereunder.

B. None of the services contemplated hereunder or any development, use, production, distribution or exploitation thereof will infringe, misappropriate or violate any intellectual property or other right of any person or entity (including, without limitation, patent, trademark, service mark, copyright, trade dress).

IV. CONFIDENTIAL INFORMATION.

4.01 Nondisclosure. During the term of this Agreement and for a period of five (5) years after expiration or termination of this Agreement, no party shall disclose, publish or otherwise make available (orally or in writing) any Confidential Information of the other party to any third party. For purposes of this Agreement, "Confidential Information" means all non-

public and/or proprietary information owned or possessed by the disclosing party, whether existing before the date of this Agreement or created hereafter, including, without limitation: all notes, books, papers, diagrams, documents, reports, memoranda, concepts, formal or analytical methods, technical or scientific data, unpublished findings, biological material, know-how, specifications, processes, techniques; intellectual property, patents, patent applications, trade secrets, inventions, discoveries, trademarks, services marks, trade dress, trade names and equivalents thereof; copyrights, mask works, registrations and applications thereof and any equivalents therof; algorithms, programs, designs, drawings, or formulae; any engineering, manufacturing, marketing, financial or business plan, and all other data or information in whatever form, disclosed by one party to the other. Confidential Information also includes the terms and conditions of this Agreement.

The parties agree that the recipient of the Confidential Information shall not disclose, cause, or permit the disclosure of said Confidential Information to any third party or parties, without the prior written consent of the disclosing party, except for Confidential Information which is expressly excluded by the disclosing party in writing or any Confidential Information which: (a) was known to the receiving party at the time of disclosure by the disclosing party; (b) was generally available to the public at the time of disclosure by the disclosing party; (c) became known to the receiving party from a third party lawfully disclosing such information without breach of this Agreement or (d) was independently developed by or for the receiving party without regard to the Confidential Information.

In the event the receiving Party of Confidential Information is required by applicable law, regulation, rule, governmental authority, regulatory authority or by order of a court competent jurisdiction to disclose any Confidential Information, the receiving party shall give the disclosing party prompt notice thereof so that the disclosing party may seek an appropriate protective order to such required disclosure. The receiving party will reasonably cooperate with the disclosing party in its efforts to seek such protective order. In the event a party is still required to disclose this Agreement or any portion thereof, or to disclose any Confidential Information thereunder, it shall promptly notify the other party. The disclosing party shall use its best efforts to advance the other party's position, as applicable, that such Confidential Information should not be made publicly available.

Actavis acknowledges and agrees that from time to time Triple i may use Program data to analyze the performance of the POS Coupon Program ("Performance Reporting"). Each party agrees that Performance Reporting is considered Confidential Information.

Confidential Information may be disclosed, on a need to know basis, to consultants, agents, and advisors of either party; provided, that the receiving party shall cause those to whom Confidential Information or data is disclosed, regarding or concerning the matters contemplated herein to observe the restrictions set forth in this Section 4. Any party may also disclose such Confidential Information as it deems appropriate to its employees provided such employees have a need to know. The parties agree to enforce the terms and provisions herein as to any such employee, consultant, agent or advisor who receives Confidential Information hereunder, and to assume liability for any unauthorized use or disclosure of Confidential Information by any or all such persons.

The Parties agree that: (a) the confidentiality provisions contained herein are reasonable; (b) any breach of a receiving party's obligations hereunder will cause irreparable damage for which the disclosing party will have no adequate remedy at law; and (c) the disclosing Party

shall be entitled to seek and obtain an injunction and immediate restraints against any breach, threatened breach, or potential breach, of this Agreement, in addition to any other remedy it may have under this Agreement, at law, or in equity.

Upon termination or expiration of this Agreement, or at the request of the disclosing party, the recipient of any Confidential Information shall promptly return all Confidential; provided however, that the recipient may retain one (1) confidential copy of the returned Confidential Information under the control of its counsel, solely to evidence the scope of its confidentiality obligations hereunder.

4.02 No Publicity. No party shall issue any press release or other public announcement, verbally or in writing, referring to the other party or any entity which controls, is controlled by or under common control of such party. Nothing contained herein shall limit the right of any party to issue a press release or public announcement if, in the opinion of such party's counsel, such press release or public announcement is required pursuant to state or federal securities laws, rules or regulations, or other applicable laws or by any governmental agency, in which case the party required to make the press release or public announcement shall promptly use its commercially reasonable efforts to obtain the approval of the other party as to the form, nature and extent of the press release or public announcement prior to issuing the press release or making the public announcement.

V. LIMITATIONS OF LIABILITY, INDEMNIFICATION AND INSURANCE.

5.01 Actavis Indemnification. Actavis shall defend, indemnify, and hold harmless Triple i and their respective affiliates, directors, officers, employees and representatives from and against any and all claims, liabilities, losses, damages, costs, and expenses (including without limitation reasonable attorneys' fees) ("**Liability**") arising directly or indirectly out of: (a) subject to Sections 3.03 and 3.05, the Discount Coupon; (b) the fraud, intentional misconduct, omission or negligence of Actavis; (c) the use of the Product in the POS Coupon Program; (d) any intellectual property infringement actions (including patent, trademark, service mark, copyright trade dress, trade secret and other proprietary rights) brought by a third party in connection with the Discount Coupons or any other information provided to Triple i by Actavis under this Agreement and used by Triple i without modification; and (e) the breach of any warranty, representation, certification or obligation of Actavis under this Agreement, except that any of the foregoing arises out of or results from Triple i's obligations under this Agreement or Triple i's fraud, intentional misconduct, omission or negligence.

5.02 Triple i Indemnification. Subject to Section 5.05 below, Triple i shall defend, indemnify, and hold harmless Actavis, its affiliates and their respective directors, officers, employees and representatives from and against any and all Liability arising directly or indirectly out of: (a) the fraud, intentional misconduct, omission or negligence of Triple i; (b) any intellectual property infringement actions (including patent, trademark, service mark, copyright trade dress, trade secret and other proprietary rights) brought by a third party in connection with the Discount Coupons or any other information provided by Triple i under this Agreement and used by Triple i without modification; and (c) the breach of any warranty, representation, certification or obligation of Triple i under this Agreement, except that any of the foregoing arises out of or results from Actavis' obligations under this Agreement or Actavis' fraud, intentional misconduct, omission or negligence.

5.03 Indemnity Process. Each party agrees, to the extent reasonably practicable, to cooperate with the indemnifying party in the defense of any claims made by third party(ies) to which this Section 5 applies, including, but not limited to, (i) promptly notifying the indemnifying party and its applicable insurance carrier of the Liability to be indemnified; (ii) allowing the indemnifying party to conduct and control (at the cost and expense of such indemnifying party), at its option, the defense of such a claim and any related settlement negotiations, with the exception of a settlement which includes any admission of liability by the indemnified party, which admission may only be granted to the indemnifying party by the indemnified party in writing; and (iii) affording all reasonable assistance to the indemnifying party (at the cost and expense of such indemnifying party) and making no admission prejudicial to the defense of such a claim. Subject to other provisions of this Section 5, the indemnified party may, at its sole cost and expense, participate in the defense of any claim hereunder with counsel of its own choice.

5.04 Limitation of Liability.

NO PARTY SHALL BE LIABLE TO THE OTHER PARTIES FOR ANY CONSEQUENTIAL (SPECIFICALLY EXCEPTING THOSE CONSEQUENTIAL DAMAGES ARISING FROM EACH PARTY'S OBLIGATION TO INDEMNIFY THE OTHER AS SET FORTH IN THIS SECTION 5), INCIDENTAL, INDIRECT, SPECIAL, OR OTHER SIMILAR DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT (INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUES, PROFITS OR DATA, WHETHER IN CONTRACT OR TORT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), OTHER THAN CLAIMS BY THIRD PARTIES FOR SUCH CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, OR OTHER SIMILAR DAMAGES. FURTHER, NOTWITHSTANDING ANYTHING TO THE CONTRARY THAT MAY BE CONTAINED IN THIS AGREEMENT, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY IN THE AGGREGATE IN CONTRACT, TORT, OR OTHERWISE ARISING FROM THE RELATIONSHIP OF THE PARTIES OR THE CONDUCT OF BUSINESS UNDER THIS AGREEMENT, FOR AN AMOUNT EXCEEDING, IN THE AGGREGATE, THE TOTAL AMOUNT TO BE PAID FOR SERVICES UNDER THIS AGREEMENT.

5.05 Insurance. Each party will, at its own cost and expense, maintain and keep in force during the term of this Agreement, commercial general liability, general public liability and property damage insurance against any insurable claim or claims which might or could arise regarding services provided under this Agreement. Such insurance will contain a minimum combined single limit of liability for bodily injury and property damage in the amounts of not less than $2,000,000 per occurrence and $10,000,000 in the aggregate, and will name the other party as an additional insured. In the event that any of the required policies of insurance are written on a claims-made basis, then such policies shall be maintained during the entire term of this Agreement and for a period of not less than three (3) years following the termination or expiration of this Agreement plus twelve (12) months of discovery. Each party will provide to the other party within fifteen (15) days after a party's request, an insurance certificate indicating the foregoing coverage, issued by an insurance company licensed to do business in the relevant states and signed by an authorized agent.

This Section 5 shall survive expiration or termination of this Agreement.

VI. AUDIT AND INSPECTION.

During the term of this Agreement, upon thirty (30) days' prior written notice and during normal business hours, either party shall be entitled to audit and inspect those relevant records which are maintained by the other party in direct connection with its performance under this Agreement; provided, however: (i) the audit or inspection shall be performed by either bona fide permanent employees of the party conducting such audit or inspection, or a mutually agreed upon third-party auditor; and (ii) under no circumstances does either party have the right to audit: (a) the other party's internal costs or (b) accounts and/or records unrelated to the services contemplated hereunder.

VII. DISPUTE RESOLUTION.

Subject to any provisions regarding equitable relief contained herein, the parties agree that any dispute, controversy or difference ("Dispute") that arises in connection with this Agreement shall first be presented for good faith resolution to the respective presidents or senior executives of each party. If no resolution is reached within thirty (30) days or such other reasonable period of time agreed to by the parties in writing, then either party may pursue appropriate legal and equitable relief, as provided by Applicable Law, in any court of competent jurisdiction, consistent with Section 8.01 below..

VIII. MISCELLANEOUS.

8.01 Governing Law. This Agreement shall be governed by the laws of the state of Delaware, excluding its conflicts of laws provisions, and any litigation that may arise herefrom shall be instituted in any U.S. Federal or State court that has jurisdiction.

8.02 Notices. All notices and other communications between the parties which shall or may be given pursuant to this Agreement shall be deemed to have been sufficiently given when delivered by personal service or sent by registered mail, express delivery service or facsimile, to the recipient addressed as follows:

(a) If to **Triple i**:

Triple i
350 Starke Road
Carlstadt, NJ 07072
Attention: Tom Langan, President
Facsimile: 201-231-6281

(b) If to **Actavis**:

Actavis Kadian LLC.
60 Columbia Road
Bldg B
Morristown, NJ 07960
Attention: Nathalie Leitch

With a copy to:

Actavis Kadian LLC
60 Columbia Road
Bldg B
Morristown, NJ 07960
Attn: Legal Department
Facsimile: 973-993-4306

Any notice or other communication required or desired to be given to any party under this Agreement shall be in writing and shall be deemed given: (a) three (3) business days after such notice is deposited in the United States mail, first-class postage prepaid, and addressed to that party at the address for such party set forth above; (b) one (1) business day after delivered to Federal Express, Airborne, or any other similar express delivery service for delivery to that party at that address; or (c) when sent by facsimile transmission, with electronic confirmation, to that party at its facsimile number set forth above. Any party may change its address or facsimile number for notices under this Agreement by giving the other parties notice of such change.

8.03 Entire Agreement. This Agreement constitutes the entire Agreement between the parties relating to the subject matter of this Agreement, and this Agreement may not be amended, except in writing signed by a duly authorized representative of each party.

8.04 Counterparts. This Agreement may be executed in any number of counterparts, all of which together shall constitute a single Agreement.

8.05 Assignment. Neither of the parties may assign this Agreement without the prior written consent of the other party except in connection with the sale of all or substantially all of the stock or assets of such party related to this Agreement. Either party may assign this Agreement to an affiliated company, which is understood to be an entity controlled by, under the control of, or under common control with the assigning party. This Agreement will be binding upon the parties hereto, and their successors and permitted assigns.

8.06 Waiver. No failure by any party to insist upon strict compliance with any term of this Agreement, to enforce any right, or to seek any remedy upon any default of the other parties shall affect, or constitute a waiver of, the first party's right to insist upon strict compliance, to exercise that option, to enforce that right, or to seek that remedy with respect to that default or any prior, contemporaneous, or subsequent default. No custom or practice of the parties at variance with any provision of this Agreement shall affect, or constitute a waiver of, that party's right to demand strict compliance with all provisions of this Agreement.

8.07 Independent Contractor. The relationship of the parties is that of independent contractors, and no party shall incur any debts or make any commitments for the other parties except to the extent expressly provided in this Agreement. Nothing in this Agreement is intended to create or shall be construed as creating between the parties the relationship of joint ventures, co-partners, employer/employee or principal and agent.

8.08 Force Majeure. If the performance of any part of this Agreement by any party shall be prevented, restricted, interfered with or affected for any length of time by fire or other casualty, government restrictions, acts of terrorism, embargo, war, riots, strikes or labor disputes, lock out, transportation delays, acts of God, or any other causes which are beyond the reasonable control of such party, such party shall not be responsible for delay or failure of performance of this Agreement for such length of time ("**Force Majeure**"); provided however, that a delay in a party's obligation to repay or reimburse amounts, as applicable, during such Force Majeure period shall not a constitute a waiver of such requirement thereafter. Neither party may terminate this Agreement because of such delay or failure of performance except upon thirty (30) days' prior written notice to the other party if the delay or failure of performance has existed for thirty (30) days and is continuing at the end of the thirty (30) day notice period; provided that the foregoing shall not restrict the right of Triple i to suspend claims processing in the event the

Claims Deposit is depleted.

8.09 Sophisticated Parties. Each party to this Agreement is a sophisticated business party negotiating in good faith with the advice of legal counsel. Each party is hereby advised to seek the advice of legal counsel prior to executing this Agreement. Neither party shall be considered to be the party which drafted this Agreement and no presumptions regarding interpretation of this Agreement shall be made in connection with the preparation of this Agreement.

8.10 Severability. If any term of this Agreement is declared invalid or unenforceable by a court or other body of competent jurisdiction, the remaining terms of this Agreement will continue in full force and effect.

8.11 Survival. Sections III (Representations and Warranties), IV (Confidential Information), V (Limitations of Liability, Indemnification and Insurance), VI (Audit and Inspection) and VIII (Miscellaneous) shall survive termination or expiration of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Agreement has been executed by the parties through their duly authorized officers effective as of the day and year first above written.

Triple I Division of MediMedia USA, Inc.

By: _____

Name: Tom Langan

Title: President, Triplei

Date: March 18, 2009

Actavis Kadian LLC

By: _____

Name: Douglas S. Boothe

Title: CEO, Actavis Kadian LLC

Date: 3/20/2009

REVIEWED LEGAL DEPT.

EXECUTIVE SUMMARY

Actavis has requested a proposal from Triple i for a Kadian co-pay assistance card. To successfully re-launch the Kadian POS Coupon Program (f/k/a Co-Pay Assistance Program), Triple i will communicate the acquisition of Kadian by Actavis and the launch of the program to certain physicians and Participating Pharmacies/Stores. The proposal will be self-explanatory while providing an execution overview for each portion of the program and a financial summary. All capitalized terms used herein shall have the same meaning ascribed thereto in the main text of the Agreement, unless otherwise defined in this **Exhibit A**.

PROGRAM OVERVIEW

Physician Outreach Program

- A file of 9,000 physicians with phone numbers will be provided by Actavis ("**Physician File**").
- A contact database will be created by Triple i and the Physician File will be loaded therein.
- Triple i customer service representatives ("**CSR**") will be trained on the approved call script provided by Actavis.
- Each physician in the Physician File will receive a phone call from a CSR to communicate the following:
    - Acquisition of Kadian by Actavis.
    - Launch of new Kadian POS Coupon Program.
    - Any additional program related to the Product which Actavis has assumed and chosen to continue.

Pharmacy Email Blast

- Actavis to approve a pharmacy letter, a copy of which is attached hereto, which will subsequently be formatted into HTML.
- 3 test emails will be sent by Triple i for approval by Actavis.
- 43,300 Pharmacies/Stores will receive an email blast at the launch of the POS Coupon Program to introduce the new Kadian POS Coupon Program.

Discount Coupons

Program Assumptions and Description:

- A list of physicians to be included in the POS Coupon Program will be provided by Actavis, with the assistance of Triple i.
- 280,000 Discount Coupons will be assembled into 28,000 units of 10.
- Each pack of 10 Discount Coupons will contain a re-order Business Reply Card.
- 10,000 Discount Coupons will be placed into inventory for fulfillment of physician requests.
- 1 Pack of 10 Discount Coupons will be sent to each physician with a letter from Actavis at the launch of the program (Wave 1).
- Each physician will receive 2 additional units of 10 Discount Coupons at a later date (Wave 2 and Wave 3).
    - Auto shipments fulfilled by Triple i.

- Program will run from January 1, 2009 through December 31, 2009.

Web Coupon (Not applicable as of the Effective Date)

- Set-up a coupon landing page for a printable one page coupon that offers up to $50 off the patients out of pocket expense.
- Creative support to create a one page printable coupon.
- **Actavis will create a registration process on the web-site to capture name and address.**
  - **Patients are able to print out one coupon at a time.**
  - Coupons will print with unique identification numbers to allow for tracking unique redemptions.
  - All business rules described in this **Exhibit A** apply.

Project Flow:

- Triple i will co-ordinate the set up of the network to adjudicate the Discount Coupon.

Program Execution:

- Coordinate the design of the Discount Coupon.
- Print Discount Coupon.
- Selected physicians will receive 3 shipments of 10 coupons based upon the following schedule:
  - Wave 1 – To be shipped to each physician upon execution of the Agreement ("Wave 1").
  - Wave 2 - Date of shipment to be determined ("Wave 2").
  - Wave 3 - Date of shipment to be determined ("Wave 3").

Discount Coupon – Up to $50 off each prescription

- The system will be set up based on specific NDC number eligibility and any other Actavis pre-determined rules which would need to be included in the system (with the assistance of Triple i). This would include programming for multiple uses, the value of the Discount Coupon and adjudication purposes.
- Identified by the unique identification number, each patient will be limited to one Discount Coupon with a maximum benefit of up to $600 over a 12 month period.
- The Discount Coupon can be used twice per month with a maximum benefit of up to $50 for each redemption or as otherwise permitted under applicable law.
- The pharmacy will process the Discount Coupon utilizing the claims adjudication system. Pharmacists will be instructed on how to submit a secondary claim for the patient's out-of-pocket expense.
- Patients utilizing the Discount Coupon will receive immediate benefit for their out of pocket expense.

- Any states that are determined to be ineligible due to legal restrictions for Discount Coupons would have an edit built into the program, and Discount Coupons would not be eligible for processing at the pharmacy in these states.
- **Any claim processed under Medicaid, Medicare or any governmental program is not eligible for redemption of this program.**
- This offer is not valid for Massachusetts residents unless they have no prescription drug insurance.
- The pharmacist will adjudicate the Discount Coupon and process through the adjudication system for reimbursement.
- There will be a pharmacy help desk provided for all pharmacies to call with questions on the processing.
- A separate Patient/Physician Help Desk support line to address any questions on the use of the Discount Coupons.
- The Discount Coupons will be adjudicated by the pharmacy utilizing the BIN#, RxPCN# and the ID#. The expiration date will be December 31, 2009.
- Triple i will accept pharmacy transmissions up to two weeks after the Discount Coupons's expiration date for prescriptions filled prior to or on the expiration date.
- Pharmacists will submit their claims through Triple i's claims processor and the Therapy First Network.
- The handling fee is a pass through charge back to Actavis.
- Contract must be signed and an 8 week pre-fund must be received prior to POS Coupon Program kickoff.

Discount Coupon Production Specifications:

- 280,000 Brochures
  - 100# Coated text
  - Flat 6 x 11; folded 3 3/4 x 6
- 280,000 Discount Coupon
  - 14pt laminated card
- Easel back stand
  - 18pt T1F; 4c
- Assembly
  - 28,000 units of 10 Discount Coupon will assemble
    - 10 brochures with a Discount Coupon spot glued to the 3rd panel and 10 PI will be placed into an easel back stand and shrink-wrapped.
    - Package insert provided by Actavis.

Shipment:

- UPS standard ground shipment shall apply unless otherwise mutually agreed upon by the parties in writing on a case-by-case basis.
- Fees for shipping shall be credited to Actavis' UPS account.

Timing:

- Set up and printing takes approximately 15 days from final approval of contract and copy reviews. In order to launch the program, an 8 week Claim Deposit must be provided.

Reporting Details:

- Monthly Standard reports will be provided to the Actavis brand team.
- Sample reports are attached hereto in Exhibit C.

Payment Terms:

- Initial Payment: The first payment will be invoiced upon completion of the print production. Payment includes the total cost for the Discount Coupon development, print production and database set-up.

- Claim Deposit: The current value of the Claim Deposit is $360,000, which is approximately eight (8) weeks of anticipated redemptions. An eight (8) week Claim Deposit will be: (i) maintained throughout the term of the POS Coupon Program, (ii) adjusted accordingly based upon Quarterly Evaluations (in the event actual redemptions are equal to or less than twenty-five percent (25%) of the anticipated redemptions for the applicable calendar quarter, Triple i will reimburse Actavis such overage within fifteen (15) days of the applicable Quarterly Evaluation), and (iii) will be applied to the final payment. The Claim Deposit is used to pay the Participating Pharmacy for Product re-imbursement every two (2) weeks and at that time, Triple i will promptly notify Actavis in writing if the balance falls below five (5) weeks of anticipated redemptions. The actual amount is billed monthly to replenish the Claim Deposit for reimbursement payments. Any remaining amounts in the Claim Deposit will be credited back to Actavis within forty-five (45) days of termination or expiration of the POS Coupon Program.

- Interim Payments: The interim payment will be invoiced monthly via a Claim Invoice or POS Program Invoice, as applicable based on the redemption rate for the Discount Coupons. This includes all variable cost as well as monthly fixed costs.

- Final Payment: The final payment will be invoiced upon completion of the program. Final payment will include all pass through expenses including postage and shipping, and the final Discount Coupon redemption report and processing.

- Invoices: Within thirty (30) days of the receipt of a Claim Invoice or POS Program Invoice, Actavis shall pay Triple i any undisputed Claim and such other applicable POS Coupon Program costs by check or electronic deposit as mutually agreed by Triple i and Actavis.

PROGRAM FEES:

Economic Considerations

Length of program	12	Months
Total Cards Distributed	280,000	
Total Units of 10	28,000	
Redemption Rate	10.0%	Initial Enrollment

	Coupon Pricing	
Reimbursement amount for patient co-pay, up to:	$48.00	(per redemption)

Task	Company	Quantity	Unit Cost	Total
Loyalty Card Design, Production and Distribution	Triple i			
Creative and Design		1	$4,500	$4,500
Production, assembly and packaging / unit of 10		28,000	$3.90	$109,200
Program Coordination and Project Management		11	$2,500	$27,500
Ship out to targeted physicians			TBD	TBD
		TOTAL		**$141,200**
Inbound/Outbound Call Center Help Line				
Set-up and Management		1	$7,500.00	$7,500
Outbound Calls (average 3 to 5 min)		9,000	$5.85	$52,650
Help Desk assumes a 2 minute call @ 2.75 per call or a $500 mth min.		12	$500.00	$6,000
		TOTAL		**$66,150**
Pharmacy Email Blast				
Development and Set-Up		1	$2,800	$2,800
Pharmacy Email List (43,330)		43	$655.00	$28,362
		TOTAL		**$31,162**
Coupon Fulfillment				
Database Development		1	$5,250	$5,250
BRC return / data capture and fulfillment (200/month)		2,400	$2.75	$6,600
Storage ($22 per pallet/month)		24	$22.00	$528
PO Box		1	$1,250.00	$1,250
Postage		2,400	$0.42	$1,008
		TOTAL		**$14,636**

Redemption Expenses	Third Party Adjudicator		
Number of Cards Redeemed	28,000 Initial Enrollment		
Enrollment/1st Fill	10%	28,000	Redemptions
Claim Reimbursement ($50.00)		$48.00	$1,344,000
Processing fee (per redemption)		$0.94	$26,320
Pharmacy Handling Fee (Average)		$1.25	$35,000
Refill Redemptions **(Schedule on sheet 2)**	59.97%	16,792	Redemptions
Claim Reimbursement ($50.00)		$48.00	$806,006
Processing fee (per redemption)		$0.94	$15,784
Pharmacy Handling Fee (Average)		$1.25	$20,990

Redemption Program Fees: Itemized Summary			
Implementation Set-up Fee		$8,500	**$8,500**
Monthly Administrative Fees (Includes 1-800 Pharmacy Help Line)		$1,500	**$18,000**
Claim Reimbursement ($50.00)		$48.00	**$2,150,006**
Processing fee (per redemption)		$0.94	**$42,104**
Pharmacy Handling Fee		$1.25	**$55,990**
Reporting Options	Set up	per Month	**Total**
Standard Reports	$1,500	$1,500	**$19,500**
REDEMPTION AND REPORTING TOTAL			**$2,294,100**

TOTAL	**$**	**2,547,248**

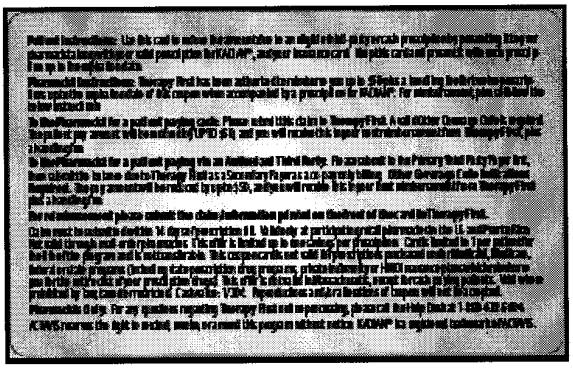
Redemption Schedule

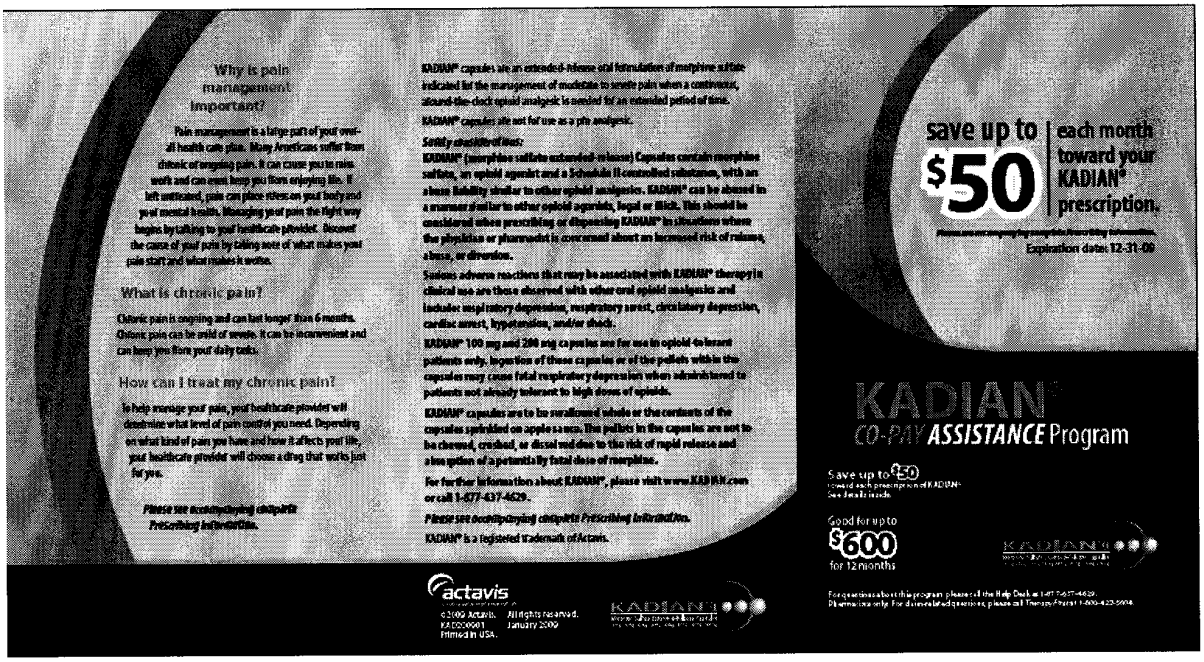
Refill Redemption Schedule				
2nd Fill		30%	8,400	Redemptions
	Claim Reimbursement ($50.00)		$48.00	$403,200
	Processing fee (per redemption)		$0.94	$7,896
	Pharmacy Handling Fee (Average)		$1.25	$10,500
3rd Fill		50%	4,200	Redemptions
	Claim Reimbursement ($50.00)		$48.00	$201,600
	Processing fee (per redemption)		$0.94	$3,948
	Pharmacy Handling Fee (Average)		$1.25	$5,250
4th Fill		50%	2,100	Redemptions
	Claim Reimbursement ($50.00)		$48.00	$100,800
	Processing fee (per redemption)		$0.94	$1,974
	Pharmacy Handling Fee (Average)		$1.25	$2,625
5thFill		50%	1,050	Redemptions
	Claim Reimbursement ($50.00)		$48.00	$50,400
	Processing fee (per redemption)		$0.94	$987
	Pharmacy Handling Fee (Average)		$1.25	$1,313
6th Fill		50%	525	Redemptions
	Claim Reimbursement ($50.00)		$48.00	$25,200
	Processing fee (per redemption)		$0.94	$494
	Pharmacy Handling Fee (Average)		$1.25	$656
7th Fill		50%	263	Redemptions
	Claim Reimbursement ($50.00)		$48.00	$12,600
	Processing fee (per redemption)		$0.94	$247
	Pharmacy Handling Fee (Average)		$1.25	$328
8th Fill		50%	131	Redemptions
	Claim Reimbursement ($50.00)		$48.00	$6,300
	Processing fee (per redemption)		$0.94	$123
	Pharmacy Handling Fee (Average)		$1.25	$164
9th Fill		50%	66	Redemptions
	Claim Reimbursement ($50.00)		$48.00	$3,150
	Processing fee (per redemption)		$0.94	$62
	Pharmacy Handling Fee (Average)		$1.25	$82
10th Fill		50%	33	Redemptions
	Claim Reimbursement ($50.00)		$48.00	$1,575
	Processing fee (per redemption)		$0.94	$31
	Pharmacy Handling Fee (Average)		$1.25	$41
11th Fill		50%	16	Redemptions
	Claim Reimbursement ($50.00)		$48.00	$788
	Processing fee (per redemption)		$0.94	$15
	Pharmacy Handling Fee (Average)		$1.25	$21
12 Fill		50%	8	Redemptions
	Claim Reimbursement ($50.00)		$48.00	$394
	Processing fee (per redemption)		$0.94	$8
	Pharmacy Handling Fee (Average)		$1.25	$10
Refill Redemption Fees: Itemized Summary				
	Total Refill Redemptions		**59.97%**	**16,792**
	Claim Reimbursement ($50.00)		$48.00	**$806,006**
	Processing fee (per redemption)		$0.94	**$15,784**
	Pharmacy Handling Fee (Average)		$1.25	**$20,990**
		Total		**$842,780**

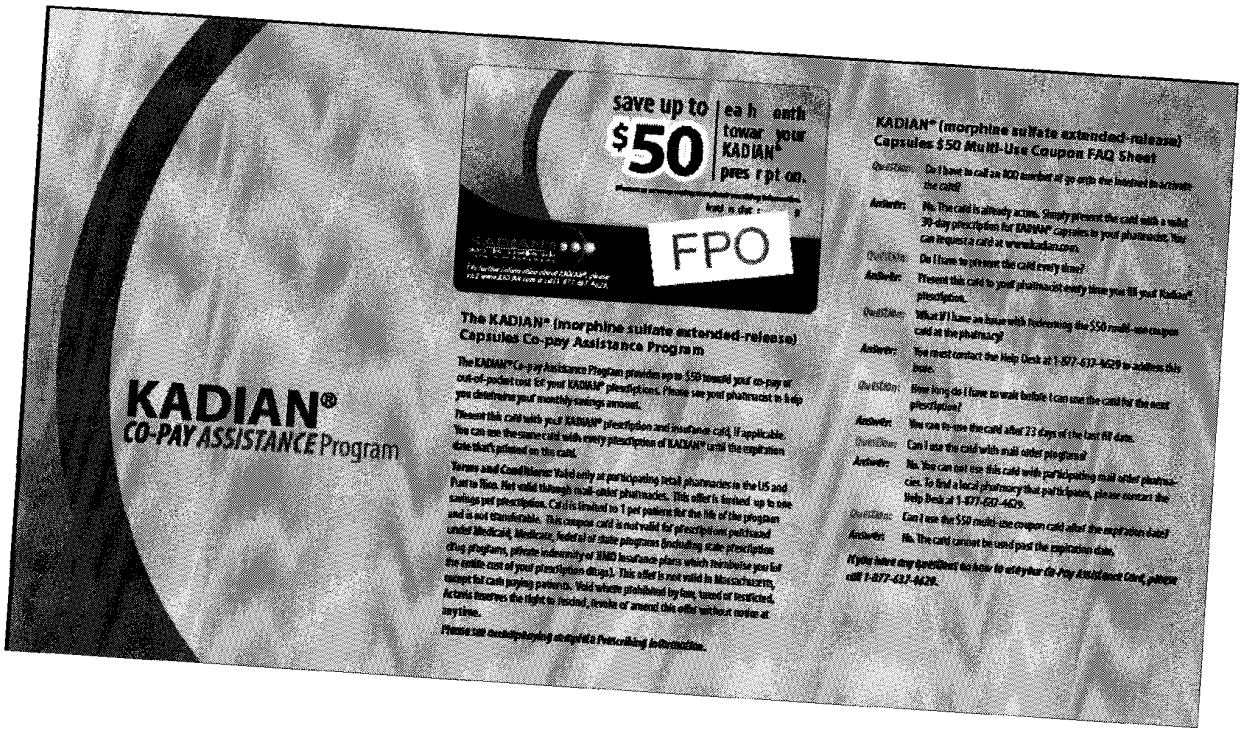
Exhibit B

Discount Coupon

Hardcopies to be provided.






KADIAN®
CO-PAY ASSISTANCE Program
save up to
$50
FPO
The KADIAN® (morphine sulfate extended-release) Capsules Co-pay Assistance Program
KADIAN® (morphine sulfate extended-release) Capsules $50 Multi-Use Coupon FAQ Sheet

Easel Back Stand

Hardcopy to be provided.

Exhibit C

Triple i

Kadian 2009 Inbound Calls Coupon NDC Utilization Report

Issue Date: 2/1/2009

			Period: January 2009					
Drug Name	Form Strength	NDC	Redemptions	NDC Share %	Patient Expense	Coupon Amount	Sales Tax	Total Paid to Pharmacy
Kadian 2009 Inbound	20MG	63857032211	13	24.53%	$219.17	$573.12	$0.00	$792.29
Kadian 2009 Inbound	50MG	63857032311	1	1.89%	$0.00	$45.00	$0.00	$45.00
Kadian 2009 Inbound	100MG	63857032411	7	13.21%	$64.52	$255.00	$0.00	$319.52
Kadian 2009 Inbound	30MG	63857032511	11	20.75%	$343.87	$470.00	$0.00	$813.87
Kadian 2009 Inbound	60MG	63857032611	15	28.30%	$106.71	$664.63	$0.00	$771.34
Kadian 2009 Inbound	10MG	63857041011	2	3.77%	$40.00	$85.00	$0.00	$125.00
Kadian 2009 Inbound	80MG	63857041211	4	7.55%	$0.00	$110.00	$0.00	$110.00
Period Totals:			**53**	**100.00%**	**$774.27**	**$2,202.75**	**$0.00**	**$2,977.02**

			Program Totals Through January 2009					
Drug Name	Form Strength	NDC	Redemptions	NDC Share %	Patient Expense	Coupon Amount	Sales Tax	Total Paid to Pharmacy
Kadian 2009 Inbound	20MG	63857032211	13	24.53%	$219.17	$573.12	$0.00	$792.29
Kadian 2009 Inbound	50MG	63857032311	1	1.89%	$0.00	$45.00	$0.00	$45.00
Kadian 2009 Inbound	100MG	63857032411	7	13.21%	$64.52	$255.00	$0.00	$319.52
Kadian 2009 Inbound	30MG	63857032511	11	20.75%	$343.87	$470.00	$0.00	$813.87
Kadian 2009 Inbound	60MG	63857032611	15	28.30%	$106.71	$664.63	$0.00	$771.34
Kadian 2009 Inbound	10MG	63857041011	2	3.77%	$40.00	$85.00	$0.00	$125.00
Kadian 2009 Inbound	80MG	63857041211	4	7.55%	$0.00	$110.00	$0.00	$110.00
Program Totals:			**53**	**100.00%**	**$774.27**	**$2,202.75**	**$0.00**	**$2,977.02**

~ Patient Expense is the patient's Co-Pay Amount
~ Coupon Amount is the equivalent to Total Amount Paid (by the sponsoring pharma company)
~ Total Paid to Pharmacy is the Sum of Ingredient Cost, Dispensing Fee and Sales Tax

Triple i

Kadian 2009 Inbound Calls Coupon Physician Ranking Report

Period: January 2009

DEA Number	Prescriber Name	Address	City	State	Zip	Redemption Counts			
						Period	YTD	MAT	PTD
1215974944	PEREZ, CHRISTOPHER	606 NW 112TH WAY	POMPANO BEACH	FL	33071	1	1	1	1
1235108853	SLOAN, ALLEN	1168 W MARTINTOWN RD	NORTH AUGUSTA	SC	29841	1	1	1	1
1245232693	HALLEY, RANDALL	105 S RIDGECREST AVE	NIXA	MO	65714	1	1	1	1
1265468490	HOPE, ELLEN	1110 N CLASSEN BLVD	OKLAHOMA CITY	OK	73106	1	1	1	1
1326028630	SIEGEL, ALAN	967 N UNIVERSITY DR	POMPANO BEACH	FL	33071	1	1	1	1
1336103365	GORE, HERMAN	900 COX RD	GASTONIA	NC	28054	1	1	1	1
1336186915	DROURR, NATHANIEL	1210 S OLD DIXIE HWY	JUPITER	FL	33458	1	1	1	1
1356345714	SCHWARTZ, MICHAEL	4334 NW EXPRESSWAY	OKLAHOMA CITY	OK	73116	1	1	1	1
1417053414	STODDARD, SARA	1205 CORPORATE CENTER DR	OCONOMOWOC	WI	53066	1	1	1	1
1427133552	STANTON-HICKS, MICHAEL	9500 EUCLID AVE	CLEVELAND	OH	44195	1	1	1	1
1447255708	RISON, ALLAN	47 CAVALIER BLVD	FLORENCE	KY	41042	1	1	1	1
1497723449	SCHMIDT, JEANETTE	621 W COLUMBIA ST	EVANSVILLE	IN	47710	1	1	1	1
1508839689	HATCH, STEPHEN	10228 DUPONT CIRCLE DR E	FORT WAYNE	IN	46825	1	1	1	1
1588678783	BROWDER, JOE	220 FORT SANDERS WEST BLVD	KNOXVILLE	TN	37922	1	1	1	1
1619948429	HANNA, ASHRAF	2250 DREW ST	CLEARWATER	FL	33765	1	1	1	1
1649338294	SHEAR, EVA	2411 W BELVEDERE AVE	BALTIMORE	MD	21215	1	1	1	1
1669567434	ELLISON, GREGORY	2127 E BASELINE RD	MESA	AZ	85202	1	1	1	1
Grand Totals:						**17**	**17**	**17**	**17**

Triple i

Kadian 2009 Inbound Calls Coupon Pharmacy Ranking Report

Period: January 2009

NABP Number	Pharmacy	Address	City	State	Zip	Redemption Counts		
						Period	YTD	MAT
3725035	WALGREEN DRUG STORE #11295	1005 ARLINGTON ST	ADA	OK	74820	1	1	1
3941766	RITE AID PHARMACY #11009	5430 PEACH STREET	ERIE	PA	16509	1	1	1
4209222	CVS PHARMACY #04388	16 BELVEDERE RD	BEECH ISLAND	SC	29842	1	1	1
4353962	WALGREEN DRUG STORE #10572	100 E SIOUX AVE	PIERRE	SD	57501	1	1	1
4431172	WALGREEN DRUG STORE #4084	4542 HIGHWAY 58	CHATTANOOGA	TN	37416	1	1	1
4435322	WALGREEN DRUG STORE #6738	2109 JACKSBORO PIKE	LA FOLLETTE	TN	37766	1	1	1
4439724	EXPRESS SAVE ON DRUGS LLC	622 W MARKET ST	BOLIVAR	TN	38008	1	1	1
4539360	CVS PHARMACY #08393	2101 W SPRING CREEK PKWY	PLANO	TX	75023	1	1	1
4560959	TOM THUMB #3555	3300 HARWOOD	BEDFORD	TX	76021	1	1	1
4593338	HEB PHARMACY #96	7025 VILLAGE CENTER DR	AUSTIN	TX	78731	1	1	1
4608507	DICKS FAMILY PHARMACY	2280 S ORCHARD DR	BOUNTIFUL	UT	84010	1	1	1
4810277	GLOUCESTER PHARMACY	7453 HARGETT BLVD	GLOUCESTER	VA	23061	1	1	1
4838441	WALGREEN DRUG STORE #9046	1460 LEE HWY	BRISTOL	VA	24201	1	1	1
5114246	WALGREEN DRUG STORE #3567	1021 SUMMIT AVENUE	OCONOMOWOC	WI	53066	1	1	1
5115325	SHOPKO PHARMACY #30	2500 E US HIGHWAY 14	JANESVILLE	WI	53545	1	1	1
5118826	WALGREEN DRUG STORE #2042	W61N294 WASHINGTON AVE	CEDARBURG	WI	53012	1	1	1
5121215	PHILLIPS ROCHE A CRI PHARMACY	402 WEST LAKE ST	FRIENDSHIP	WI	53934	1	1	1
		Grand Totals:				17	17	17

35790

FINAL VERSION
PRIVILEGED AND CONFIDENTIAL

SUPPLY AGREEMENT

THIS AGREEMENT is made as of January 1, 2009, ("Effective Date") by and between Noramco Inc. with its principal office at 500 Swedes Landing Road, Wilmington, Delaware 19801 and its Affiliates ("NORAMCO") and Actavis Elizabeth LLC, having an office at 200 Elmora Avenue, Elizabeth, New Jersey 07207 and its Affiliates ("ACTAVIS").

WITNESSETH

WHEREAS, ACTAVIS is a manufacturer and distributor of finished drug products, and

WHEREAS, NORAMCO is a manufacturer of bulk pharmaceuticals, including, morphine sulfate for use in finished pharmaceutical products, and

WHEREAS, ACTAVIS wishes to purchase bulk active ingredients from NORAMCO to use in the manufacture of finished drug products containing said active ingredient for distribution and sale throughout the United States.

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

ARTICLE 1.0 DEFINITIONS

1.1 "Affiliate" of a party to this Agreement shall mean any corporation or partnership or other entity which directly or indirectly controls, is controlled by or is under common control with such party. "Control" shall mean the legal power to direct or cause the direction of the general management or partners of such entity whether through the ownership of voting securities, by contract or otherwise.

1.2 "Commercial Requirements" shall be the total purchases of Product during a calendar year.

1.3 "DMF" as used herein shall mean the file maintained by the U.S. Food and Drug Administration ("FDA"), which contains information submitted by NORAMCO with respect to morphine sulfate, its composition, manufacture, and packaging.

1.4 "Forecasted Requirements" shall be ACTAVIS' expected requirements for Product during the periods defined in Article 4.

1.5 "Product" as used herein shall mean morphine sulfate in bulk form and meeting the Specifications.

1.6 "Specifications" as used herein shall mean the material specifications set forth in Exhibit A, attached hereto and made a part hereof

1.7 "Territory" as used herein shall mean the United States.

ARTICLE 2.0 MANUFACTURE, PURCHASE AND SALE

2.1 NORAMCO shall manufacture, supply, and sell Product to ACTAVIS and ACTAVIS shall order and purchase Product from NORAMCO, all in accordance with the terms and conditions of this Agreement.

2.2 ACTAVIS shall purchase and NORAMCO shall supply at least sixty percent (60%) of ACTAVIS' Commercial Requirements for Product during the term of this Agreement.

2.3 NORAMCO shall manufacture, process, test, label and package the Product in accordance with applicable national, state, and local laws and regulations, including, but not limited to, United States law, local laws, and regulations.

ARTICLE 3.0 TERMS OF PURCHASE

3.1 The Base Price to be paid by ACTAVIS to NORAMCO for Product shall be $950 per kilogram.

3.2 NORAMCO and ACTAVIS shall meet during the fourth quarter of each calendar year during the term of this Agreement to discuss significant changes in market prices for the Product and NORAMCO's cost to produce said Product that have occurred since the Effective Date. If significant changes are identified, the Parties shall negotiate in good faith appropriate adjustments to the price of the Product.

3.3 Should NORAMCO be unable to supply ACTAVIS' requirements for Product during any period during the term of this Agreement, ACTAVIS shall be permitted to purchase its requirements of Product during such period from third parties without violating this Agreement.

3.4 NORAMCO shall pay the freight charges from the place of shipment to ACTAVIS.

3.5 NORAMCO shall bill ACTAVIS for each order of Product delivered. ACTAVIS shall pay each invoice via electronic transfer, or by other means acceptable to NORAMCO, no later than sixty (60) days after receipt. NORAMCO reserves the right to refuse orders and hold shipments of any Product should ACTAVIS' account be in arrears greater than fifteen (15) days.

ARTICLE 4.0 FORECASTS

4.1 Within sixty (60) days of the Effective Date, ACTAVIS shall notify NORAMCO of its Forecasted Requirements for the upcoming calendar year.

4.2 ACTAVIS shall also furnish to NORAMCO during the first calendar month of each subsequent quarter of the term of this Agreement, a written projection of its Forecasted Requirements of Product for each of the next twelve (12) months.

4.3 The parties acknowledge that the foregoing forecasts are estimates and shall not be binding upon ACTAVIS unless and until confirmed in ACTAVIS' written purchase order.

ARTICLE 5.0 PRODUCT ORDERS

5.1 Product shall be ordered on ACTAVIS' standard purchase order form accompanied by the associated Drug Enforcement Administration ("DEA") Form 222, which shall specifically reference this Agreement. The terms and conditions contained in the purchase order, to the extent that they are inconsistent or in conflict with the provisions of this Agreement, are hereby superseded.

--

5.2 ACTAVIS shall issue written purchase orders to NORAMCO at least forty-five (45) days prior to the requested delivery date. ACTAVIS' purchase orders shall be firm orders and shall designate the desired quantity of Product, the delivery date, and any special shipping instructions. NORAMCO shall be required to supply such quantities ordered, provided said quantities for any calendar quarter are no greater than thirty-five percent (35%) of the Forecasted Requirements for the next twelve (12) months per Article 4.0.

ARTICLE 6.0 DELIVERY

6.1 NORAMCO shall cause the Product to be shipped to ACTAVIS or its designate in the quantities specified in ACTAVIS' purchase orders. Delivery shall be F.O.B. the place of shipment. NORAMCO shall bear the expense and cost of putting each order of Product into the possession of the carrier. Risk of loss shall pass to ACTAVIS upon receipt by ACTAVIS.

6.2 Prior to shipment, NORAMCO shall cause each lot of Product comprising the shipment to be tested for conformance with the Specifications and shall furnish to ACTAVIS the results of such testing including, but not limited to, a Certificates of Analysis with each shipment.

6.3 NORAMCO shall also furnish ACTAVIS with a Material Safety Data Sheet for the Product and shall timely furnish material updates to the Material Safety Data Sheet as they occur.

ARTICLE 7.0 INSPECTION

7.1 Upon receipt of each order of Product, ACTAVIS shall inspect the order to ascertain that the shipment conforms to the order and that it contains the designated quantity of Product.

7.2 ACTAVIS shall notify NORAMCO in writing within ninety (90) days after receipt of the shipment whether it accepts or rejects the Product. ACTAVIS' failure to reject Product within such period shall constitute acceptance thereof; provided, however, that nothing contained herein shall prevent ACTAVIS from rejecting Product for latent defects discovered by ACTAVIS after such stipulated period has expired and which could not reasonably be discovered within ninety (90) days of receipt of Product (provided that ACTAVIS notifies NORAMCO within thirty (30) days after it discovers or reasonably should have discovered such latent defect).

7.3 Without limitation to any other rights specifically set forth in this Agreement, if ACTAVIS rejects Product under Section 7.2 as non-conforming to Specifications, NORAMCO shall promptly replace, at no additional cost to ACTAVIS, and as ACTAVIS' sole and exclusive remedy, any Product which fails to meet Specifications as to which a timely notification pursuant to this paragraph is provided to NORAMCO.

ARTICLE 8.0 REGULATORY MATTERS

8.1 ACTAVIS shall be responsible for obtaining and maintaining during the term of this Agreement all necessary governmental registrations or approvals, including all appropriate state, province or local registrations or approvals as required, for the manufacture and marketing within the Territory of finished drug products incorporating Product supplied by NORAMCO hereunder.

8.2 NORAMCO shall maintain updated DMFs in the Territory with the appropriate governmental authorities. NORAMCO shall grant to ACTAVIS a right of reference to the DMFs on file in the Territory and shall provide information to ACTAVIS concerning the composition, manufacture and packaging of Product as may be required by governmental authorities to enable ACTAVIS to obtain and

maintain governmental registrations or approvals for the manufacture and marketing in the Territory of finished drug products incorporating Product supplied by NORAMCO hereunder. Further, NORAMCO will notify ACTAVIS of any material changes in the DMF process prior to implementation as required by the FDA "Guidelines for Drug Master Files" Section VIIA and applicable FDA regulations. Such changes may include, but are not limited to, modifications in production, testing or packaging procedures.

8.3 ACTAVIS shall have the right, upon reasonable notice to NORAMCO and during regular business hours, to inspect and audit the facilities being used by NORAMCO for production of Product to assure compliance by NORAMCO with applicable rules and regulations and with other provisions of this Agreement. ACTAVIS will provide NORAMCO written observations. NORAMCO will respond in writing to these observations.

8.4 NORAMCO shall notify ACTAVIS of the following within three (3) business days:

a) Initiation of an inspection by the DEA or the FDA when the inspection scope includes the Product.

b) Receipt of notice from the DEA or FDA of formal agency regulatory actions.

ARTICLE 9.0 PRODUCT COMPLAINTS, ADVERSE EXPERIENCES, AND RECALLS

9.1 The parties will notify each other by facsimile (and confirm receipt of same) of all complaints related to Product that were sold by ACTAVIS without undue delay, but no later than three (3) business days of receipt. ACTAVIS will correspond with complainants on all complaints associated with Product sold by ACTAVIS. ACTAVIS shall investigate all Product complaints with respect to the Product, shall maintain a complaint file and shall forward completed complaint reports relating to the Product to ACTAVIS within two (2) business days after completion of a complaint investigation. As needed, ACTAVIS shall provide interim status reports to NORAMCO of complaint investigations if the investigation exceeds thirty (30) calendar days from the day of receipt of a complaint. If NORAMCO, in its reasonable discretion, determines that any physical, chemical, biological or other evaluation should be conducted in relation to a Product complaint, ACTAVIS will conduct the evaluation and provide NORAMCO with a written report of such evaluation. ACTAVIS will notify NORAMCO within twenty-four (24) hours if any such Product evaluation determines that the Product fails to meet Specifications. Evaluations requested by NORAMCO that are not required by regulation and not typically carried out by ACTAVIS in the usual course of its investigations will be at the expense of NORAMCO. NORAMCO shall maintain a complaint file and shall immediately notify ACTAVIS of any complaints relating to the Product, which may be the result of, or have an effect on, the manufacturing performed by NORAMCO.

9.2 The parties shall notify each other without undue delay, but in any event within three (3) business days, regarding any adverse drug events ("ADEs"). ACTAVIS will file any ADEs required under 21 CFR 314.80 and 21 CFR 314.81 concerning the Product to FDA. ACTAVIS shall provide NORAMCO a copy of its quarterly report of all ADEs for the Product within thirty (30) business days after submission to the FDA.

9.3 The parties shall cooperate fully with one another in connection with: (i) any field actions related to the Product including, but not limited to, a recall, field or safety alert, Product market withdrawal, stock recovery or field correction and related press releases and communications ("Recall") required by any regulatory authority or court; and (ii) any Recall requested by either party. In the event either party believes a Recall may be necessary with respect to any Product provided under this Agreement, such Party shall immediately notify the other in writing. In the event it is determined that a Recall is necessary or appropriate, ACTAVIS be responsible for coordinating such Recall, including all contacts with the FDA, and NORAMCO shall provide all necessary cooperation, information and assistance requested by ACTAVIS.

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9.4 ACTAVIS shall be responsible for all Recall Costs (as defined below), and shall reimburse NORAMCO for its applicable Recall Costs, except in the event that a Recall is due to NORAMCO's breach of its representations and warranties, or obligations under this Agreement, applicable laws or its negligence or willful misconduct, in which event NORAMCO shall reimburse ACTAVIS for its Recall Costs to the extent attributable to NORAMCO and in accordance with its relative responsibility for the Recall. If a Recall is due to the acts or omissions of both parties, the parties shall share the Recall Costs in accordance with their relative responsibility for the Recall. For purposes of this Article 9.4, Recall Costs shall mean the expenses of notification and destruction or return of the recalled Product, and, in the case of NORAMCO, Recall Costs shall also include the Base Price paid by ACTAVIS for such recalled Product and the cost of manufacture of associated finished product, including any additional costs related thereto pursuant to this Agreement. Each of the parties shall use commercially reasonable efforts to minimize the Recall Costs, which it incurs and shall provide to the other, upon request, reasonable evidence of the out-of-pocket expenses being claimed by it.

9.5 This Section 9 and the obligations contained herein shall survive the expiration or termination of this Agreement for the period of time that a Recall may be required by applicable laws.

ARTICLE 10.0 WARRANTIES AND INDEMNIFICATION; LIMITATION OF LIABILITY

10.1 NORAMCO warrants that the Product at the time of delivery to the carrier shall:

a) Conform to the Specifications.

b) Not be adulterated within the meaning of the U.S. Federal Food, Drug and Cosmetic Act or any other applicable law.

c) Be in compliance with all applicable federal, state, provincial, and local laws and regulations.

10.2 NORAMCO warrants that it will manufacture Product in compliance with all applicable federal, state, provincial, and local laws including, but not limited to, cGMPs as applied to bulk pharmaceutical chemicals as regulated by the FDA as well as all applicable NORAMCO Standard Operating Procedures during the term of this Agreement.

10.3 Indemnification by ACTAVIS. Subject to Section 10.4 of this Agreement, ACTAVIS shall indemnify, defend and hold harmless NORAMCO, its directors, officers, and employees ("Noramco Indemnified Parties") against any and all liability, loss, damage, loss, cost, or expense (including, without limitation, reasonable attorneys' fees) resulting from any third party claim made or suit ("Liability") brought against NORAMCO to the extent arising or resulting from: (i) the breach by ACTAVIS of its representations, warranties or obligations set forth in this Agreement; (ii) the marketing, sale, handling, transportation or storage of finished product(s) which incorporate Product; or (iii) its negligence or willful misconduct, except that any of the foregoing arises out of or results from NORAMCO's obligations or the negligence or willful misconduct of any Noramco Indemnified Party.

Indemnification by NORAMCO. Subject to Section 10.4 of this Agreement, NORAMCO shall indemnify, defend and hold harmless ACTAVIS, its directors, officers, and employees ("Actavis Indemnified Parties") against any and all Liability brought against ACTAVIS to the extent arising or resulting from: (i) a claim of infringement of any patent or the unauthorized use of a trade secret resulting from the manufacture or sale of the Product; (ii) the breach by NORAMCO of its representations, warranties or obligations set forth in this Agreement or resulting from the breach of its obligations to deliver Product in full conformity to the Specifications and all applicable laws, or (iii) its negligence or willful misconduct, except that any of the foregoing arises out of or results from ACTAVIS' obligations or the negligence or willful misconduct of any Actavis Indemnified Party.

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Indemnity Process. Each party agrees, to the extent reasonably practicable, to cooperate with the indemnifying party in the defense of any claims made by third party(ies) to which this Section 10 applies, including, but not limited to, (i) promptly notifying the indemnifying party and its applicable insurance carrier of the Liability to be indemnified; (ii) allowing the indemnifying party to conduct and control (at the cost and expense of such indemnifying party), at its option, the defense of such a claim and any related settlement negotiations, with the exception of a settlement which includes any admission of liability by the indemnified party, which admission may only be granted to the indemnifying party by the indemnified party in writing; and (iii) affording all reasonable assistance to the indemnifying party (at the cost and expense of such indemnifying party) and making no admission prejudicial to the defense of such a claim. Subject to other provisions of this Section 10, the indemnified party may, at its sole cost and expense, participate in the defense of any claim hereunder with counsel of its own choice.

10.4 Limitations of Liability. NO PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL DAMAGES, INCLUDING (WITHOUT LIMITATION) BUSINESS INTERRUPTION DAMAGES OR LOST PROFITS OR REVENUES, WHETHER IN CONTRACT OR TORT, EVEN IF SUCH PARTY HAS BEEN MADE AWARE OF THE POSSIBILITY OF ANY SUCH DAMAGES AND WHETHER OR NOT, UNDER ANY APPLICABLE CIRCUMSTANCES, ANY SUCH DAMAGES ARE REASONABLY FORESEEABLE. THIS LIMITATION OF LIABILITY SHALL NOT EXTEND TO A PARTY'S INDEMNIFICATION OBLIGATION UNDER ARTICLE 10; PROVIDED HOWEVER, THAT NEITHER PARTY SHALL BE RESPONSIBLE FOR THE PAYMENT OF CONSEQUENTIAL OR INDIRECT DAMAGES AWARDED BY A COURT OF LAW ARISING OR RESULTING FROM A CONTRACT CLAIM BROUGHT BY A THIRD PARTY. NOTWITHSTANDING THE FOREGOING, A PARTY'S INDEMNIFICATION OBLIGATION SHALL COVER THE DEFENSE OF SUCH CONTRACT CLAIM.

ARTICLE 11.0 INSURANCE

11.1 The parties shall each, at its own cost and expense, obtain and maintain in full force and effect the following insurance during the term of this Agreement: (a) Commercial General Liability Insurance with per-occurrence and general aggregate limits of not less than $10,000,000; and (b) Product and Completed Operations Liability Insurance with per-occurrence and general aggregate limits of not less than $10,000,000. In the event that any of the required policies of insurance are written on a claims-made basis, then such policies shall be maintained during the entire term of this Agreement and for a period of not less than three (3) years following the termination or expiration of this Agreement plus twelve (12) months of discovery. Each policy shall provide that not less than thirty (30) days' prior written notice shall be given to the other party in the event of the cancellation, termination or non-renewal thereof. Each party shall name the other party as an additional insured on both the Commercial Liability and Products/Completed Operations Liability Insurance policies.

ARTICLE 12.0 CONFIDENTIAL INFORMATION

12.1 In carrying out the terms of this Agreement it may be necessary that one party disclose to the other certain information which is considered by the disclosing party to be proprietary and of a confidential nature. As used herein "Confidential Information" shall mean any and all information, know-how and data, technical or non-technical concerning any finished drug product or bulk active pharmaceutical ingredient, its manufacture, marketing and sale, which is disclosed and reduced to writing under this Agreement as set forth below and which ACTAVIS or NORAMCO identify as proprietary and confidential. Confidential Information shall include, but shall not be limited to plans, processes, compositions, formulations, specifications, samples, systems, techniques, analyses, production and quality control data, testing data, marketing and financial data, and such other information or data relating to any finished drug product or bulk active pharmaceutical ingredient or its manufacture, marketing or

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sale.

12.2 The receiving party shall not use the Confidential Information for any purpose other than for purposes of performing its obligations under this Agreement and shall divulge the information only to those of its employees who have a need to know it as a part of the receiving party's obligations hereunder and said employees shall hold the information in confidence pursuant to this Agreement. The receiving party shall not disclose Confidential Information to any third party without the written consent of the disclosing party.

12.3 The obligations of confidentiality as provided herein shall terminate five (5) years from the expiration or termination of this Agreement and shall impose no obligation upon the receiving party with respect to any portion of the received information which (i) was known to or in the possession of the receiving party prior to the disclosure; or (ii) is or becomes publicly known through no fault attributable to the receiving party; or (iii) is provided to the receiving party from a source independent of the disclosing party which is not subject to a confidential or fiduciary relationship with the disclosing party concerning the information; or (iv) is generated by the receiving party independently of any disclosure from the disclosing party; or (v) is required by law to be disclosed to government officials who shall be informed of the confidential nature of such information (provided however, in such event the receiving party will give the disclosing party prompt notice thereof so that the disclosing party may seek an appropriate protective order prior to such required disclosure. The receiving party will reasonably cooperate with the disclosing party in its efforts to seek such protective order).

12.4 Upon expiration or earlier termination of this Agreement, the receiving party shall, as the disclosing party may direct in writing, either destroy or return to the disclosing party all Confidential Information disclosed together with all copies thereof, provided, however, the receiving party may retain one archival copy thereof for the purpose of determining any continuing obligations of confidentiality.

ARTICLE 13.0 TERM AND TERMINATION

13.1 This Agreement shall commence on January 1, 2009 ("Effective Date") and shall continue for an initial term of three (3) years. Thereafter, this Agreement shall be automatically renewed for successive terms of one (1) year each unless terminated as of the end of the initial term or any renewal term by written notice from either party to the other given at least one (1) year prior to the expiration of such initial term or renewal term.

13.2 Either party may terminate this Agreement for material breach if such material breach is not cured by the breaching party within thirty (30) days following written notice of such breach from the non-breaching party or the breaching party is not continuing to make all reasonable efforts, with due diligence, to remedy such breach beyond said thirty (30) days. Any termination of this Agreement in accordance with this provision shall be effective as of the date of receipt by the breaching party of a written notice of termination from the non-breaching party.

13.3 ACTAVIS shall have the right on sixty (60) days' prior written notice to terminate this Agreement, without penalty, in the event, in its sole discretion, the sale of Product manufactured pursuant to this Agreement becomes commercially non-viable, if any intellectual property of any third party may be infringed, misappropriated or otherwise violated by the manufacture, import, use, sale or distribution of the Product or if there is an unacceptable risk from a product liability perspective, or if ACTAVIS acquires or merges with another entity, which renders the Product non-viable, or any Regulatory Authority requires ACTAVIS to cease production on Product.

13.4 The rights and obligations with respect to indemnification as provided in Article 10.0 and of confidentiality as provided in Article 12.0 shall survive the expiration or termination of this Agreement.

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13.5 Termination of this Agreement for any reason shall not release either party hereto from any liability which at such time has already accrued or which thereafter accrues from a breach or default prior to such expiration or termination, nor affect in any way the survival of any other right, duty or obligation of either party hereto which is expressly stated elsewhere in this Agreement to survive such termination.

ARTICLE 14.0 NOTICES

14.1 Any notice required or permitted to be given herein shall be deemed to have been sufficiently delivered to either party if given by telephone, telex, or cable and confirmed by registered mail, postage prepaid, addressed as follows:

If to ACTAVIS	Actavis Elizabeth LLC 200 Elmora Avenue Elizabeth, New Jersey 07207 Attention. Tejendra Rao
With a copy to:	Actavis Elizabeth LLC 60 Columbia Rd., Building B Morristown, New Jersey 07960 Attn: Legal Department Facsimile: 973-993-4306
If to NORAMCO:	Noramco Inc. 500 Swedes Landing Road Wilmington, DE 19801 Attention: Vice President Worldwide Bulk Analgesics

14.2 Either party may from time to time by notice served as set forth above designate a different address or a different or additional person to which all such notices or communications hereafter are to be given.

ARTICLE 15.0 LEGAL REQUIREMENTS

15.1 All actions to be taken by the parties under this Agreement shall be taken in full compliance with all applicable laws and governmental regulations and the provisions of this Agreement shall be so construed to effectuate such compliance.

15.2 Anything herein to the contrary notwithstanding, neither party hereto shall be obligated to do any act pursuant to any provisions of this Agreement, when to do so would be inconsistent with any law, rule, ruling, regulation or order of any duly constituted governmental body having jurisdiction over either party.

15.3 If any provision of this Agreement is determined to be illegal or unenforceable or incapable of construction consistent with legal or regulatory requirements, the enforceability of the other provisions of this Agreement shall not be affected and the parties will cooperate in agreeing upon some other method of performance which is consistent with the purposes and intents of this Agreement.

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ARTICLE 16.0 RELATIONSHIP OF THE PARTIES

16.1 Nothing contained in this Agreement shall be deemed to create a partnership or joint venture between the parties, and each of the parties shall be an independent contractor in all matters connected herewith Except as expressly provided herein, neither of the parties hereto shall hold itself out as the agent of the other, nor shall either of the parties incur any indebtedness or obligation to the name of, or shall be binding on the other, without the prior written consent of the other.

ARTICLE 17.0 DISPUTE RESOLUTION

17.1 The parties shall amicably discuss and negotiate any issues that are not specifically set forth herein. If any dispute should arise between the parties with respect to this Agreement, the parties shall first negotiate in good faith in an attempt to resolve such dispute prior to bringing any legal action.

17.2 In the event that a controversy or claim arising out of or relating to this Agreement cannot be amicably resolved by good faith negotiation between the parties, it shall be resolved by arbitration before a single arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA") then pertaining (available at www.adr.org), except where those rules conflict with this provision, in which case this provision controls. Any court with jurisdiction shall enforce this clause and enter judgment on any award. The arbitrator shall be selected within twenty (20) business days from commencement of the arbitration from the AAA's National Roster of Arbitrators pursuant to agreement or through selection procedures administered by the AAA. Within forty-five (45) days of initiation of arbitration, the parties shall reach agreement upon and thereafter follow procedures, including limits on discovery, assuring that the arbitration will be concluded and the award rendered within no more than eight (8) months from selection of the arbitrator or, failing agreement, procedures meeting such time limits will be designed by the AAA and adhered to by the parties. The arbitration shall be held in New Jersey and the arbitrator shall apply the substantive law of New Jersey, except that the interpretation and enforcement of this arbitration provision shall be governed by the Federal Arbitration Act. Prior to commencement of arbitration, emergency relief is available from any court to avoid irreparable harm. Subject to Section 10.4 of this Agreement, the arbitrator shall not award either party punitive, exemplary, multiplied or consequential damages (including but not limited to lost profits) or attorney's fees or costs.

17.3 Prior to commencement of arbitration, the parties must attempt to mediate their dispute using a professional mediator from AAA, the CPR Institute for Dispute Resolution, or like organization selected by agreement or, absent agreement, through selection procedures administered by the AAA. Within a period of forty-five (45) days after the request for mediation, the parties agree to convene with the mediator, with business representatives present, for at least one (1) session to attempt to resolve the matter. In no event will mediation delay commencement of the arbitration for more than forty-five (45) days absent agreement of the parties or interfere with the availability of emergency relief.

ARTICLE 18.0 FORCE MAJEURE

18.1 Neither party shall be considered in default or be liable to the other for any delay or failure in performance of any of its obligations hereunder if caused by circumstances beyond the control of the party, including but not limited to Acts of God, fire, civil unrest, strike, disruption utilities or other public services, flood, war, order of any court, or other causes which cannot be controlled by the party who failed to perform. Each party shall promptly notify the other should such circumstances occur and shall promptly take steps to remedy any delay or failure in performance upon removal of the circumstances causing such delay or failure.

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ARTICLE 19.0 WAIVER

19.1 The waiver by either party of a breach of any provisions of this Agreement shall not operate or be construed as a waiver of any subsequent breach.

ARTICLE 20.0 ASSIGNMENT

20.1 This Agreement may not be assigned by either party without the prior written consent of the other which consent shall not be unreasonably withheld. Notwithstanding the foregoing, either NORAMCO or ACTAVIS may assign its rights and/or obligations hereunder to any of its Affiliates or in connection with any sale of the business to which this Agreement relates.

ARTICLE 21.0 AMENDMENTS

21.1 No changes in or additions to this Agreement shall be binding unless specifically agreed to in writing and signed by the duly authorized representatives of the parties.

ARTICLE 22.0 GOVERNING LAW

22.1 This Agreement and the rights and obligations of the parties hereto shall be governed by and construed in accordance with the internal substantive laws of the State of New Jersey, USA without giving effect to choice of law principles.

ARTICLE 23.0 ENTIRE AGREEMENT

23.1 This Agreement constitutes the complete and exclusive statement of the agreement between the parties and supersedes all proposals, oral or written, and all other communications between the parties relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by their duly authorized representatives as of the day and year first above written.

Noramco Inc.

By: 2/11/04

Name: Michael Kindergan

Title: Global Vice President, Marketing &

Business Development

Actavis Elizabeth LLC

By: Kevin Bain

Name: KEVIN M. BAIN

Title: V.P FINANCE + OPERATION

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EXHIBIT A

SPECIFICATIONS

(Attached)

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NORAMCO INC

DOC TYPE: PRODUCT SPECIFICATION

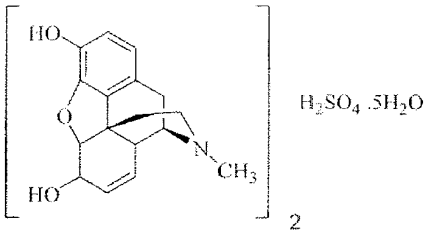
TITLE: MORPHINE SULFATE, USP (FINE GRADE)

LOCATION(S): ATHENS; WILMINGTON

Supersedes: PR0026

VERSION	DESCRIPTION
1.0	Legacy document PR0026.7 migrated to EDMS.
2.0	Updated Header and Legacy document numbers throughout. Updated description section (1.0). Updated specifications according to 08-COC-055. (A. Gaulding)
3.0	Changed the title of section 3.16 from "Organic Volatile Impurities" to "Residual Solvents" and updated to address USP <467> residual solvent requirements. Added Athens as a location for testing (08COC182 and 08COC183, A. Gaulding).

1.0 PRODUCT DESCRIPTION



Morphine Sulfate

$C_{34}H_{50}N_2O_{15}S$
Mol. Wt.: 758.83

7,8-Didehydro-4,5α-Epoxy-17-methylmorphinan-3,6α-diol Sulfate (2:1) (Salt) Pentahydrate

2.0 ITEM NUMBER

Item No.: 770096
SAP No.: 51634001701

3.0 PROPERTIES & REQUIREMENTS

3.1 Description

White to off-white crystalline solid

3.2 Identification – IR Absorption (Current USP <197 A>)

Matches IR of USP Morphine Sulfate Reference Standard
(dried @ 145° for 1 hour)

3.3 Identification – Spot Test (Current USP)

Purple, then blue-violet

3.4 Identification – Color Test (Current USP)

Blue then dark red-brown

3.5 Identification – Sulfate Test (Current USP <191>)

- Barium Chloride TS: A white precipitate should form that is insoluble in either Hydrochloric acid or Nitric acid.
- Hydrochloric Acid: No precipitate should form.
- Lead Acetate TS: A white precipitate should form with a neutralized solution of sulfate that is soluble in Ammonium Acetate TS.

3.6 Specific Rotation (Current USP <781S>)

-107° to -109.5° (Anhydrous Basis)

3.7 Acidity (Current USP)

NMT 0.50 mL is required to produce a yellow color

3.8 Water (Current USP Method I <921>)

Between 10.4% and 13.4%

3.9 Residue on Ignition (Current USP <281>)

Not more than 0.1%, from 500 mg

3.10 Chloride (Current USP)

No precipitate or turbidity is produced immediately

3.11 Ammonium Salts (Current USP)

No odor of ammonia is perceptible

3.12 Limit of Foreign Alkaloids (Current USP)

Not less than 7.5 mL is required (1.5%)

3.13 Residual Ethanol by GC (SOP-NOR-1443)

Not more than 5000 ppm

3.14 Assay by HPLC (SOP-NOR-1443)

98.0 - 102.0% (Calculated on the anhydrous basis)

3.15 Impurities by HPLC (SOP-NOR-1443)

Morphine N-Oxide:	NMT 0.15% w/w
Morphinone Sulfate:	NMT 0.15% w/w
Pseudomorphine Sulfate:	NMT 0.15% w/w
Codeine Sulfate:	NMT 0.20% w/w
Individual Unspecified Impurities:	NMT 0.10% w/w
Total Impurities:	NMT 1.0% w/w

3.16 Residual Solvents (Current USP <467>)

To be included on Certificate of Analysis:

Noramco's compliance with the current USP <467> residual solvent requirements has been demonstrated through the use of a validated test method to measure solvents likely to be present in the Morphine Sulfate drug substance. Only the Class 3 solvent ethanol is likely to be present. Residual Class 2 solvents are below the Option 1 limit and residual Class 3 solvents are below 0.5% (5000 ppm). Therefore, Noramco certifies that this material, if tested, will comply with the established residual organic solvent specifications of USP <467>.

4.0 IN-HOUSE PROPERTIES & REQUIREMENTS

4.1 Color by UV/VIS (Au/g @400 nm) (SOP-NOR-1443)

Informative

4.2 Density (SOP-NOR-1443)

Untapped:	Informative
Tapped:	Informative
Volume occupied by 10 grams (untapped):	Informative

4.3 Insoluble Matter (SOP-NOR-1443)

Passes test

4.4 Impurities by HPLC (SOP-NOR-1443)

Oripavine Sulfate:	NMT 0.10% w/w
Apomorphine Sulfate:	NMT 0.10% w/w
Thebaine Sulfate:	NMT 0.10% w/w

4.5 Particle Size by Airjet Analyzer (SOP-NOR-1443)

#100 Mesh: Informative

#450 Mesh: NLT 80% passing through

4.6 Particle Size by Malvern Mastersizer (SOP-NOR-1443)

Median Diameter:	12 - 25 µm
Percent Greater than 50 µm:	NMT 10%
Percent Less than 8.5 µm:	NMT 30%

5.0 RETEST DATE

5 Years from date of manufacture

6.0 PACKAGING, LABELING & STORAGE

6.1 Packaging

Packaged in double polyethylene liners in high-density polyethylene (HDPE) drums. The polyethylene liners are twisted and tied with locking tie wraps and the drums are secured.

6.2 Labeling

Each container shall be clearly marked with at least the following:

- Contents Name
- Batch/Lot Number
- Quantity

6.3 Storage

Store between 15-40°C as supported by product stability.

7.0 SAMPLING REQUIREMENTS

Analytical: Obtain approximately 100g of sample from a representative source of each batch in a large polyethylene bag or plastic container.

Retain: Obtain approximately 80g of sample from a representative source of each batch in a large polyethylene bag or plastic container.

8.0 TESTING FREQUENCIES

Characteristic	TP	New Lot	Retest
IR Absorption	Current USP	1/lot	N/R
Identity – Spot Test	Current USP	1/lot	N/R
Identity – Color Test	Current USP	1/lot	N/R
Identity – Sulfate Test	Current USP	1/lot	N/R
Specific Rotation	Current USP	1/lot	N/R
Acidity	Current USP	1/lot	N/R
Water	Current USP	1/lot	1/lot
Residue on Ignition	Current USP	1/lot	N/R
Chloride	Current USP	1/lot	N/R
Ammonium Salts	Current USP	1/lot	N/R
Limit of Foreign Alkaloids	Current USP	1/lot	N/R
Assay by HPLC	SOP-NOR-1443	1/lot	1/lot
Residual Solvents	Current USP	N/R	N/R
Color by UV/VIS	SOP-NOR-1443	1/lot	N/R
Density	SOP-NOR-1443	1/lot	N/R
Insoluble Matter	SOP-NOR-1443	1/lot	N/R
Impurities by HPLC	SOP-NOR-1443	1/lot	1/lot
Ethanol by GC	SOP-NOR-1443	1/lot	N/R
Particle Size	SOP-NOR-1443	1/lot	N/R

N/R: Not Required

CONTRACT SALES FORCE AGREEMENT
BY AND BETWEEN
VENTIV COMMERCIAL SERVICES, LLC
AND
ACTAVIS KADIAN LLC

Dated: May 1, 2009

CONTRACT SALES FORCE AGREEMENT

THIS CONTRACT SALES FORCE AGREEMENT (this "**Agreement**"), is made and dated as of May 1, 2009 (the "**Effective Date**"), by and between **ACTAVIS KADIAN LLC**, a limited liability company duly organized and existing under the applicable laws of the State of Delaware, having offices at 60 Columbia Rd., Bldg. B, Morristown, NJ 07960 ("**Actavis**") and **VENTIV COMMERCIAL SERVICES, LLC**, a limited liability company duly organized and existing under the applicable laws of the State of New Jersey, and having a principal place of business at 200 Cottontail Lane, Somerset, NJ 08873 ("**Ventiv**") who together may be referred to collectively as the "**Parties**", or individually as a "**Party**".

PRELIMINARY STATEMENTS

A. Actavis is in the business of developing and marketing pharmaceutical products in the Territory (as defined herein) including but not limited to the extended release morphine sulfate pharmaceutical product known as KADIAN® (the "**Product**").

B. Actavis desires to engage Ventiv to provide an integrated outsourced sales force to promote the sale of KADIAN® in the Territory under the terms and conditions set forth in this Agreement.

C. Ventiv has the ability to provide Services (as defined below) and desires to be so engaged by Actavis pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained in this Agreement, the Parties, intending to be legally bound hereby, do agree as follows:

ARTICLE 1
DEFINITIONS

1.1 **Definitions**. For purposes of this Agreement, the following terms, when used in capitalized form, shall have the meaning designated to them under this Section 1.1, unless otherwise specifically indicated:

(a) **"Act"** shall mean the Federal Food, Drug and Cosmetic Act, 21 U.S.C. § 321 et seq., as amended, and the regulations promulgated thereunder from time to time.

(b) **"Actavis Specific Training"** shall have the meaning set forth in Section 6.4 hereof.

(c) **"Actavis Travel and Expense Policy"** shall mean Actavis' current travel and expense policy which is attached hereto as **Exhibit A**, and incorporated herein. Such policy may be updated and amended from time to time in writing upon mutual agreement by the Parties.

(d) **"Additional Term"** shall mean have the meaning as set forth in Section 10.1.

(e) **"Adverse Drug Experience"** shall mean any adverse drug experience, as defined by 21 C.F.R. 314.80, associated with the use of the Product.

(f) **"Affiliates"** shall mean, in relation to a Party, any person, corporation, firm, partnership or other entity, whether *de jure* or *de facto*, which directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with such Party. An entity shall be deemed to control another entity if it: (i) owns, directly or indirectly, at least fifty percent (50%) of the outstanding voting securities or capital stock (or such lesser percentage which is the maximum allowed to be owned by a foreign corporation in a particular jurisdiction) of such other entity, or has other comparable ownership interest with respect to any entity other than a corporation; or (ii) has the power, whether pursuant to contract, ownership of securities or otherwise, to direct the management and policies of the entity.

(g) **"Applicable Laws"** shall mean all applicable federal, state and local laws, ordinances, rules and regulations applicable to this Agreement or the activities contemplated under this Agreement, including without limitation, the SafeRx Act, the PDMA, the Medicare/Medicaid Anti-kickback Statute set forth at 42 U.S.C. §1320a-7b(b) and equivalent state laws and regulations (the **"Anti-kickback Statute"**), as same may be amended from time to time, whether such laws and regulations are now or hereafter in effect. Applicable Laws shall also include guidance from a Regulatory Authority as they relate to the services and obligations of the Parties, as set forth herein.

(h) **"cGMP"** shall mean current Good Manufacturing Practice as defined in Parts 210 and 211 of Title 21 of the U.S. Code of Federal Regulations, as may be amended from time to time, or any successor thereto.

(i) **"Claim"** shall have the meaning set forth in Section 11.3(a).

(j) "**Confidential Disclosure Agreement**" shall have the meaning set forth in Section 9.1, attached hereto and incorporated by reference.

(k) **"Deployment Date"** shall mean the date the Ventiv Area Business Managers commence Details in the Territory.

(l) **"Detail"** shall mean an interactive face-to-face office visit by a Ventiv Sales Force member with a Prescriber, in the Territory during which the FDA-approved indicated uses, safety, effectiveness, contraindications, side-effects, warnings, and other relevant characteristics of the Product are described by such Ventiv Sales Force member in a fair and balanced manner consistent with the requirements of the Act and the promotional message (as created and directed by Actavis) involving the Product. This includes using, as necessary or desirable, the Product Labeling or the Product Promotional Materials, but excludes incidental contacts. Details conducted by the Ventiv Sales Force member shall be recorded and reported in such Ventiv Sales Force member's call-reporting system. The Parties shall agree upon the business rules associated with Ventiv's call-reporting system. Details by the Ventiv Sales Force shall not include the receipt or distribution of Product samples. When used as a verb, "Detail" shall mean to engage in a Detail as defined in this Section 1.1(l).

(m) "**Equipment**" shall mean equipment leased or owned by Ventiv and provided exclusively to the Ventiv Sales Force providing Services under this Agreement, including, but not limited to, commercially reasonable sales force automation system, laptop computers, handheld PDA's and fleet automobiles.

(n) **"FDA"** shall mean the United States Food and Drug Administration, or any successor entity thereto.

(o) **"Force Majeure Event"** shall have the meaning set forth in 13.1.

(p) "**GDEA**" shall have the meaning set forth in 4.1(g).

(q) "**Governmental Authority**" shall mean any federal, state, local or foreign governmental authority, agency or other body.

(r) "**Hiring Profiles**" shall mean those profiles set forth in **Exhibit D**.

(s) "**Indemnified Party**" shall have the meaning set forth in Section 11.3(a).

(t) "**Indemnifying Party**" shall have the meaning set forth in Section 11.3(a).

(u) "**KADIAN®**" shall mean morphine sulfate extended-release capsules indicated for once or twice daily administration for the relief of moderate to severe pain, pursuant to Actavis' New Drug Application Number 020616 and any supplements thereto.

(v) "**PDMA**" shall mean the Prescription Drug Marketing Act of 1987, as amended, and the regulations promulgated thereunder from time to time.

(w) "**Prescribers**" or "**Targeted Prescribers**" shall mean, as identified by Actavis, (i) medical doctors and doctors of osteopathy that are primary care physicians (i.e., internal medicine practitioners, family practitioners and general practitioners), pain specialists, podiatrists, orthopedic specialists, physical medicine and rehabilitation specialists, neurologists and anesthesiologists, and (ii) other health care professionals, or para-professionals as indicated by Actavis from time to time that are legally authorized to write prescriptions for the Product located in the Territory pursuant to Applicable Laws.

(x) "**Product**" shall mean KADIAN® in the formulations listed in this Section 1.1(x).

KADIAN® (morphine sulfate extended release) 10mg capsules
KADIAN® (morphine sulfate extended release) 20mg capsules
KADIAN® (morphine sulfate extended release) 30mg capsules
KADIAN® (morphine sulfate extended release) 50mg capsules
KADIAN® (morphine sulfate extended release) 60mg capsules
KADIAN® (morphine sulfate extended release) 80mg capsules
KADIAN® (morphine sulfate extended release) 100mg capsules
KADIAN® (morphine sulfate extended release) 200mg capsules

(y) "**Product Labeling**" shall mean all labels and other written, printed or graphic matter upon (i) any container or wrapper utilized with the Products or (ii) any written material accompanying the Products, including, without limitation, Product package inserts, each of which have been provided by Actavis to Ventiv.

(z) "**Product Promotional Materials**" shall mean all written, printed or graphic material, other than Product Labeling, provided by Actavis to Ventiv and intended for use by Ventiv Representatives in connection with Sales Calls, including visual aids, file cards, premium items, clinical studies, reprints, business cards, identification tags and any other promotional support items that Actavis deems necessary or desirable to conduct the Program.

(aa) **"Program"** shall mean Actavis' program of promoting and marketing its Products, as set forth in this Agreement. Ventiv shall implement Actavis' Program pursuant to the terms and conditions set forth in this Agreement.

(bb) "**Program Fee Schedule**" means the schedule of fees and costs ("**Program Fees**") to be earned pursuant to the Program attached hereto as **Exhibit C** and incorporated herein by reference.

(cc) "**Regulatory Authority**" shall mean regulatory guidance including the Office of the Inspector General Compliance Guidance for Pharmaceutical Manufacturers (68 Fed. Reg. 23,731) ("OIG Guidance"), and the Revised PhRMA Code on Interactions with Healthcare Professionals (effective January 1, 2009)("PhRMA Code") as same may be amended from time to time, whether such guidance is now or hereafter in effect.

(dd) **"SafeRx Act"** shall mean that SafeRx Amendment Act of 2008, passed by the District of Columbia Council and effective as of March 26, 2008 which requires pharmaceutical sales representatives to be licensed in Washington D.C. and be subject to regulations as promulgated by the District of Columbia Department of Health and the Board of Pharmacy.

(ee) **"Sales Call"** means the activity undertaken by a Ventiv Sales Force member to Detail the Product, and may include giving Product Promotional Materials to the Prescriber.

(ff) **"Serious Adverse Drug Experience"** means any Adverse Drug Experience occurring at any dose that results in any of the following outcomes: death, a life-threatening adverse drug experience, inpatient hospitalization or prolongation of existing hospitalization, a persistent or significant disability/incapacity, or a congenital anomaly/birth defect.

(gg) **"Services"** shall have the meaning set forth in Section 2.1

(hh) **"Term"** shall mean the term of this Agreement, as provided in Section 10.1.

(ii) **"Territory"** shall mean the United States and its territories, possessions and commonwealths as same may be amended from time to time upon the mutual agreement of the Parties.

(jj) "**Trademarks**" shall mean those trademarks associated with Actavis and the Product.

(kk) **"Training Program"** shall have the meaning set forth in Section 6.2(a).

(ll) "**Ventiv Materials**" shall have the meaning set forth in Section 7.4(b).

(mm) **"Ventiv Representatives"** shall mean any of Ventiv's employees, agents, consultants and representatives, including without limitation the Ventiv Sales Force, used by Ventiv in connection with the conduct of the Program.

(nn) **"Ventiv Sales Force"** shall mean the Ventiv Representatives designated and used by Ventiv to conduct the Program, which, as of the Effective Date, totals no less than eighteen (18) full-time sales representatives (the "**Ventiv Area Business Managers**") who shall be managed and supported by two (2) full-time district managers (the "**Ventiv Regional Business Directors**").

(oo) **"Ventiv Specific Training"** shall have the meaning set forth in Section 6.3.

(pp) "**Work Product**" shall have the meaning set forth in Section 7.4.

1.2 **Interpretation.** Unless the context clearly indicates otherwise, the following rules shall govern the interpretation of this Agreement:

(a) The definitions of all terms defined in this Agreement shall apply equally to the singular, plural, and possessive forms of such terms;

(b) All references in this Agreement to "days" shall mean calendar days, unless otherwise specifically indicated; and

(c) All references to "Articles" and "Sections" shall mean the corresponding Articles and Sections of this Agreement.

ARTICLE 2
APPOINTMENT OF COMPANY; RESPONSIBILITIES

2.1 **Appointment of Ventiv**. Actavis hereby appoints Ventiv as a non-exclusive provider of Sales Calls, and Ventiv hereby accepts such appointment, to diligently carry out the Program within the Territory during the Term, and under the terms and conditions set forth in this Agreement ("**Services**"). In connection therewith, Ventiv shall during the Term of this Agreement maintain a Ventiv Sales Force consistent with the Hiring Profiles to conduct Sales Calls in accordance with the Program and Actavis' marketing plans and strategy for the Product (as communicated to the Ventiv Sales Force during Actavis Specific Training), and consistent with Ventiv's obligations under this Agreement. Ventiv will perform the following services including, but not limited to, (i) recruiting, screening, hiring and provision of the Ventiv Sales Force; (ii) provision of information technology equipment including laptops, printers, all necessary software, hardware and related equipment and support; (iii) provision of fleet automobiles; (iv) Program administration and management; (v) training (as set forth in ARTICLE 6 below); (vi) Territory mapping; and (vii) such other services to be mutually agreed upon by the parties and set forth in writing. The Ventiv Sales Force shall be assigned by Ventiv to exclusively provide Services under this Agreement and will not provide services to or on behalf of any third party during the Term.

2.2 **Responsibilities of Ventiv**. Ventiv shall have the following responsibilities, among others set forth in this Agreement, in connection with the Program:

(a) Ventiv shall recruit, screen, hire and manage the Ventiv Sales Force in conformity with this Agreement, and the Hiring Profiles. Ventiv shall treat all members of the Ventiv Sales Force as employees of Ventiv for all purposes, including, but not limited to, federal, state and local tax, benefit and employment laws. The Ventiv Sales Force shall remain exclusively under the authority, supervision and direction of Ventiv.

(i) Ventiv shall ensure that, where legally permissible, a pre-employment drug screening test is conducted on each Ventiv Sales Force member in accordance with Ventiv's human resource policies. A copy of Ventiv's policy related to the pre-employment drug screening test shall be provided to Actavis upon request.

(ii) Ventiv shall perform a thorough background check and shall use diligent efforts to ensure such Ventiv Sales Force member has no felony convictions related to the performance of the Services, and is not an excluded person on the OIG's List of Excluded Individuals/Entities.

(iii) Ventiv shall perform a Department of Motor Vehicles background check to insure that each Ventiv Sales Force member has a valid and appropriate driver's license so that such Ventiv Sales Force member can appropriately provide the Services.

(b) Ventiv shall cause each member of the Ventiv Sales Force to attend and successfully complete Ventiv Specific Training, in addition to the Training Program, prior to any such member of the Ventiv Sales Force conducting Sales Calls. Thereafter, Ventiv shall cause each replacement Ventiv Sales Force member or additional Ventiv Representative who becomes part of the Ventiv Sales Force to attend and successfully complete Ventiv Specific Training and the Training Program prior to conducting Sales Calls. The expenses (including travel and accommodations, but excluding training materials) for the Ventiv Sales Force to attend and complete the Training Program at the locations and on the dates set forth in Section 6.2(b) or at such other place and time as mutually agreed between the Parties, which the Ventiv Representatives shall be required to attend, shall be paid for by Actavis in accordance with the Actavis Travel and Expense Policy.

(c) Subject to Actavis' obligations to reimburse Ventiv for certain Program related expenses in accordance with the Program Fee Schedule (which expenses shall be paid for by Actavis in accordance with the Actavis Travel and Expense Policy). Ventiv shall be responsible for all costs and expenses incurred by Ventiv Representatives in performing the Program, including without limitation conducting Sales Calls and mailing Product Promotional Materials, including, but not limited to, all start-up, sales force automation expenses and fees, Ventiv Sales Force salaries and bonuses and related taxes, customary review and planning sessions, telephone service and calling costs throughout the Territory, and any other costs associated with maintaining the Ventiv Sales Force, as well as the costs of tracking the Sales Calls made under this Agreement.

(d) Ventiv shall promptly remove from the Program any Ventiv Representative who fails to comply with the terms of this Agreement, Regulatory Authority, and any Applicable Laws, including, without limitation the Anti-Kickback Statute.

(e) Ventiv shall use only Product Promotional Materials provided by or on behalf of Actavis solely for the promotion of the Products in accordance with the terms and conditions of this Agreement. Ventiv acknowledges and agrees that, as between the Parties, Actavis shall own all right and interest in and to the Product Promotional Materials, including, but not limited to, all copyrights therein, and, for the avoidance of doubt, nothing in this Agreement shall be construed to qualify the Product Promotional Materials as a "joint work" (or other term of similar import) under Title 17 of the United States Code or other Applicable Law.

(f) Ventiv shall ensure that no Ventiv Representative will, directly or indirectly, pay, offer or authorize payment of anything of value (either in the form of compensation, gift, contribution or otherwise) to any person or entity in a position to prescribe, recommend or purchase a Product contrary to any Regulatory Authority or any Applicable Law.

(g) Ventiv shall ensure that each member of the Ventiv Sales Force shall maintain in full force and effect all necessary licenses, permits and other authorizations required by Regulatory Authority or Applicable Law to carry out under this Agreement.

(h) Ventiv shall limit its statements, discussions, and claims regarding the Product, including those as to safety and efficacy, to those that are consistent with the Product Labeling and the Product Promotional Materials and pursuant to the Actavis Specific Training, and shall use commercially reasonable efforts to ensure the Ventiv Sales Force does not make any representation, statement, warranty or guaranty with respect to the Product that is deceptive or misleading, or that disparages the Product or

the good name, goodwill or reputation of Actavis. Ventiv shall not add, delete, modify or distort claims of safety or efficacy while conducting Sales Calls, nor make any changes in or modifications to the Product Promotional Materials including, but not limited to, reproduction of those Product Promotional Materials (i.e., photocopy, scanning, or such other digital format). The Ventiv Sales Force shall conduct Sales Calls in adherence to the terms of this Agreement. Additionally, the Ventiv Sales Force shall conduct Sales Calls in compliance with the American Medical Association Guidelines on Gifts to Physicians from Industry and other Applicable Laws. Ventiv shall limit its activities under this Agreement to conducting Sales Calls in accordance with the terms and conditions set forth in this Agreement.

(i) Ventiv shall be responsible for any negligent acts or omissions of any Ventiv Representatives performing the Program.

(j) Ventiv shall keep and maintain the Equipment in good operating order, appearance, and repair, reasonable wear and tear from authorized use excepted. Ventiv assumes and shall bear the entire risk of loss of, theft of, damage to, or destruction of the Equipment or any item thereof.

(k) During the term of this Agreement, Ventiv Representatives shall not, directly or indirectly within the Territory, market, sell, offer for sale, detail or promote, or perform product sales calls, either face-to-face or by telephone, e-mail, mail or the like including, but not limited to, all products being in direct or indirect competition of the Products. The Parties recognize that the restrictions contained in this Section 2.2(k) are properly required for the adequate protection of Actavis' rights under this Agreement and the goodwill associated with the Product, and agree that if any provision of this Section 2.2(k) is determined by a court of competent jurisdiction to be unenforceable, such restriction shall be interpreted to have the broadest application as shall be enforceable under Applicable Law.

(l) Ventiv shall use commercially reasonable efforts at all times to maintain secure firewalls which shall consist of hardware and software properly configured to limit access to the Ventiv Sales Force as necessary to perform the Services and to prevent unauthorized use of or access to Confidential Information of Actavis.

2.3 **Responsibilities of Actavis**. Except for the limited, non-exclusive rights licensed or granted to Ventiv pursuant to the terms of this Agreement, Actavis shall retain all rights and control in, and with respect to, the Product, including, but not limited to, the manufacturing, import, marketing, use, offering, sale and development of the Product and shall ensure all such obligations are conducted in accordance with Applicable Laws. In furtherance and not in limitation of the foregoing, Actavis shall retain the following responsibilities, among others set forth in this Agreement, in connection with the Program:

(a) Actavis shall retain control over and make all decisions with respect to the marketing, planning, and strategy of the Product, and Actavis shall have the sole right and responsibility for establishing and modifying the terms and conditions of the sale of the Product, including without limitation, terms and conditions such as the price at which the Product shall be sold, whether the Product shall be subject to any discounts, the distribution of the Product, and whether credit is to be granted or refused in connection with the sale of any Product. Additionally, Actavis shall be responsible for all negotiations and contracting with formularies, insurers, governmental agencies and instrumentalities, managed care organizations, hospital group purchasing organizations, state Medicaid programs, state patient assistance programs, Medicare Part D programs, FSS, PHS or any other public or private sector reimbursement or purchasing organization, such negotiations and contracting, if any, to be conducted at Actavis' sole and absolute discretion; provided that Actavis shall give Ventiv reasonable advance notice

of any material change or amendment to any of the foregoing contracts which affect Ventiv's obligations under this Agreement so that Ventiv may adjust the Services provided under this Agreement accordingly.

(b) Actavis shall be responsible for determining the content, quantity and the method of distribution of the Product Promotional Materials. Actavis is solely responsible for ensuring all Product Promotional Materials and Product Labeling complies with Applicable Laws.

(c) Actavis shall provide ongoing marketing support for the Products in accordance with this Section 2.3. Actavis shall, at its expense, prepare marketing plans for conducting Sales Calls. Actavis shall retain full control of all activities with respect to the Product, including the preparation and implementation of marketing plans for conducting Sales Calls and for further ensuring same complies with Applicable Laws. Such marketing plans may include matters such as the following: (1) the level of marketing support for the Product; (2) establishing a Product Call and Sales Call plan; (3) the list of Targeted Prescribers; (4) the Product Promotional Materials (including quantities); and (5) the guidelines for the use of Actavis-supplied Product Promotional Materials. No Product samples shall be utilized or distributed in connection with the Ventiv Sales Force conducting Sales Calls.

(d) Actavis shall compensate Ventiv for its Services in accordance with the terms of this Agreement in accordance with the Program Fee Schedule.

(e) Actavis, or an entity on behalf of Actavis, shall provide Ventiv, at Actavis' expense, with all of the training materials relating to the Products for the Training Program as described in Section 6.2(a).

(f) Actavis shall be responsible for any expenses associated with its own sales force, if applicable, including any meeting attendance or coordinated activities with Ventiv and the Ventiv Sales Force.

(g) Actavis shall maintain all regulatory approvals required in order to market the Products and shall comply with all Applicable Laws in connection with the conduct of the Program and Actavis' business pursuant to this Agreement, including, without limitation, all applicable requirements under the Act.

(h) Actavis shall promptly provide Ventiv with copies of all written notices and other material written communications from the FDA and/or any other regulatory agencies that may materially affect Ventiv's ability or right to perform the Services contemplated by this Agreement.

(i) Actavis shall provide the Ventiv Sales Force with Actavis Specific Training.

(j) Actavis shall be responsible for any negligent acts or omissions of any Actavis employee in connection with their obligations and responsibilities to the Program.

(k) Actavis shall ensure that it maintains in full force and effect all necessary licenses, permits and other authorizations required by a Regulatory Authority or Applicable Law to carry out its obligations in connection with the Program.

2.4 **Scope Changes in the Program**. Except as otherwise provided in this Agreement, in the event that Actavis requests a material change in the scope of the Program or in the Services or Product(s) to be provided by Actavis or performed by Ventiv or Ventiv Representatives as applicable under this Agreement, Ventiv and Actavis shall, in good faith, negotiate appropriate written contract revisions in an attempt to agree to such terms pursuant to which such changes shall be implemented or such additional

services performed. Notwithstanding anything to the contrary set forth above, neither party shall be obligated to implement changes or provide additional services without mutual written agreement addressing the terms associated therewith.

2.5 **Orders for the Product**. Actavis shall, in a manner consistent with its contractual commitments, be exclusively responsible for accepting and filling purchase orders for the Product, and for processing billing and returns with respect to the Product and Actavis is further responsible for ensuring all such activities are conducted in accordance with Applicable Laws. If Ventiv receives an order for the Product, it shall promptly transmit such order to Actavis for acceptance or rejection, which acceptance or rejection shall be at Actavis' sole discretion. At no time shall Ventiv have any power or authority to accept or reject orders on behalf of Actavis, nor shall Ventiv represent explicitly or implicitly to any third party that it has such authority.

ARTICLE 3
COMPENSATION

3.1 **Fees**. In consideration for Ventiv conducting the Program in the manner set forth in this Agreement, and performing the Services required under this Agreement, and in accordance with the terms and conditions set forth in this Agreement, Actavis shall pay to Ventiv applicable Program Fees according to the Program Fee Schedule.

3.2 **Payment Schedule; Monthly Invoices**. Program Fees in accordance with the Program Fee Schedule, and the expenses for which Ventiv seeks reimbursement from Actavis pursuant to the Program Fee Schedule (which expenses shall be paid for by Actavis in accordance with the Actavis Travel and Expense Policy), shall be invoiced on a monthly basis to Actavis. Each invoice seeking expense reimbursement from Actavis shall: (i) describe in reasonable detail all expenses for which Ventiv seeks reimbursement from Actavis pursuant to the Program Fee Schedule in connection with conducting the Program, and (ii) be accompanied by a summary statement supporting such expenses (such expenses incurred in accordance with the Actavis Travel and Expense Policy). Upon request, Ventiv shall provide copies of receipts supporting such expenses.

3.3 **Records and Recordkeeping; Monthly Reports**. Ventiv shall keep complete, accurate, and detailed accounting records, records of Services (including the number and type of Sales Calls actually and properly made, during the Term), as well as information captured by its sales force automation system , in accordance with Ventiv's document retention policy but in no event for less than one (1) year after the end of the Term. Ventiv shall have in place complete and accurate data collection and reporting systems to ensure accuracy in providing information regarding the number and type of Sales Calls and shall ensure that such information is maintained in accordance with Ventiv's document retention policy. In addition, Ventiv shall preserve any records or information as directed by Actavis, in writing, in order to allow Actavis to comply with any legal, compliance, or regulatory obligations (also known as a "Legal Hold") until such time as Actavis informs Ventiv that the Legal Hold has been lifted. In the event Ventiv is directed by Actavis, in writing, to keep records and information longer than required by its documentation retention policy or one year after the end of the Term, Actavis shall be required to pay the reasonable costs associated with the retention of such files. No later than ten (10) days after the end of each month during the Program, Ventiv shall submit to Actavis a written report and an electronic file thereof (and substantiation therefor) setting forth: (i) the number and type of Sales Calls made by Ventiv Representatives and the identity (name, address and phone number) of each Prescriber to whom such Sales Calls were made within the Territory during the preceding month; and (ii) any other records as mutually agreed to by the Parties.

(a) **Audits**. Upon the reasonable advance written request of Actavis and no more frequently than once every twelve (12) month period (or more often for cause), Ventiv shall permit Actavis or its authorized representatives (who execute a form of confidentiality agreement acceptable to Ventiv) to (a) have access to the Sales Calls records maintained by Ventiv and each member of the Ventiv Sales Force and (b) audit any other records maintained by Ventiv in connection with the Services. Any and all audits undertaken by Actavis pursuant to this Section 3.3(a) shall be performed at the sole expense of Actavis. If the audit discloses any underpayment of five percent (5%) or more of the compensation due to Ventiv for the audit period, then Actavis will pay all amounts due Ventiv within thirty (30) days after receipt of invoice from Ventiv. If the audit discloses any overpayment of five percent (5%) or more of the compensation due to Ventiv for the audit period, then Ventiv shall reimburse Actavis for the cost of the audit. In addition, Ventiv will return such excess amounts to Actavis within thirty (30) days after receipt of invoice from Actavis.

3.4 **Payments**. All payments to be made by Actavis to Ventiv pursuant to this ARTICLE 3 shall be made by check or wire transfer, as mutually agreed by the Parties, within thirty (30) days of Actavis' receipt of the invoice from Ventiv. If the payments are to be made by wire transfer, such payments shall be made to the designated account of Ventiv in accordance with wiring instructions to be provided. If not paid within thirty (30) days after Actavis' receipt of the invoice from Ventiv, Ventiv may assess a finance charge of 1.5% monthly, applied to the outstanding balance due. In the event of an overpayment and/or adjustment(s) to any fees or costs due pursuant to the Program Fee Schedule, at Actavis' option, such overpayment and/or adjustment(s) may be credited against amounts subsequently due hereunder or reimbursed by Ventiv to Actavis via check within thirty (30) days from written notice thereof.

3.5 **Withholding Payments**. If any portion of an invoice is disputed, then Actavis shall pay the undisputed amounts as set forth in Section 3.4 and the Parties shall use good faith efforts to reconcile the disputed amount as soon as practicable.

3.6 **State and Federal Taxes**. With respect to any payments paid by Actavis to Ventiv under this Agreement, Ventiv shall be responsible for all payments to Ventiv Representatives, including (i) withholding FICA (Social Security and Medicare taxes) from payments made to Ventiv Representatives; (ii) make state or federal unemployment compensation or disability contributions on behalf of Ventiv Representatives; or (iii) withhold state or federal income tax from payments made to Ventiv Representatives. Ventiv is obligated by law to report as income all compensation received by Ventiv pursuant to this Agreement. Ventiv is responsible for all taxes, if any, imposed on it in connection with its performance of Services under this Agreement, including any federal, state and local income, sales, use, excise and other taxes or assessments thereon. Ventiv's duty to account to the relevant tax and other authorities shall be Ventiv's sole responsibility.

ARTICLE 4
REPRESENTATIONS, WARRANTIES AND COVENANTS

4.1 **Representations, Warranties and Covenants of Ventiv**. Ventiv represents, warrants and covenants to Actavis as follows:

(a) Ventiv is duly organized, validly existing, and in good standing under the laws of the state in which it is formed.

(b) Ventiv has the authority to enter into this Agreement and that it is not bound by any other agreement, obligation or restriction, and shall not assume any other obligation or restriction or

enter into any other agreement, which would interfere with its obligations under this Agreement.

(c) The execution and the delivery of this Agreement and the consummation of the transactions contemplated hereby will not: (i) conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute an event of default under, any instrument, agreement, mortgage, judgment, order, award, or decree to which Ventiv is a party or by which Ventiv is bound; or (ii) require the affirmative approval, consent, authorization or other order or action of any court, Governmental Authority or of any creditor of Ventiv.

(d) Ventiv has the requisite personnel, facilities, equipment, expertise, experience and skill to perform its obligations under this Agreement and to render the Services contemplated by this Agreement; and it covenants that it shall perform the Services in a professional, ethical and competent manner.

(e) Ventiv and each Ventiv Representative is, and throughout the Term shall remain, in compliance with all requirements of Applicable Laws, including without limitation, the Act and the GDEA.

(f) For purposes of Actavis providing the FDA with certification pursuant to Section 306(k) of the Act, Ventiv warrants that no person performing Services under the Program pursuant to this Agreement has been suspended, debarred or convicted of crimes pursuant to Sections 306(a) and (b) of the Act; and Ventiv agrees to notify Actavis immediately upon the occurrence of any such debarment, conviction, or inquiry relating to a potential debarment, of any person performing the Program pursuant to this Agreement and agrees that said person shall be immediately prohibited from performing the Program under this Agreement.

(g) Ventiv and each Ventiv Representative: (i) has not been, nor currently is, excluded pursuant to 42 U.S.C. §1320a-7 or similar state exclusion authority, suspended, debarred, or otherwise ineligible to participate in any federal health care program as that term is defined in 42 U.S.C. §1320a-7b(f) or comparable state programs; (ii) has not been, nor currently is, debarred or disqualified pursuant to the Generic Drug Enforcement Act of 1992, as amended, in 31 U.S.C. §335 (**"GDEA"**); (iii) has not been convicted of a criminal offense related to the provision of health care items or services or any other offense that may lead to exclusion under 42 U.S.C. §1320a-7 or similar state exclusion authority; or (iv) to Ventiv's knowledge, is not under investigation or otherwise aware of any circumstances (including the receipt of any notice, warning or reprimand) which may result in being excluded from participation in any federal or state health care program or result in suspension, debarment or disqualification under the GDEA. If any change in circumstance occurs to make the foregoing statement inaccurate, Ventiv must notify Actavis in writing immediately and in the event Ventiv fails to take corrective action, Actavis shall have the right to immediately terminate this Agreement.

(h) Ventiv covenants that, during the term of this Agreement and in connection with the Program, neither Ventiv nor any Ventiv Representative will knowingly or willfully engage in any activity, or request or suggest to Actavis that Actavis engage in any activity, which would violate any provision of 42 U.S.C. §1320a-7b(b), as interpreted by 42 C.F.R. 1000, et seq., as amended.

(i) Ventiv covenants and warrants that it (i) will cooperate in good faith with any Governmental Authority or Regulatory Authority subpoenas or inspections in relation to the Services being provided hereunder, and (ii) has or shall adopt policies and procedures that address Governmental Authority or Regulatory Authority subpoenas or inspections of any kind.

(j) Nothing in this Agreement shall be deemed to authorize Ventiv or its Affiliates to act for, represent or bind Actavis or any of its Affiliates other than as specifically provided by this Agreement.

4.2 **Representations, Warranties and Covenants of Actavis**. Actavis represents, warrants and covenants to Ventiv as follows:

(a) Actavis is duly organized, validly existing, and in good standing under the laws of the state in which it is incorporated.

(b) Actavis has the authority to enter into this Agreement and that it is not bound by any other agreement, obligation or restriction, and shall not assume any other obligation or restriction or enter into any other agreement, which would interfere with its obligations under this Agreement.

(c) Actavis covenants that it shall abide by all Applicable Laws in connection with its performance of its obligations under this Agreement.

(d) Actavis has all necessary authority, right and interest in and to any copyrights, trademarks, trade secrets, patents, inventions, know-how and developments related to the Product which right and interest is necessary to the making, use, sale, offering for sale or promotion of the Product in the Territory.

(e) Actavis represents and warrants to Ventiv that Actavis has the right to use the Trademarks and to Actavis' knowledge the Trademarks are free and clear of any claims or encumbrances and that none of said trademarks have been transferred or assigned.

(f) Actavis covenants that, during the term of this Agreement and in connection with the Program, neither Actavis nor any Actavis employee, agent or independent contractor will knowingly or willfully engage in any activity, or request or suggest to Ventiv that Ventiv (or any member of the Ventiv Sales Force) engage in any activity, which would violate any provision of 42 U.S.C. §1320a-7b(b), as interpreted by 42 C.F.R. 1000, et seq., as amended.

ARTICLE 5
STATUS OF VENTIV AND COMPANY REPRESENTATIVES

5.1 **Ventiv as Independent Contractor**. Ventiv is being retained and shall perform under this Agreement strictly as an "independent contractor." Ventiv Representatives performing Services under this Agreement shall not be, and shall not be considered to be, employees of Actavis for any purpose and Ventiv shall ensure that no Ventiv Representative holds him or herself out as an agent or employee of Actavis. Neither Party shall have any responsibility for the hiring, termination, compensation, benefits or other conditions of employment of the other Party's employees.

5.2 **No Actavis Benefits**.

(a) Ventiv understands and agrees that neither Ventiv, nor any Ventiv Representatives, are eligible to participate in any benefits programs offered by Actavis to its employees, or in any pension plans, profit sharing plans, insurance plans, health, vacation pay, sick pay, any other fringe benefits or any other employee benefits plans offered from time to time by Actavis to its employees. Ventiv acknowledges and agrees that Actavis does not, and shall not, maintain or procure any workers' compensation or unemployment compensation insurance for or on behalf of Ventiv

Representatives, and shall make no state temporary disability of family leave insurance payments on behalf of Ventiv Representatives, and Ventiv agrees that neither Ventiv, nor any Ventiv Representatives, will be entitled to these benefits from Actavis in connection with performance of the Program under this Agreement. Ventiv acknowledges and agrees that (except as set forth in Section 5.2(c) below) it shall be solely responsible for paying all salaries, wages, performance compensation, benefits and other remuneration which its employees, including Ventiv Representatives may be entitled to receive in connection with the performance of the Services under this Agreement.

(b) Unless expressly authorized in writing otherwise or as set forth in Section 5.2(c) below, Ventiv shall ensure that no Ventiv Representative is or shall be deemed to be an employee or agent of Actavis for any purpose, including for federal, state and local tax purposes, and that no Ventiv Representative shall be eligible or entitled to participate in, be covered by or benefit from or under any employee benefit plan as defined by Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, stock option, stock purchase, restricted stock, restricted stock unit, incentive, deferred compensation, supplemental retirement, severance or any other compensation or fringe benefit plans, programs or arrangements that may be sponsored or provided at any time by Actavis even if such employee is subsequently determined by a court of competent jurisdiction, the Internal Revenue Service or other Governmental or Regulatory Authority that such individual is, may be, has been or may have been a common law or de facto employee of Actavis.

(c) Notwithstanding Section 5.2(a) and (b) above, Ventiv shall not be responsible for any cost, however, attributable to: (i) affirmative actions by Actavis management (i.e., manager and above) that cause any member of the Ventiv Sales Force to be reclassified as an employee of Actavis unless Ventiv's actions were a material contributing factor in the incurrence of such cost, (ii) affirmative actions of Actavis employees which lead to a claim of discrimination unless Ventiv's actions were a material contributing factor in the incurrence of such costs, and (iii) any benefits payable under any employee benefit plan (as such term is defined Section 3(3) of ERISA), and any other incentive compensation, stock option, stock purchase, incentive, deferred compensation, supplemental retirement, severance and other similar fringe or employee benefit plans, programs or arrangements that may be sponsored at any time by Actavis or any of its affiliated entities (each an "Actavis Plan") to any member of the Ventiv Sales Force by the terms of such Actavis Plan unless Ventiv's actions were a material contributing factor in the incurrence of such costs.

5.3 **No Joint Venture**. Nothing contained in this Agreement shall be construed as making the Parties joint venturers or, as granting to either Party the authority to bind or contract any obligations in the name of or on the account of the other Party or to make any guarantees or warranties on behalf of the other Party.

5.4 **Actavis Restriction**. Actavis agrees during the Term of this Agreement and for one (1) year thereafter not to: (i) provide any contact information (including name, address, phone number or e-mail address) concerning any Ventiv Sales Force member to any third party which provides or proposes to provide the same or substantially similar services to Actavis that are being provided by Ventiv pursuant to the terms hereof, or (ii) to assist actively in any other way such a third party in employing or retaining any Ventiv Sales Force member for the purpose of having such third party provide the same or substantially similar services to Actavis that are being provided by Ventiv pursuant to the terms hereof. Actavis shall pay or cause the third party to pay Ventiv $25,000 for each Ventiv Sales Force member so employed or retained as liquidated damages for breach of this Section.

ARTICLE 6
TRAINING AND SALES MEETINGS

6.1 **Training Expenses**. In accordance with the Actavis Travel and Expense Policy and the Fee Schedule, Actavis shall pay for all travel, living and other necessary expenses of the Ventiv Representatives associated with the Training Program. All other incidental costs incurred by such Ventiv Representative to attend or participate in the Training Program (i.e., costs not directly related to attendance by the Ventiv Representatives at the Training Program) shall be borne by such Ventiv Representative.

6.2 **Training Program**.

(a) Ventiv will work together with Actavis to organize a training program for the Ventiv Sales Force to learn about the Product, how to conduct Sales Calls, confidentiality obligations related to the Products in accordance with the Confidential Disclosure Agreement, Territory mapping, Equipment policies and procedures including fleet automobile policies and procedures, compliance training, fraud and abuse training, and general Program information (the "**Training Program**"). Actavis shall provide at its own expense, and with appropriate input from Ventiv, all training materials and Product Promotional Materials, as well as reasonable cooperation, time and guidance of Actavis' employees and/or consultants as necessary or appropriate to conduct the Training Program to fully train the Ventiv Sales Force to properly conduct Sales Calls.

(b) The Training Programs shall be held on the following dates:

(i) May 6th-May 8th, 2009;

(ii) May 13th-15th, 2009; and

(iii) May 19th-May 22nd, 2009.

(c) Any other Training Programs shall take place at such time and at such locations as mutually acceptable to both Parties, including but not limited to, annually.

6.3 **Ventiv Specific Training**. Ventiv shall provide training to all members of the Ventiv Sales Force with respect to: (i) Ventiv employee specific training, including appropriate human resource policies and procedures and expense management policies and procedures, and (ii) compliance with Applicable Laws (collectively, "**Ventiv Specific Training**"). Ventiv shall be responsible for the creation of all training materials and for the content of all training set forth in this Section 6.3. Ventiv agrees that any member of the Ventiv Sales Force who does not fulfill the requirements of the Ventiv Specific Training hereunder shall not perform the Services.

6.4 **Actavis Specific Training**. Actavis shall provide training to all members of the Ventiv Sales Force with respect to: (i) Product training, (ii) adverse event and serious adverse drug experience training, (iii) Product marketing plans and strategy, (iv) compliance with Applicable Laws, and (v) overview of managed care and managed markets (collectively, "**Actavis Specific Training**"). Actavis shall be responsible for the creation of all training materials and for the content of all training set forth in this Section 6.4. Any member of the Ventiv Sales Force who does not fulfill the requirements of the Actavis Specific Training hereunder shall not perform the Services.

ARTICLE 7
TRADEMARKS; INTELLECTUAL PROPERTY RIGHTS

7.1 **Trademark License Grant**. Actavis hereby grants to Ventiv, and Ventiv hereby accepts from Actavis, a non-exclusive, non-transferable, and royalty-free right and license, during the Term of this Agreement, to use the Trademarks solely in connection with conducting the Program pursuant to this Agreement. Ventiv shall not remove or alter any of Actavis' trade names, Trademarks, copyright notices, serial numbers, labels, tags or other identifying marks, symbols or legends affixed to any Product Promotional Materials, training materials, documentation or containers or packages. Actavis confirms that Ventiv has the non-exclusive, non-transferable right to use the email address: "(name of Ventiv Representative)@Kadian.com" only in connection with the Program and until the termination or expiration of this Agreement. For clarification purposes, the Kadian.com email address may not be used in the solicitation, marketing or sale of any other products or in connection with other Ventiv customers. Ventiv hereby acknowledges that it has no ownership interest in domain Kadian.com.

7.2 **Termination of Use**. Immediately upon the expiration or termination of this Agreement, (a) the non-exclusive, non-transferable, and royalty-free right and license granted pursuant to Section 7.1 shall automatically terminate, (b) Ventiv shall cease and desist from use of any Trademark in any manner except as may be required in connection with the winding down of the Program under this Agreement pursuant to Section 10.6 and (c) Ventiv shall, at the option of Actavis, return or destroy all Product Promotional Materials, advertising or other printed materials in the possession of Ventiv bearing the Trademarks (at Actavis' sole cost and expense).

7.3 **Reservation of Rights**. Ventiv acknowledges Actavis' exclusive proprietary rights in and to any Trademark, subject to the license and right granted in Section 7.1. Subject to the foregoing license, this Agreement does not constitute a grant to Ventiv of any property right or interest in the Product, or the trademarks, patents or patent applications associated or used in connection therewith or any other trademarks which Actavis owns or controls or any patents, patent rights or any other intellectual property. Ventiv agrees that all use of the Trademarks by Ventiv shall inure to the benefit of and be on behalf of Actavis. Ventiv shall not challenge the title or ownership of Actavis to the Trademarks or attack or contest the validity of the Trademarks. All goodwill accruing to the Trademarks as a result of the use of the Trademarks in the performance of this Agreement shall belong solely to Actavis.

7.4 **Work Product**.

(a) Subject to Section 7.4(b) below, any and all data, information, documents, materials, advertising, packaging, labeling, designs, graphics, logos, text, trademarks, service marks, and any other work product (collectively, the "**Work Product**"), whether tangible or intangible, developed by Ventiv, its employees, agents, or other persons acting under Actavis' authority, for Actavis or otherwise resulting from the Services provided by Ventiv under this Agreement shall be owned completely and exclusively by Actavis, and Ventiv shall surrender said Work Product to Actavis upon request at any time. Ventiv hereby assigns to Actavis any and all intellectual property rights worldwide that Ventiv may have to such Work Product and agrees to execute such instruments as Actavis may reasonably request to confirm or perfect Actavis' ownership therein in any country.

(b) Notwithstanding anything to the contrary set forth in Section 7.4(a), to the extent any Work Product or work made for hire include Ventiv's concepts, ideas, models, know-how, software, methodologies, technology, techniques, procedures, management tools, workshops, manuals, macros, data files, inventions, and other intellectual capital and property that Ventiv has developed, created or acquired prior to or independent of performing Services under this Agreement (the "**Ventiv Materials**"), Ventiv shall retain exclusive ownership in such Ventiv Materials. Ventiv hereby grants Actavis a non-exclusive, non-transferable (except to Affiliates of Actavis), worldwide, royalty-free right and license, for it to use

the Ventiv Materials solely in connection with the Work Product created by Ventiv in connection with the Services.

ARTICLE 8
COMMUNICATIONS; MONITORING THE PROGRAM

8.1 **Communications with Third Parties**. Ventiv shall communicate to Actavis all written and material oral comments, statements, requests, and inquiries of the Prescribers, the medical profession or any other third parties relating to the Product or the marketing thereof that are received by Ventiv which Ventiv Representatives are unable to answer. All responses to the Prescribers, the medical profession or such other third parties shall be handled solely by Actavis. Ventiv shall provide all necessary assistance to Actavis to the extent deemed necessary by Actavis to fully respond to such communications.

8.2 **Governmental Authorities**.

(a) All responses to Governmental Authorities concerning the Product or the marketing thereof, shall be the sole responsibility of Actavis, except to the extent any notice with respect to PDMA compliance is directed to Ventiv or a Ventiv Representative, or as otherwise required to comply with Applicable Laws. Ventiv shall assist Actavis with respect to communications from Governmental Authorities to the extent deemed reasonably necessary by Actavis to fully respond to such communications.

(b) Actavis shall reimburse Ventiv for all reasonable actual out-of-pocket expenses incurred by Ventiv in connection with responses to subpoenas and other similar legal orders issued to Ventiv in respect to Actavis' Product or the Services performed under this Agreement. However, Actavis shall have no obligation to reimburse Ventiv for any such expenses (and to the extent paid by Actavis to Ventiv, shall be repaid by Ventiv to Actavis) arising out of, in connection with or otherwise relating to actions or omissions of Ventiv or its employees, officers, directors and/or Affiliates that violate this Agreement or Applicable Laws.

8.3 **Compliance with Applicable Laws**.

(a) Each Party shall use commercially reasonable efforts to maintain in full force and effect all necessary licenses, permits and other authorizations required by Applicable Laws to carry on its duties and obligations under this Agreement. Each Party shall comply with all Applicable Laws, provided that Ventiv shall be solely responsible for compliance with Applicable Laws pertaining to the activities conducted by it under this Agreement (including but not limited to those Applicable Laws that apply to documentation and records retention pertaining to the Program provided under this Agreement), and Actavis shall be solely responsible for compliance with Applicable Laws pertaining to the activities conducted by it in connection with the Program. Each Party shall cooperate with the other to provide such letters, documentation and other information on a timely basis as the other Party may reasonably require to fulfill its reporting and other obligations under Applicable Laws to applicable Governmental Authorities. Except for such amounts as are expressly required to be paid by a Party to the other under this Agreement, or as otherwise set forth herein, each Party shall be solely responsible for any costs incurred by it to comply with its obligations under Applicable Laws. Each Party shall conduct its activities under this Agreement in an ethical and professional manner.

(b) Ventiv hereby agrees to use commercially reasonable efforts to notify Actavis of any Serious Adverse Drug Experience or Adverse Drug Experience within twenty-four (24) hours of the time such Serious Adverse Drug Experience or Adverse Drug Experience, as the case may be, becomes known to Ventiv. As provided in Section 8.2, and except as required by any Applicable Laws, Actavis

shall have the sole discretion to determine whether any Adverse Drug Experience or Serious Adverse Drug Experience relating to the Product be reported to the FDA or any other Governmental Authority.

Notifications of the foregoing should be sent to:

Actavis Kadian LLC c/o KAI Research, Inc.
6001 Montrose Road, Suite 920
Rockville, Maryland 20852
Telephone: 1-888-496-3082
Forward via fax: 1-301-770-5608

8.4 **Reasonable Cooperation**. Actavis and Ventiv each hereby agrees to use commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or proper to make effective the transactions contemplated by this Agreement, including such actions as may be reasonably necessary to obtain approvals and consents of any Governmental Authorities and other persons as may be required.

8.5 **Monitoring by Actavis**. Ventiv shall permit Actavis and/or its representatives (including, without limitation, any Third Party vendor hired by Actavis who executes a confidentiality agreement in a form acceptable to Ventiv) to accompany, observe and otherwise monitor the performance of the Ventiv Sales Force members including, but not limited to, conducting full-day field observations; and observing promotional activities, such as, informational and promotional programs, speaker programs, exhibits and displays. Actavis may provide feedback to Ventiv on Ventiv Sales Force performance based on such monitoring activities.

ARTICLE 9
CONFIDENTIALITY

9.1 **Confidential Disclosure Agreement**. The Parties have entered into a separate mutual confidential disclosure agreement dated April 3, 2009 ("**Confidential Disclosure Agreement**"), a copy of which is attached to this Agreement as **Exhibit B**, to cover the exchange of confidential information and materials relating to the Services and the terms and conditions contained in this Agreement, and is hereby incorporated herein by reference in its entirety. The term of the Confidential Disclosure Agreement is hereby extended by the Parties for five (5) years beyond the Term. The Parties understand and agree that Ventiv's documentation retention policy shall be considered confidential information pursuant to the Confidential Disclosure Agreement.

ARTICLE 10
TERM; TERMINATION

10.1 **Term of the Agreement.** The initial term of this Agreement shall commence as of the Effective Date, and shall terminate on April 30, 2010 (or for a longer period of time if mutually agreed upon by the Parties in writing), unless earlier terminated by either Party pursuant to the provisions of this Agreement (as may be extended as set forth in this Section 10.1, the "**Term**"). Following the initial Term, Actavis shall have the option to extend the Term of this Agreement for a maximum of four (4) additional consecutive three (3) month periods (each period, an "**Additional Term**"), with Targeted Prescribers and number of Ventiv Sales Force to be determined by Actavis, in its sole discretion, at such time (compensation for same shall increase (once) by four percent (4%) following the initial three (3) month Additional Term). Such option shall be exercisable by Actavis giving Ventiv written notice at least thirty

(30) days prior to the expiration of the Term of this Agreement. Thereafter, the Term of this Agreement may only be extended by mutual written agreement of the Parties.

10.2 **Termination for Cause**. Either Party shall have the right to terminate this Agreement, if the other Party defaults on any of its material obligations hereunder, and such default is not cured within thirty (30) days after the defaulting Party's receipt of written notice from the other Party specifying the nature of such default. For clarification purposes, a violation of the Medicare and Medicaid Anti-Kickback Statute (42 U.S.C §1320(a) – 7b(b)) by Ventiv or any Ventiv Representatives who render Services under this Agreement shall be considered a default of material obligations hereunder.

10.3 **Termination by Actavis.** Actavis shall have the right to terminate this Agreement within thirty (30) days from the date of written notice from Actavis to Ventiv, as follows:

(a) For patient safety reasons or in the event of a Product recall or other action on the part of the FDA or any Governmental Authority which results in the Product being removed from the market, or restricts the use of Product(s) or any other indication approved by the FDA for Product(s); or

(b) If the FDA approves any novel and/or reformulated opioid products or non-traditional analgesics during the Term that is a therapeutic alternative to Product(s); or

(c) If there is an imposition of restrictive federal and/or state price controls such that an obvious and substantial loss of sales for Product(s) could result;

(d) If the FDA approves a freely substitutable generic of Product(s); or

(e) Upon such other market changing events to be mutually agreed upon by the Parties.

provided, however, for any termination pursuant to Section 10.3, the effective date of termination shall not be prior to December 29, 2009.

10.4 **Termination by Ventiv.** Ventiv may terminate this Agreement if payment to Ventiv by Actavis is not made when due (as set forth in the Program Fee Schedule) and such payment is still not made within ten (10) days from the date of written notice from Ventiv to Actavis advising of such nonpayment.

10.5 **Bankruptcy; Insolvency**. Either Party may terminate this Agreement immediately upon the occurrence of either of the following:

(a) The entry of a decree or order for relief by a court of competent jurisdiction in respect of the other Party in an involuntary case under the Federal Bankruptcy Code, as now constituted or hereafter amended, or any other applicable federal or state insolvency or other similar law and the continuance of any such decree or order unstayed and in effect for a period of sixty (60) consecutive days; or

(b) The filing by the other Party of a petition for relief under the Federal Bankruptcy Code, as now constituted or hereafter amended, or any other applicable federal or state insolvency or similar law.

10.6 **Consequences of Termination.**

(a) In the event that this Agreement is terminated by either Party pursuant to Section 10.3 or 10.4, at Actavis' request, the Parties shall discuss in good faith the expeditious winding-down of the Program.

(b) The termination of this Agreement shall not affect Actavis' obligation to pay any amount properly due and payable under the provisions of this Agreement, in accordance with the Program Fee Schedule, through the effective date of such termination (with payment of amounts due attributable to periods prior to the effective date of such termination being made on the earlier of the applicable dates established pursuant to ARTICLE 3 or on the effective date of such termination).

(c) Actavis shall pay or reimburse Ventiv for all outstanding costs and expenses properly due and payable under ARTICLE 3 (with payment of amounts due attributable to periods prior to the effective date of such termination being made on the earlier of the applicable dates established pursuant to ARTICLE 3 or on the effective date of such termination).

(d) In the case of: (i) any termination of this Agreement by Actavis or Ventiv under Article 10 of this Agreement (other than termination by Actavis pursuant to Section 10.2 or Section 10.5, or (ii) at the expiration of the Term (or any Additional Term), Actavis shall (in addition to all other payment obligations under this Agreement) promptly reimburse Ventiv the fair and proper amount due any lessor or rental agent of the Equipment, for any early termination of the lease or rental agreement, provided that Ventiv shall provide all written documentation to Actavis evidencing such amounts due. Ventiv shall make a good faith effort to mitigate Actavis' liability for such amount due by attempting to reassign the Equipment for use in connection with services being provided by Ventiv to a third party; however, Ventiv makes no guaranty with respect to its ability to mitigate such Actavis liability. In addition, Actavis may elect to either: (i) in the event the Equipment is owned by Ventiv, transfer the Equipment and pay an amount equal to the net book value (if any) of the Equipment on the books of Ventiv at the time of the transfer event, or in the event the Equipment is subject to a lease or finance lease, the Equipment may be transferred to Actavis (subject to the last sentence of this Section 10.6(d) and Actavis shall assume the responsibility for all further payments due (including costs associated with the transfer), or (ii) pay Ventiv the net loss to Ventiv on such Equipment determined by the difference between the net book value of such Equipment and the actual net price received by Ventiv for the disposal of such Equipment, plus any amounts due by Ventiv in connection with the lease or rental termination and costs associated with the disposal of said Equipment. Any proposed transfer of Equipment shall be subject to Actavis establishing its own relationship and credit with the entity that Ventiv contracted with to lease or rent such Equipment. Actavis' liability under this Section 10.6(d) shall not exceed One Hundred and Eighty Thousand US Dollars ($180,000) in any case.

(e) The termination of this Agreement shall not affect any rights or obligations of the Parties under this Agreement which by their terms are intended to survive such termination.

Upon expiration or termination of this Agreement for any reason: (i) Ventiv shall discontinue performing the Program in accordance with reasonable instructions from Actavis, return all Actavis confidential information to Actavis as provided for in the Confidential Disclosure Agreement, and return to Actavis all Product Promotional Materials, and Actavis shall return all Ventiv confidential information to Ventiv as provided for in the Confidential Disclosure Agreement, as amended, in each case, within thirty (30) days following the termination, and (ii) for the avoidance of doubt, unless otherwise agreed between the Parties, any license granted by Actavis to Ventiv pursuant to this Agreement, including, but not limited to, the right to use all the Trademarks granted in Section 7.1, shall automatically immediately terminate.

10.7 Accrued Rights, Surviving Obligations.

(f) Termination or expiration of this Agreement for any reason shall (i) be without prejudice to any rights (including any remedies for breach of this Agreement) that shall have accrued to the benefit of either Party prior to such termination or expiration; and (ii) not relieve either Party from obligations that are expressly indicated to survive termination or expiration of this Agreement.

(g) All of the Parties' rights and obligations under ARTICLE 1, ARTICLE 9, ARTICLE 11 and ARTICLE 13, and Sections 3.3, 3.3(a), 3.5, 3.6, 7.2, 10.6 and 10.6 shall survive termination or expiration of this Agreement.

ARTICLE 11
INDEMNIFICATION

11.1 **Indemnification by Ventiv**. Ventiv shall indemnify, defend and hold Actavis and its Affiliates and their respective members, directors, officers, employees, agents, successors and assigns harmless from and against any and all third party losses, claims, suits, actions, damages, assessments, interest charges, penalties, costs and expenses (including reasonable attorneys' fees), arising out of:

(a) the material breach by Ventiv or any of its Affiliates, officers, directors, or Ventiv Representatives of any of its representations, warranties or covenants in this Agreement;

(b) a negligent or willful act or omission on the part of Ventiv or any of its Affiliates, officers, directors, or Ventiv Representatives in connection with the Services;

(c) any acts or omissions by Ventiv or any of its Affiliates, officers, directors, or Ventiv Representatives performed outside the scope of this Agreement;

(d) any claims brought by or on behalf of any Ventiv Representative in connection with his or her employment or retention by Ventiv, the performance of Ventiv's obligations under this Agreement, any alleged violation of federal, state or local fair employment practices laws, and/or any compensation, benefits or other remuneration owed any Ventiv Representative (subject to Section 5.2(c)); or

(e) Ventiv or any of its Affiliates, officers, directors, or Ventiv Representatives', violation of any Applicable Laws or Regulatory Authority;

except, in each case, to the extent such claims are covered by Actavis' indemnification of Ventiv pursuant to Section 11.2. The indemnification obligations of Ventiv shall survive the expiration or termination of this Agreement.

11.2 **Indemnification by Actavis**. Actavis shall indemnify, defend and hold Ventiv and its Affiliates and their respective directors, officers, employees, agents, successors and assigns harmless from and against any and all third party losses, claims, suits, actions, damages, assessments, interest charges, penalties, costs and expenses (including reasonable attorneys' fees), arising out of:

(a) (i) the Product, including any product liability claims, whether arising out of warranty, negligence, strict liability (including manufacturing, design, warning or instruction claims) or any other product based statutory claim, or (ii) any recall of the Product, or any seizure of the Product by any Governmental Authority, in either case, arising out of, relating to, or occurring as a result of, any

failure of Actavis, or any party with which Actavis may contract, to manufacture or package the Product in accordance with any applicable government regulation or cGMP's; or (iii) the inaccuracy of or defects in any data, information, Product Promotional Materials, or Product Labeling, including but not limited to submissions to the FDA about the Product;

(b) Actavis or any of its Affiliates, officers, directors, employees or agents violation of any Applicable Laws or Regulatory Authority; or

(c) the material breach by Actavis of any of its representations, warranties or obligations under this Agreement; or

(d) a negligent or willful act or omission on the part of Actavis or any of its Affiliates, officers, directors, employees or agents in connection with the Program or the Product; or

(e) any acts or omissions by Actavis or any of its Affiliates, officers, directors, or employees performed outside the scope of this Agreement;

except in each case, to the extent such claims are covered by Ventiv's indemnification of Actavis pursuant to Section 11.1. The indemnification obligations of Actavis above shall survive the expiration or termination of this Agreement.

11.3 **Claim Procedures**.

(a) **Notice**. A Party seeking indemnification under this ARTICLE 11 (an **"Indemnified Party"**) shall give the indemnifying Party (the **"Indemnifying Party"**) prompt written notice of any action, claim, demand, discovery of fact, proceeding or suit for which indemnification is sought (**"Claim"**); provided, however, that the failure of an Indemnified Party to give such prompt notice shall not reduce the Indemnifying Party's obligations under this ARTICLE 11 except to the extent that the Indemnifying Party's defense of any such matter is actually prejudiced thereby.

(b) **Defense and Settlement**. For any Claim based on any claim, action or proceeding made or brought by any third party, the Indemnifying Party (or its insurer) has the right to control the defense, settlement or disposition of any Claim using counsel of its choice and on terms that the Indemnifying Party deems are appropriate, except that the Indemnified Party may, at its expense, participate in that defense, settlement or disposition using counsel of its own choice. With respect to any Claim relating solely to the payment of money damages, and which could not result in the Indemnified Party's becoming subject to injunctive or other equitable relief or otherwise materially adversely affect the business of the Indemnified Party in any manner, and as to which the Indemnifying Party shall have acknowledged in writing the obligation to indemnify the Indemnified Party under this Agreement, the Indemnifying Party shall have the sole right to defend, settle or otherwise dispose of such Claim, on such terms as the Indemnifying Party, in its sole discretion, shall deem appropriate. Otherwise, the Indemnifying Party may not settle or compromise any such Claim without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed.

(c) **Litigation Support**. In the event and for so long as an Indemnifying Party actively is contesting or defending against any Claim in connection with this ARTICLE 11, the Indemnified Party shall cooperate with the Indemnifying Party and its counsel in the contest or defense, make available its personnel, and provide such testimony and access to its books and records as shall be reasonably necessary in connection with the contest or defense, all at the sole cost and expense of the Indemnifying Party.

11.4 **Comparative Negligence**. For the avoidance of doubt, to the extent any liability is caused by the negligence of both Actavis and Ventiv, the apportionment of damages shall be shared between Actavis and Ventiv based upon the comparative degree of each Party's negligence and each Party shall be responsible for its own defense and its own costs including, but not limited to, the cost of defense, attorneys' fees and witnesses' fees and expenses incident thereto.

11.5 **Disclaimer**. Notwithstanding anything else contained herein to the contrary, neither Actavis nor Ventiv shall be liable in any manner for lost profits, consequential, special, indirect or punitive damages.

ARTICLE 12
INSURANCE

12.1 **Ventiv Commercial General Liability** Ventiv shall be covered during the Term by Commercial General Liability Insurance held by Ventiv, including Contractual Liability, insuring the bodily injury and property damage indemnity set forth in the Agreement with limits of not less than $10,000,000 applicable to bodily injury, sickness, or death in any one occurrence; and not less than $10,000,000 for loss of or damage to property in any one occurrence. Ventiv agrees to name Actavis as an additional insured under such policies at no cost to Actavis. Actavis understands and agrees that any General Commercial Liability insurance obtained by Ventiv (as set forth above) will not cover any products and/or any product liability claims.

12.2 **Ventiv Automobile Liability**. Ventiv shall be covered during the Term by Comprehensive Automobile Liability Insurance held by Ventiv covering owned, non-owned, hired, and all vehicles used by Ventiv Sales Force with limits of not less than $1,000,000 applicable to bodily injury, sickness, or death of any one person and not less than $1,000,000 for more than one person in any one occurrence; and not less than $1,000,000 for loss of or damage to property in any one occurrence.

12.3 **Ventiv Workers Compensation**. To the extent required by applicable law, Ventiv shall maintain at all times during the Term and for one (1) year thereafter Workers' Compensation Insurance (including Occupational Disease) in accordance with the laws in the jurisdiction(s) of the Territory and Employer's Liability Insurance with limits of not less $1,000,000 per accident or occupational disease.

12.4 **Certificates**. Before performance of the Program commences, Ventiv will furnish Actavis with insurance certificates certifying that the insurance coverage specified in Sections 12.1, 12.2, and 12.3 are in force and that Actavis will be given thirty (30) days' written notice prior to any cancellation or material change.

12.5 **Actavis Commercial General and Products Liability**. Actavis agrees to maintain Commercial General Liability Insurance in the amount of $3,000,000 per occurrence and $5,000,000 in the aggregate as well as $25,000,000 in products liability insurance during the Program, as the same may be amended from time to time, and to name Ventiv as an additional insured under such policies at no cost to Ventiv.

ARTICLE 13
MISCELLANEOUS PROVISIONS

13.1 **Force Majeure**. Failure of either Party to fulfill or perform its obligations under this Agreement shall not subject such Party to any liability if such failure is caused or occasioned by, without limitation, acts of God, acts of the public enemy, fire, explosion, flood, drought, war, riot, sabotage, embargo, strikes or other labor disputes (which strikes or disputes need not be settled), shortage of materials, compliance with any order, regulation, or request of government or by any other event or circumstance of like or different character to the foregoing beyond the reasonable control and without the fault or negligence of such Party (a "**Force Majeure Event**"), provided such Party uses commercially reasonable efforts to remove such Force Majeure Event and commence performance under this Agreement as soon as possible following the removal of such Force Majeure Event and gives the other Party prompt notice of the existence of such Force Majeure Event. Notwithstanding the foregoing, in the event of a Force Majeure Event by Actavis, Actavis shall remain obligated to pay Ventiv for services actually performed; provided that said services are agreed upon by Actavis in advance, in writing.

13.2 **Notices**. Unless otherwise explicitly set forth in this Agreement, any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed delivered: (i) when delivered personally; (ii) three (3) days after being sent first class mail, via the United States postal service, with postage prepaid, return receipt requested; or (iii) one (1) business day after being sent via a recognized overnight courier service, postage prepaid, signature required; in each case, to the addresses of each Party set forth below, or to such other address or addresses as shall be designated in writing in the same matter:

(a) If to Ventiv, to:
Ventiv Commercial Services, LLC
500 Atrium Drive
Somerset, New Jersey 08873
Attention: Terrell G. Herring, President and Chief Executive Officer
Telephone: 732-537-4800

with a copy to:

David Blatteis, Esq.
Norris, McLaughlin & Marcus, P.A.
721 Route 202-206
P.O. Box 1018
Somerville, New Jersey 08876-1018
Telephone: 908-722-0700
Facsimile: 908-722-0755

(b) If to Actavis, to:

Actavis Kadian LLC
60 Columbia Road, Bldg. B
Morristown, NJ 07960
Attention: Nathalie Leitch
Telephone: 973-889-6968

with a copy to:

Actavis Kadian LLC
60 Columbia Road, Bldg. B
Morristown, NJ 07960
Attention: Legal Department
Facsimile: 973-993-4306

13.3 **Relationship of the Parties**. In making and performing this Agreement, the Parties are acting, and intend to be treated, as independent entities and nothing contained in this Agreement shall be construed or implied to create an agency, partnership, joint venture, or employer and employee relationship between Actavis and Ventiv. Except as otherwise provided in this Agreement, neither Party may make any representation, warranty or commitment, whether express or implied, on behalf of or incur any charges or expenses for or in the name of the other Party. No Party shall be liable for the act of any other Party unless such act is expressly authorized in writing by both Parties.

13.4 **Entire Agreement; Modification**.

(a) This Agreement and the Exhibits attached to this Agreement contain the entire understanding of the Parties with respect to the subject matter of this Agreement and thereof and supersedes all previous and contemporaneous verbal and written agreements, representations and warranties with respect to such subject matter. This Agreement shall not be strictly construed against either Party. To the extent this Agreement and the Confidential Disclosure Agreement have directly conflicting terms, this Agreement shall govern.

(b) This Agreement may be waived, amended, supplemented or modified in whole or in part only by a written agreement executed by each of the Parties and specifically stating that it modifies or amends this Agreement.

13.5 **Severability**. If any provision of this Agreement or any other document delivered under this Agreement is prohibited or unenforceable in any jurisdiction, it shall be ineffective in such jurisdiction only to the extent of such prohibition or unenforceability, and such prohibition or unenforceability shall not invalidate the balance of such provision to the extent it is not prohibited or enforceable nor the remaining provisions of this Agreement, nor render unenforceable such provision in any other jurisdiction, unless the effect of rendering such provision ineffective would be to substantially deviate from the expectations and intent of the respective Parties in entering into this Agreement. In the event any provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the Parties shall use best efforts to substitute a valid, legal and enforceable provision which, insofar as practical, implements the purposes of this Agreement.

13.6 **No Waiver; Cumulative Remedies**. No failure or delay on the part of either Party in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy under this Agreement. No waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by the Party giving such waiver. The remedies provided in this Agreement are cumulative and not exclusive of any remedies provided by law. The waiver by any Party of any breach of any covenant, agreement, representation or warranty contained in this Agreement shall not be a waiver of any other default concerning the same or any other covenant, agreement, representation or warranty contained in this Agreement. A Party's waiver of a default or breach on the part of Ventiv shall not constitute a waiver of any other default; but shall constitute a waiver of only the particular breach or default then involved.

13.7 **Public Announcements**. Any press release, public announcement or similar publicity with respect to this Agreement or the transaction contemplated in this Agreement, including, without limitation, any promotional or similar literature prepared by or on behalf of Ventiv, shall be at such time and in such manner and content as the Parties shall both agree in writing, which consent shall not be unreasonably withheld or delayed, provided that nothing in this Agreement shall prevent either Party from, upon notice to and an opportunity to review by the other Party, making such public announcements as such Party's legal obligation requires. Notwithstanding the above, either Party may upon prior written notice to the other Party, in connection with its general marketing materials and without the consent of the other Party, list the name of the other Party in a non-descriptive fashion, in a list of the names of other similarly situated third parties that such Party does business with.

13.8 **Successors; Assignments**. This Agreement shall be binding upon and inure to the benefit of the Parties, their successors and permitted assigns. Neither Party shall have the right or ability to assign, transfer, or subcontract any rights or obligations under this Agreement without the prior written consent of the other Party; provided that either Party may, without the other Party's consent, assign this Agreement to an Affiliate or to a successor to substantially all of the business or assets of the assigning company or the assigning company's business unit responsible for performance of this Agreement; provided that such successor expressly assumes in writing those rights and duties under this Agreement.

13.9 **No Third Party Benefit**. Nothing in this Agreement, express or implied, is intended to or shall confer upon any other third party any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

13.10 **Change of Law**. It is the intention of the Parties to conform strictly to all Regulatory Authority and Applicable Laws, including but not limited to the Act, the PDMA, the Safe Rx Act and the Anti-kickback Statute. Accordingly, in the event that arrangements contemplated by this Agreement violate any Regulatory Authority or Applicable Laws, the Parties agree to negotiate in good faith such changes to the structure and terms of the transactions provided for in this Agreement as may be necessary to make these arrangements, as restructured, lawful under Regulatory Authority and Applicable Laws, without materially disadvantaging either Party, and this Agreement shall be deemed reformed in accordance with the terms negotiated by the Parties.

13.11 **Governing Law; Equitable Relief**. This Agreement shall be governed, construed and interpreted in accordance with the laws of the State of New Jersey, without giving effect to choice of law rules.

13.12 **Dispute Resolution.** With respect to equitable relief, any controversy, dispute, or claim arising out of or relating to this Agreement or the breach hereof, whether common law or statutory, each of the Parties shall (subject to any applicable cure period as set forth in this Agreement) be entitled to submit to the other Party written notice of such controversy, dispute, or claim, which shall set forth in reasonable detail the nature of such controversy, dispute, or claim. For a period of thirty (30) days after the date of the receiving Party's receipt of such dispute notice, the Parties shall seek to resolve such controversy, dispute, or claim by good faith negotiation. If at the end of such thirty (30) day period the dispute remains unresolved, the Parties may seek relief for such dispute exclusively in the state or federal courts located in the state of New Jersey. The provisions of this Section 13.12 shall survive the termination of this Agreement.

13.13 **Headings**. All article and section headings are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

13.14 **Exhibits**. All exhibits referred to in this Agreement form an integral part of this Agreement and are incorporated into this Agreement by such reference.

13.15 **Counterparts**. This Agreement shall become binding when any one (1) or more counterparts of this Agreement, individually or taken together, shall bear the signatures of each of the Parties. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original as against the Party whose signature appears thereon, but all of which taken together shall constitute but one and the same instrument.

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* * *

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, have executed this Sales Services Agreement as of the date first set forth above.

ACTAVIS KADIAN LLC

By: _____

Name: Douglas S. Boothe

Title: COO, Actavis Inc.

Date: 8/25/09

REVIEWED MB LEGAL DEPT.

VENTIV COMMERCIAL SERVICES, LLC

By: _____

Name: PAUL MIGNON

Title: President - inVentiv Selling Solutions

Date: 8-28-09

Exhibit A

ACTAVIS TRAVEL AND EXPENSE POLICY

To be provided

actavis
creating value in pharmaceuticals

ACTAVIS TRAVEL & ENTERTAINMENT POLICY

Travel Policy Mars 2009

TRAVEL & ENTERTAINMENT POLICY TABLE OF CONTENTS

1) INTRODUCTION

INTRODUCTION

- Guidelines for Actavis Travel Policy are applicable to all employees, consultants and contractors of Actavis are stated below.
- The policy includes procedures for all employees who make either domestic or international travel, participate in meetings, trainings or conferences.

PURPOSE & SCOPE

- To ensure that all Actavis employees have a clear and consistent understanding of the policies and procedures related to business travel and entertainment.
- To create cost awareness and efficiency, and make sure that each person that travels on behalf of Actavis follows the same guidelines.
- Employee travel should be via the lowest cost alternative, consistent with good business practices. Neither luxury, nor sub-standard modes of transportation and accommodations should be used allowing the traveler to arrive at their destination 'fit' for the purpose of the visit. i.e. to take part in a meeting / negotiation, to give a presentation, or to learn.

MANAGEMENT IS RESPONSIBLE FOR:

- Ensuring that travel policies and procedures are understood and followed by employees having a need to travel and entertain on Company business.
- Ensuring the requested travel is within budget.
- Determining that each trip is essential and that the benefits of the trip cannot be obtained through other means (e.g. tele-conference, video-conference). Also to ensure that a meeting location is chosen on the most convenient place in the sense of time and money.
- Reviewing expense submissions to ensure compliance with the Travel Policy.

EMPLOYEES ARE RESPONSIBLE FOR:

- Ensuring that appropriate approval is received prior to travel.
- All trips should be organised in advance to minimise cost. Minimum time to get the best price for flights is 7 days.
- Submitting accurate and timely expense reports in line with local expenses policy.
- All expenses incurred, no deferred or forward billing is allowed.
- Selecting the most direct and economical method and route of travel as appropriate to the requirement.
- Ensuring that all health precautions have been taken relative to the destination. Typically to include inoculations / malaria tablets, flight time and class of travel etc.
- Using the designated Preferred Travel agent and the travel agent's 'on line booking tool' where available.
- Complying with the policies and procedures within this document.

2) POLICY

Failure to comply with this policy may result in declined reimbursements and / or disciplinary action.

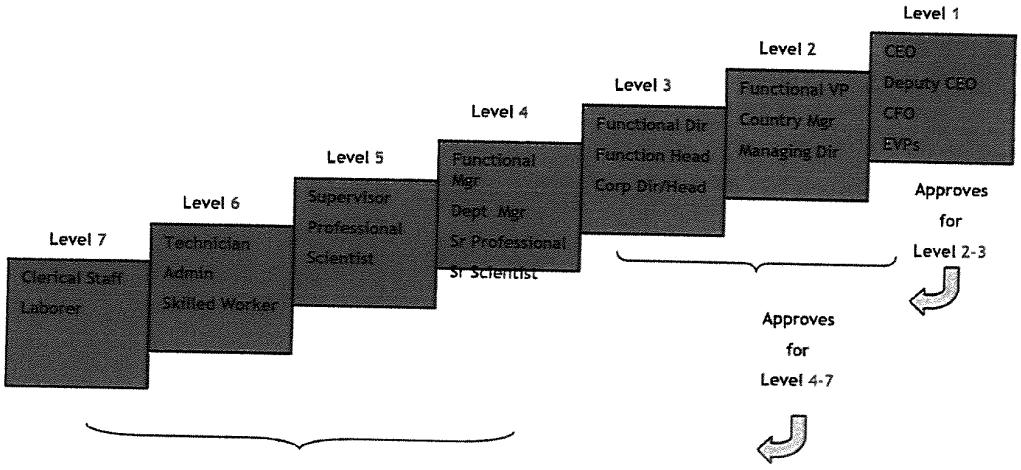
3) AUTHORITY TO TRAVEL

GLOBAL TRAVEL AUTHORIZATION POLICY

1. All travel arrangements need to be done within the budget, where EVPs are ultimately responsible for their respective organizations.

2. Any Employee who travels on business for Actavis needs to get an approval based on the following structure (also shown in picture below):

    - EVPs (level 1) needs to approve travel for employees in level 2 (Country/General Manager and Functional VPs) and level 3 (the business/functional Directors/Heads) who report into level 2 and 1.
    - General Managers and Business/Functional Directors/Heads (levels 2 and 3) need to approve travels for all other employees in levels 4 to 7.



3. Before a travel coordinator can issue a flight ticket he/she must have a signed copy of the Travel Authorisation Form.
4. Department Manager or above must approve attendance at external conferences or seminars. Before approval, the full cost of attendance, including registration fees, travel and accommodation should be considered.
5. Where possible, consideration should be given to the combination of meetings during any one trip.
6. Overnight stays should be avoided if day trips are practical.
7. Travel is not generally appropriate for short meetings if video-conferencing or tele-conferencing can serve the business purpose.
8. Ensuring that a meeting location is chosen on the most convenient place in the sense of time and Cost.
9. Limiting the number of employees on any given trip to those necessary to achieve the expected business results.

10. If more than three Actavis Employees are traveling EVP approval is required.

BOOKINGS/RESERVATIONS FOLLOWING APPROVAL

When travel is approved the following criteria should apply:

- All bookings should be made at least seven days in advance.
- All reservations (transportation / accommodation) must be made through the Actavis designated travel coordinator, travel agent or the authorised online booking tool. The only exception to this would be where an employee attending an external conference / seminar can take advantage of discounted accommodation arrangements made by the conference organiser.

4) ACCOMMODATION

- Employees shall use hotels designated by Actavis where a negotiated agreement is in place, if there are no agreed Actavis rates in place then a hotel with the preferred Travel Agent's negotiated rate must be used. Please refer to your travel coordinator for a list of hotels with Actavis agreed rates.
- The traveller must book a standard, single room at a preferred hotel, which meets the specific needs of the trip.
- Hotel upgrades may be accepted, provided there is no additional cost to the Company.
- Travellers are responsible for cancelling hotel rooms by contacting the designated travel agent within the cancellation period.

5) AIR TRAVEL

Airline reservations should be made as early as possible to take advantage of advance purchase discounts.

We recommend that no more than three executives travel on the same aircraft.

The approved class of service for Actavis travellers is coach/economy class. Business class tickets may be used for flights in excess of 7 hours duration non-stop, and must be approved by an EVP. For bigger internal meetings, conferences or in other special situations, economy class tickets may be imposed by the functional line management team.

Employees shall travel with airlines designated by Actavis and where a negotiated rate is in place. Please refer to your travel coordinator for a list of preferred airlines.

Duration of the trip: The beginning of the trip should not be any earlier than the day before the meeting, conference or workshop. The end of the trip should either be the first available flight or where this is not suitable due to arrival times at the domestic airport then the next suitable flight.

If a trip is extended because of personal reasons each working day is considered a vacation day and has to be approved by the department manager as per normal vacation procedure. In this case, daily allowance or expenses are not paid.

ELECTRONIC TICKETING

Electronic ticketing (e-ticketing) is the required method for ticketing when available. For expense report purposes, retain the priced invoice from the designated travel agent or obtain a receipt from the airline at check-in.

LOWEST FARE

Employees traveling on business are required to use the lowest logical airfare. In the event a preferred carrier is not available, the lowest fare of a non-preferred airline should be used.

CANCELLATION OF TRIPS & REFUNDS OF TICKETS

Always notify the designated travel agent when a trip is cancelled. Paper tickets or flight coupons must be returned to the designated travel agent for refund, and must NEVER be discarded or destroyed, as these documents have a cash value. Some non-refundable tickets can be upgraded for use on a future trip. Please check with the agent at time of cancellation.

PAPER TICKETS

Unused or partially used paper airline tickets must be returned to the designated travel agent. Tickets or flight coupons must be returned to the designated travel agent and must NEVER be discarded or destroyed, as these documents have a cash value. Some non-refundable tickets can be upgraded for use on a future trip. Please check with the agent.

LOST / STOLEN TICKETS

Lost or stolen tickets should be reported immediately to the designated travel agent. If the ticket has not been used, a refund (net of the airline processing fee) will be credited.

6) BAGGAGE

LOST / DAMAGED BAGGAGE

Lost or damaged baggage must be reported to the airline prior to departing the airport. Lost baggage is basically the traveller's responsibility. In the event of such an occurrence, it should be reported immediately to the appropriate airline.

Actavis will, within reason, reimburse expenses caused by delayed or temporary lost luggage, if not covered by the airline or insurance company.

Employees should limit traveling with valuables, e.g. excess jewelry. Expensive equipment should, if possible, be carried on board.

EXCESS BAGGAGE

Travelers will be reimbursed for excess baggage charges when:
Traveling with heavy or bulky materials or equipment necessary for business;
The excess baggage consists of Company records or property.
Where traveling for more than 14 days.

7) DENIED BOARDING COMPENSATION

Travelers may volunteer for denied boarding compensation ONLY if the delay does not result in any interruption, additional cost to Actavis or loss of business.

8) OWNERSHIP OF BENEFITS / UPGRADES

OWNERSHIP OF BENEFITS AIRLINE FREQUENT FLYER PROGRAMS / CLUB MEMBERSHIPS

Actavis allows travelers to retain Frequent Traveller benefits accrued to them on Company paid business travel.

AIR TRAVEL UPGRADES

The travel policy allows for Frequent Flyer membership upgrades to a higher class of service, if there is no additional cost to the Company; since the lowest fare must be booked. When a lower fare exists on the same flight, travelers should not book themselves at a higher fare or request unusual routings in order to benefit from Frequent Flyer privileges.

9) INTERNATIONAL TRAVEL

PASSPORTS AND VISAS

Fees for visas and passports required for business travel are reimbursable by Actavis. Visa applications and passport renewal forms may be obtained from the designated travel agent. However it is the responsibility of the traveler to be aware of requirements related to the area of proposed travel. Sufficient notice should be given of any requirement in order to achieve timely provision of such documents. The visa requirements of countries such as the Republic of China, Vietnam, Laos, Cambodia, Saudi Arabia, Middle East countries, etc. require extra time and more documents. You may need a letter of invitation from the person, company and / or country to which you will travel and a Letter of Responsibility from Actavis signed by an officer of the Company.

PERSONAL SAFETY / SECURITY

During the time of any local, national or international incidents, employees should check with the designated travel agent prior to traveling to ensure the safety of embarking on any visit to an area of risk.

10)CONSULTANT / CONTRACTOR TRAVEL

Reimbursement procedures and financing of travel expenses are the responsibility of the consultant. No consultant travel expenses should be billed to Actavis without prior agreement. Payment of these expenses will be dealt with under the terms of the agreement with the consultant body concerned. However, all consultants should be encouraged to take advantage of any Actavis preferential rates in relation to mode of travel, accommodation, etc. where possible, as the ultimate cost is borne by Actavis.

PREFERRED SUPPLIER PROGRAMS AND DISCOUNTS

Actavis discounts are available to contractors and consultants when traveling for Actavis business purposes, but are not extended for personal use.

11)RAIL TRAVEL

Rail travel should be booked through the Actavis designated travel agent. Rail reservations should be made as early as possible to take advantage of advance purchase discounts, e.g. day return, saver fares.
Tickets should be purchased at least 3 days in advance to ensure tickets arrive in time for the travel date.

12)CAR RENTAL

The Actavis preferred Car hire company is Avis.(www. avis.com)
A mid-size car or smaller should be requested, except when additional space is necessary. In most circumstances additional insurance is not required, but sometimes it may be required for example if you are going to be driving in a foreign country.

Car rental should only take place when driving is proven more cost effective than air or rail travel, or if there are other special practical or business reasons.
Car rentals should be returned on time to the original point of pick up unless approved for one-way rental. The car should be returned with a full tank of fuel to avoid additional costs.
Any accident while driving a rental car must be reported to the rental car company.

When making a booking please be sure to quote the Actavis AWD number: D7366000.

Employees may also use their preferred club status for personal use. For details on rate issues, rate adjustments, Avis enrolment, and program details please contact Kathy Henry, Account Service Representative ,Avis .
800-525-7521 ext 1478
khenry@avis.com

REFUELING / TOLLS / PARKING / FINES

Travelers should refuel rental cars to avoid paying the premium refueling charges. The Company will reimburse travelers for normal expenses incurred while operating a vehicle, i.e., highway tolls and parking lot fees. However, any traffic infractions, such as parking or moving violations, will not be reimbursed.

Employees should familiarize themselves with and comply with the relevant laws existent in the country of proposed visit.

ACCIDENT REPORTING AND THEFT

If a rental car is stolen or involved in an accident, the traveler must do the following:
- Report accident or theft to the car rental company immediately.
- File an accident or theft report with the local police department.

13) OTHER TRANSPORTATION

Employees traveling to and from airports shall, where available and convenient, use the most cost effective means of travel, e.g., airport / rail links, hotel shuttles etc, taking into account distances involved, safety considerations (i.e., time of travel).

Where other services do not exist or are not appropriate / logistical, taxis may be used.
Taxis may be used when eating establishments and hotels are in close proximity to the visited work location and / or where extraordinary garage parking or valet fees are automatically applied.

Car services should only be used when valid business reasons preclude the use of more economical modes of transportation

14) PERSONAL AUTOMOBILE

Personal (i.e., non-company / hire) vehicles may be used for Company business provided other means are not available.

Reimbursement will be made through the local expense process at the current mileage rate. The allowance covers all expenses (the cost of fuel, maintenance and repairs, depreciation and insurance) relating to the trip. Cost of parking at airports should be normally no more expensive than using other means of transportation.
Suitable insurance should be arranged.

15) MEALS

Meals may be added to the hotel bill but should be accounted for separately on the expense submission in line with local expenses policy.

PERSONAL MEALS

Associates in travel status (minimum one night stay away from home) may be reimbursed for reasonable cost of their own meals, (refer to Addendum B to this policy showing country guideline costs). Travelers who take a one-day business trip (no overnight stay) are eligible for one or two meals depending upon whether travel extends the workday well beyond the traveler's normal hours. Meals and room service may be added to the hotel bill but must be separately reported on the expense report. Meals purchased for business associates or clients should be listed in the "Entertainment" section of the expense report.

16) ENTERTAINMENT / HOSPITALITY

As a general rule, employees should not conduct entertainment of fellow employees. Individuals should pay their own account. On those occasions where circumstances justify business entertainment by non-management personnel, the employee should obtain prior approval of a Vice President / Director / Manager. The senior person present will make payment.

Any anticipated large expenditure should be approved by a Vice President prior to the event.

17) DAILY ALLOWANCES

For countries operating on daily allowance rules refer to local expense policy. For all others, expenses paid upon receipt.

18) TELEPHONE USAGE

Telephone charges will be reimbursed for calls which are reasonable and necessary to conduct Company business. An itemized copy of the telephone charges must be attached to the expense report form. Employees should use their cell phone or charge all calls to individual calling cards wherever possible in lieu of charging to the hotel room to avoid hotel surcharges. Travellers are discouraged from using mobile phones whilst driving due to Health & Safety Regulations. Personal phone calls should be kept to a minimum and should be in line with the local reimbursement policy. Personal telephone calls to stay in contact with family are allowed within reason.

19) GRATUITIES

Reasonable and customary tipping is acceptable and reimbursable for staff who provide exceptional service.
Gratuities vary from country to country. Local practices should be determined and respected.

20) REIMBURSABLE / NON-REIMBURSABLE EXPENSES

REIMBURSABLE EXPENSES

Travelers will be reimbursed for the following miscellaneous expenses:

- Overnight delivery or air freight for business purposes.

- Business office expenses (faxes, telegrams, delivery, copy services, etc.).
- Currency conversion fees.
- Fare penalty (non-peak ticket for peak travel).
- Laundry / dry cleaning / suit pressing for trips exceeding (5) five days.
- Highway tolls / parking fees (not fines).
- Visa / passport / consulate fees.
- Car rental insurance for travel when the preferred car supplier cannot be used
- Taxi / bus fares
- Meals which are within reasonable cost (refer to Addendum B for country allowances) and tips
- Reasonable amount of Alcoholic drinks with a meal will be allowed
- Admission fees for conferences, expeditions and training sessions
- Petrol (if mileage allowance not claimed)
- Inoculations and medication associated with travel
- Water, non-alcoholic drinks (also from minibar).

NON-REIMBURSABLE EXPENSES

Following is a listing, though not all inclusive, of expenses that generally will not be reimbursed by Actavis:

- Hotels that do not have Actavis or the Travel Agent's negotiated rates
- Business gifts other than those provided by Actavis
- Annual fees for personal credit cards.
- Personal hygiene products (shampoo razor blades, toothbrush, etc.).
- Barber and beautician services.
- Personal entertainment or recreation (in-room movies, mini-bar, health club fees).
- Alcohol only bills
- Expenses for clothing, umbrellas, briefcases, etc.
- Expenses for non-business purposes.
- Baby-sitting.
- Home maintenance, security.
- Any VIP, Club, Passport, Tower, Executive, Penthouse or similarly exclusive type of hotel room that carries an additional cost.
- Travel insurance for full-time employees
- Charges for upgrades for air, car, hotel, etc.
- Additional flight insurance.
- Fines (parking, traffic violations).
- Expenses associated with interim stopovers (incremental transportation costs, hotel, meals, etc.) when the stopover is not business related.
- Expenses not supported with a valid receipt (unless otherwise provided within the policy).
- Expenses for spouse / family member accompanying traveler on a business trip.
- Boarding or Kennel fees for pets.

Any deviation from the above must be approved by a Country Manager prior to travel.

21) TRAVELLER HEALTH AND SAFETY

To help ensure associate safety, we are instituting protocols that will limit associate travel to countries listed as dangerous or that pose health or security threats.

We ask that associates planning travel closely monitor advisories available through Actavis travel partners and government information bureaus, such as:

- World Health Organization's Department of Communicable Disease Surveillance and Response (http://www.who.int/csr)
- UK Foreign and Commonwealth Office (http://www.fco.gov.uk)
- Centers for Disease Control and Prevention (http://www.cdc.gov/)

Under the new protocols, Actavis travel partners are instructed to advise travelers of warnings issued for a global destination. If travel to these areas is deemed necessary, associates are required to seek prior authorization from a Leadership Team member before booking travel. Approvals must be sought via e-mail from a Leadership Team member before making arrangements.

If travel is approved, we require that travelers take special precautions and:

- At all times be accompanied by a country host (customer or employee national)
- Use country hosts to arrange all ground transportation to and from airport and between hotels and sites
- Condense itineraries and limit days on travel

Moreover, associates traveling in a conflict area are **not** to:

- Take public transportation, taxis, or commuter bus services
- Walk outside hotel grounds, facilities or sites without a host

Partner-sponsored travel advisories, itinerary tracking, and emergency information databases are also under development to aid in this effort. We will provide more detailed information, should global circumstances require a departure from these safety protocols.

At all times, we ask that Actavis associates stay alert and mind their personal health and safety regardless of their country origin or travel destination.

The employee is responsible for getting information about immunizations or recommended medication for intake prior to traveling to certain continents or countries.

22) EXPENSE REPORTING

Actual and reasonable expenses are reimbursed in accordance with the local expenses policy.

There are different rules about expenses paid or daily allowance during business trips which vary country to country. Please refer to local expenses policy for guidance.

For all expense claims employees must submit the following:

- Signed Travel Authorisation Form - with exceptions
- Receipts for all claims
- Any explanations for deviations from policy

The expense claim should be signed by your Department Manager / Site Leader.

Addendum A

Corporate Travel and Entertainment Policy
Travel Authorisation Form

This document MUST be approved by your Leader BEFORE the travel can take place
This document MUST be filled in by ALL employees, including those who travel frequently.

Please complete only the white sections on the form.

Information on the Traveller	
Name of Traveller:	
Title:	
Telephone Number:	
Department:	
Name of the person who replace you in the absence:	
Information on the proposed Travel	
Travel Destination: (Please mention all destinations incl. connection points as in the flight itinerary)	
Reason for Travel: (Please give details why this travel is necessary)	
Departure Date:	
Return Date:	
Flight Costs	
Currency Type: (for example EUR)	
Total Flight Cost: (Costs MUST be shown in local currency)	
Accommodation Costs	
Currency Type: (for example EUR)	
Total Accommodation Cost:	

Authorisation to Travel

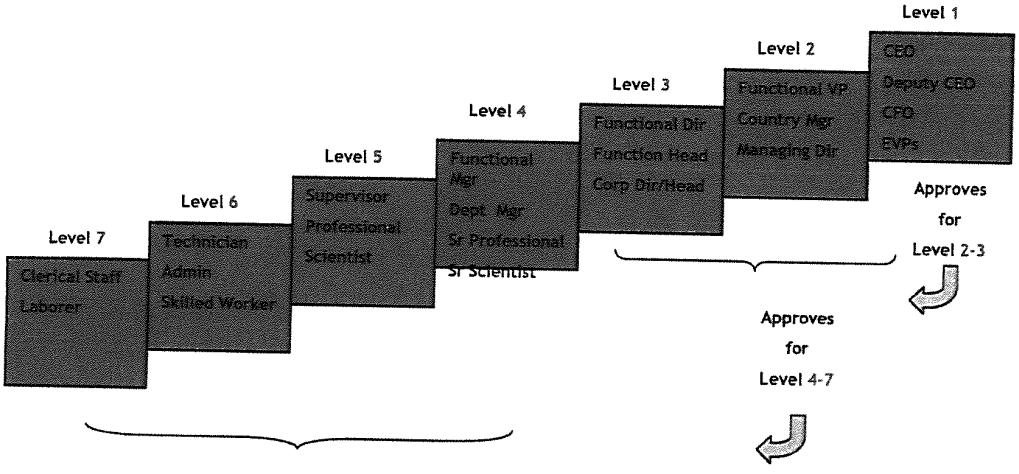
Travel will not be permitted if the following is not confirmed	
Approved by next manager	
Date Approved:	

Global Travel Authorization Policy

1. All travel arrangements need to be done within the budget, where EVPs are ultimately responsible for their respective organizations.

2. Any Employee who travels on business for Actavis needs to get an approval based on the following structure (also shown in picture below):

   - EVPs (level 1) needs to approve travel for employees in level 2 (Country/General Manager and Functional VPs) and level 3 (the business/functional Directors/Heads) who report into level 2 and 1.
   - General Managers and Business/Functional Directors/Heads (levels 2 and 3) need to approve travels for all other employees in levels 4 to 7.



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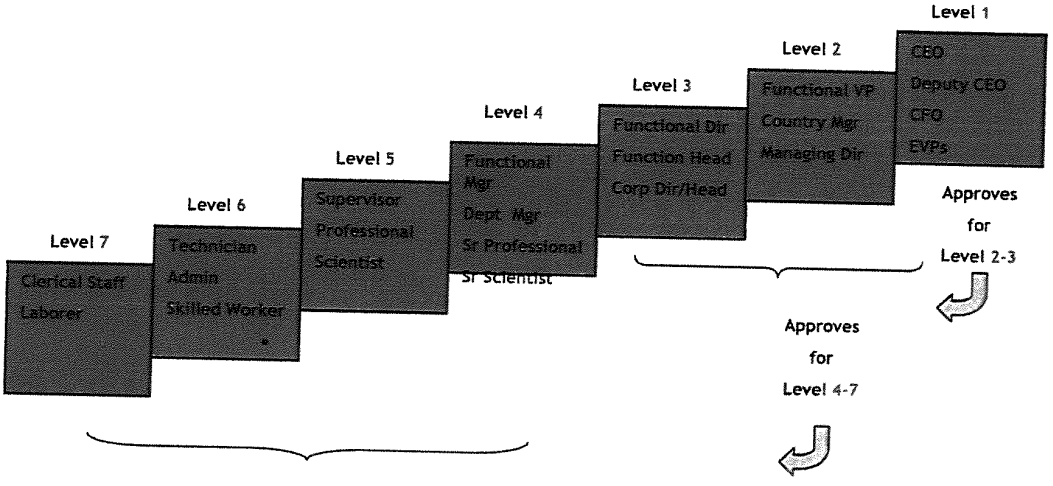
2. Any Employee who travels on business for Actavis needs to get an approval based on the following structure (also shown in picture below):

   - EVPs (level 1) needs to approve travel for employees in level 2 (Country/General Manager and Functional VPs) and level 3 (the business/functional Directors/Heads) who report into level 2 and 1.
   - General Managers and Business/Functional Directors/Heads (levels 2 and 3) need to approve travels for all other employees in levels 4 to 7.



actavis
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Addendum A
Corporate Travel and Entertainment Policy

Travel Authorisation Form

This document MUST be approved by your Leader BEFORE the travel can take place

This document MUST be filled in by ALL employees, including those who travel frequently.

Please complete only the white sections on the form.

Information on the Traveller	
Name of Traveller:	
Title:	
Telephone Number:	
Department:	
Name of the person who replace you in the absence:	
Information on the proposed Travel	
Travel Destination: (Please mention all destinations incl. connection points as in the flight itinerary)	
Reason for Travel: (Please give details why this travel is necessary)	
Departure Date:	
Return Date:	
Flight Costs	
Currency Type: (for example EUR)	
Total Flight Cost: (Costs MUST be shown in local currency)	
Accommodation Costs	
Currency Type: (for example EUR)	
Total Accommodation Cost:	

Authorisation to Travel

Travel will not be permitted if the following is not confirmed	
Approved by next manager	
Date Approved:	

Exhibit B

CONFIDENTIAL DISCLOSURE AGREEMENT

To be provided

Confidentiality and Proprietary Agreement

This Confidentiality and Proprietary Agreement ("Agreement") is entered into this 3rd day of April, 2009, by and between **Actavis Inc.** for itself and on behalf of its affiliates, related companies and predecessors in interest (hereinafter referred to as "Actavis"), a Delaware corporation with offices located at: 60 Columbia Road, Building B, Morristown, New Jersey 07960, United States of America and Ventiv Commercial Services, LLC, a New Jersey limited liability company with offices located at: 200 Cottontail Lane, Somerset, New Jersey 08873 (hereinafter referred to as "Ventiv"), who together may hereinafter be referred to collectively as "Parties" or individually as "Party."

A. **WHEREAS** Actavis and Ventiv wish to explore and discuss the potential of certain mutually advantageous business ventures; and

B. **WHEREAS** Actavis and Ventiv, in furtherance of such exploration and discussions, will exchange certain financial, marketing, sales, scientific, development or other proprietary information; and

C. **WHEREAS** Actavis and Ventiv each wish to maintain the confidentiality of such information by preventing unauthorized disclosure;

WITNESSETH

That for and in consideration of the promises made herein, their mutual and individual interests, and other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, Actavis and Ventiv hereby agree as follows:

I. EXCHANGE OF INFORMATION

Actavis and Ventiv agree to exchange such Confidential Information, as that term is defined herein, as is reasonably necessary to evaluate opportunities of mutual interest.

II. DEFINITION OF CONFIDENTIAL INFORMATION

For purposes of this Agreement "Confidential Information" means all non-public and/or proprietary information owned or possessed by the disclosing Party, whether existing before the date of this Agreement or created hereafter, including, without limitation: all notes, books, papers, diagrams, documents, reports, memoranda, concepts, formal or analytical methods, technical or scientific data, unpublished findings, biological material, know-how, specifications, processes, techniques, patent applications, algorithms, programs, designs, drawings, or formulae; any engineering, manufacturing, marketing, financial or business plan, and all other data or information in whatever form, disclosed by one Party to the other. In the case of Confidential Information disclosed by Actavis, Confidential Information shall also include Confidential Information disclosed by or received from its subsidiaries or Actavis Group HF (collectively "Actavis Entities").

III. CONFIDENTIALITY

Actavis and Ventiv agree that the recipient of the Confidential Information referred to in Articles I and II shall not disclose, cause, or permit the disclosure of said Confidential Information to any third party or parties, subject to the exceptions contained in Articles IV and V herein, without the prior written consent of the disclosing Party.

IV. DISCLOSURE

Confidential Information may be disclosed, on a need to know basis, to consultants, agents, and advisors of either Actavis or Ventiv; provided, that the receiving Party shall cause those to whom Confidential Information or data is disclosed, regarding or concerning the matters contemplated herein to observe the restrictions set forth in this Agreement. Any Party may also disclose such Confidential Information as it deems appropriate to its employees provided such employees have a need to know. Actavis and Ventiv agree to enforce the terms and provisions of this Agreement as to any such employee, consultant, agent or advisor who receives Confidential Information hereunder, and to assume liability for any unauthorized use or disclosure of Confidential Information by any or all such persons.

V. EXCEPTIONS

Notwithstanding anything to the contrary contained herein, the recipient of Confidential Information disclosed hereunder shall be under no duty to maintain the confidentiality or restriction on use of any such Confidential Information which:

(a) At the time of disclosure is within the public domain.

(b) After disclosure becomes a part of the public domain through no fault, act or failure to act, error, effort or breach of this Agreement by the recipient.

(c) Is known to the recipient at the time of disclosure.

(d) Is discovered or developed by the recipient independently of any disclosure by the disclosing Party.

(e) Is obtained from a third party who has acquired a legal right to possess and disclose such Confidential Information.

In the event the receiving Party of Confidential Information is required by a governmental authority or by order of a court competent jurisdiction to disclose any Confidential Information, the receiving Party will give the disclosing Party prompt notice thereof so that the disclosing Party may seek an appropriate protective order prior to such required disclosure. The receiving Party will reasonably cooperate with the disclosing Party in its efforts to seek such protective order.

VI. RESTRICTION OF USE

The receiving Party will not use for its own purpose or cause or permit to be used by others, either directly or indirectly, any Confidential Information provided by the disclosing Party hereunder without the prior written consent of the disclosing Party.

VII. TERM OF AGREEMENT

A. The Agreement protecting the exchange of Confidential Information shall begin on the date on which the last signature is affixed hereto and shall continue for a period of five (5) years thereafter.

B. The Parties' confidentiality duties and restrictions on use pursuant to this Agreement shall continue through and after the expiration of the term of this Agreement for information that the disclosing Party, prior to expiration of the term, has identified to the recipient in writing as remaining Confidential Information after the expiration of the term.

VIII. REMEDIES

Both Actavis and Ventiv agree that: (a) the confidentiality provisions contained herein are reasonable; (b) any breach of a receiving Party's obligations hereunder will cause irreparable damage for which the disclosing Party will have no adequate remedy at law; and (c) the disclosing Party shall be entitled to seek and obtain an injunction and immediate restraints against any breach, threatened breach, or potential breach, of this Agreement, in addition to any other remedy it may have under this Agreement, at law, or in equity.

IX. RETURN OF DOCUMENTS AND PROPERTY

The recipient of any Confidential Information shall promptly return all Confidential Information upon the request of the disclosing Party; in such case, the recipient may retain one (1) confidential copy of the returned Confidential Information under the control of its counsel, solely to evidence the scope of its confidentiality obligations hereunder.

X. ENTIRE AGREEMENT

The terms and conditions contained herein express the entire Agreement between Actavis and Ventiv insofar as the exchange of Confidential Information is concerned, and creates no other obligation or relationship between them.

XI. MODIFICATION

This Agreement may be changed, amended or otherwise modified only by a written statement; provided, such statement is signed by both Parties, expresses their intent to change the Agreement and specifically describes such change(s).

XII. COUNTERPARTS/TELEFAX SIGNATURES

This Agreement may be signed in two counterparts, each of which is to be considered an original, and taken together as one and the same document. Signatures to this Agreement may also be transmitted via telefax, email or other electronic means. All signatures obtained in this manner shall be considered legally binding and original.

XIII. AUTHORITY OF PARTIES

Each Party represents and warrants to the other that it is fully authorized to execute this Agreement and to bind its principal, if any, and to perform its obligations hereunder according to the terms set forth herein. Each Party further represents and warrants that its execution of this Agreement and performance of its obligations hereunder, are not and will not be in violation of any obligations it may have to any third party.

XIV. INTELLECTUAL PROPERTIES

This Agreement grants no copyright, trademark, trade secrets, patent rights, or licenses, express or implied to either Party whatsoever.

XV. GOVERNING LAW

Any and all actions between the Parties regarding the interpretation or application of any term or provision contained herein shall be governed by and interpreted in accordance with the laws of the State of Delaware, U.S.A. Actavis and Ventiv each do hereby respectively consent and agree to personal jurisdiction in the state and federal courts sitting in the State of Delaware, U.S.A. with respect to any and all action(s) brought hereunder.

XVI. DOCUMENT PREPARATION

The Parties acknowledge and agree that this Agreement is a product of negotiations on both sides and that no inference should be drawn regarding the drafter of this document. The recitals are hereby incorporated and made part of this Agreement.

(THE REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK.)

IN WITNESS of their Agreement to the terms and conditions contained herein Actavis and Ventiv have caused the following signatures to be affixed hereto:

ACTAVIS INC.

By: _____

Name: Terrence D. Fullem
Title: VP, Commercial Development
Date: 4/3/09

VENTIV COMMERCIAL SERVICES, LLC

By: _____

Name: PAUL MIGNON
Title: PRESIDENT - inVentiv Selling Solutions
Date: 4/3/09

Exhibit C

PROGRAM FEE SCHEDULE

I. FIXED FEES

(a) Implementation Fee

(i) Actavis shall pay Ventiv $310,640 for the implementation fee associated with performance of the Services.

(ii) In the event Actavis refers candidates for Ventiv Representative positions, and such candidates are hired by Ventiv, Actavis shall receive a credit of $4,250 for each Ventiv Area Business Manager and $9,800 for each Ventiv Regional Business Director hired by Ventiv to provide services to Actavis pursuant to the terms hereof.

(iii) Actavis shall pay Ventiv $96,630 for services rendered by Ventiv Representatives in May, 2009.

(b) Fixed Monthly Fee

Commencing on June 1, 2009, Actavis shall pay Ventiv a Fixed Monthly Fee as follows:

PERIOD	FIXED MONTHLY FEE
June 1, 2009 through April 30, 2010	$256,281

(c) Ventiv shall perform monthly salary reconciliations of the Ventiv Area Business Managers. The Fixed Monthly Fee set forth above assumes an average annual salary for the Ventiv Area Business Managers of $85,000 (the "Assumed Average Base Salary"). In the event the actual average base salary in any given month (the "Actual Average Base Salary"), for all of the Ventiv Area Business Managers is less than the Assumed Average Base Salary (for such month), Actavis shall receive a credit (reflected on the following month's invoice) in an amount equal to the following:

((Total # Ventiv Area Business Managers x Assumed Average Base Salary/12) – (Total # Ventiv Area Business Managers x Actual Average Base Salary)) + (applicable employer portion of taxes)

In the event the Actual Average Base Salary for all of the Ventiv Area Business Managers, in any given month, is greater than the Assumed Average Base Salary (for such month) as set forth above, the following month's invoice from Ventiv shall reflect an additional payment due from Actavis to Ventiv in an amount equal to the following:

((Total # Ventiv Area Business Managers x Actual Average Base Salary) – (Total # Ventiv Area Business Managers x Assumed Average Base Salary/12)) + (applicable employer portion of taxes)

(d) Ventiv shall perform monthly salary reconciliations of the Ventiv Regional Business Directors. The Fixed Monthly Fee set forth above assumes an average annual salary for the Ventiv

Regional Business Directors of $140,000 (the "Assumed RBD Average Base Salary"). In the event the actual average base salary in any given month (the "Actual RBD Average Base Salary"), for all of the Ventiv Regional Business Directors is less than the Assumed RBD Average Base Salary (for such month), Actavis shall receive a credit (reflected on the following month's invoice) in an amount equal to the following:

> ((Total # Ventiv Regional Business Directors x Assumed RBD Average Base Salary/12) – (Total # Ventiv Regional Business Directors x Actual RBD Average Base Salary)) + (applicable employer portion of taxes)

In the event the Actual RBD Average Base Salary for all of the Ventiv Regional Business Directors, in any given month, is greater than the Assumed RBD Average Base Salary (for such month) as set forth above, the following month's invoice from Ventiv shall reflect an additional payment due from Actavis to Ventiv in an amount equal to the following:

> ((Total # Ventiv Regional Business Directors x Actual RBD Average Base Salary) – (Total # Ventiv Regional Business Directors x Assumed RBD Average Base Salary/12)) + (applicable employer portion of taxes)

(e) Turnover Recruiting & Training - Commencing upon the Deployment Date, Actavis shall pay Ventiv a fixed fee of $4,700 for turnover recruiting and training services performed for each backfill Ventiv Area Business Managers. The maximum Ventiv can bill for these services is $33,000 during the Term.

II. PASS-THROUGH COSTS

In addition to the Fixed Fees, certain expenses will be charged to Actavis on a pass-through basis. These expenses will be billed to Actavis at actual cost. Pass-through costs include:

- Interview expenses
- Ventiv Sales Representatives & Trainer Travel Expenses
- Costs for all meetings, including but not limited to initial training and POA Meetings
- Marketing and entertainment costs
- Third party data acquisition costs
- Licensing & Credentialing
- Reconciliation of fuel charges to the extent the national average for a gallon of gasoline varies by greater or less than twenty percent (20%) from the assumed price per gallon of $2.70.

III. VENTIV PERFORMANCE COMPENSATION PLAN

In addition to the Fixed Fees, Ventiv may be awarded performance compensation based upon predetermined criteria including, but not limited to, meeting Program goals as set forth on the Program performance compensation plan (the "Performance Compensation Plan"), attached hereto as Exhibit C-1 and incorporated herein. The objectives of the Performance Compensation Plan are to: (i) maximize sales of the Product; (ii) align Program goals with organizational goals; and (iii) recognize and award Ventiv's Program performance.

If applicable, monies awarded under the Performance Compensation Plan shall be paid by Actavis to Ventiv within thirty (30) days of the Parties reaching agreement on the actual amount of performance compensation to be paid.

IV. BILLING TERMS

The Implementation Fee shall be paid by Actavis to Ventiv within fifteen (15) days of the execution date of this Agreement. Commencing on the Deployment Date, Actavis will be billed monthly in advance the amount stated above as the Fixed Monthly Fee. Pass-through Costs will be billed to Actavis at actual cost as incurred by Ventiv.

Invoices are due upon receipt. If not paid within thirty (30) days of date of invoice, there will be a finance charge of 1.5% monthly, applied to the outstanding balance due.

In the event of an overpayment and/or adjustment(s) to any fees or costs due pursuant to the Program Fee Schedule, at Actavis' option, such overpayment and/or adjustment(s) may be credited against amounts subsequently due hereunder or reimbursed by Ventiv to Actavis via check within thirty (30) days from written notice thereof.

Exhibit C-1

PERFORMANCE COMPENSATION PLAN

To be agreed upon by the Parties (in writing) within thirty (30) days of the date this Agreement is executed by the Parties.

Exhibit C-1

PERFORMANCE COMPENSATION PLAN

2009 KADIAN® Area Business Manager Incentive Compensation Program

1. Program Objectives

The 2009 KADIAN® ABM incentive compensation program is designed to provide incentive for sales results. The objectives of the plan are to:

i. Maximize the sales of KADIAN® Capsules;
ii. Align sales force goals with organizational goals;
iii. Recognize and reward individual sales performance.

2. Program Description

i. 2009 Sales Incentive Program – hired before 6/1/2009

The Sales incentive program provides for bonuses to be paid based on individual territory KADIAN® Capsule sales as a percentage of a pre-determined 2009 sales quota. The quota period runs from May-December 2009. Target payout for 100% quota attainment is $20,000.

No bonus will be earned until 85% of quota has been met.

Table 1 describes payouts relative to quota achievement in detail.

ii. 2009 Sales Incentive Program – hired between 6/1/2009 and 9/30/2009

The Sales incentive program provides for bonuses to be paid based on individual territory KADIAN® Capsule sales as a percentage of a pre-determined 2009 sales quota. Target payout for 100% quota attainment will be **pro-rated** against the full payout of $20,000. The number of months used for calculating the pro-rated amount will be dependent on the ABM start date. (See eligibility criteria).

The 2009 sales quota for the territory will be **pro-rated** based on the ABM start date.

No bonus will be earned until 85% of quota has been met.

iii. **2009 Sales Incentive Program – hired between 10/1/2009 and 11/30/2009**

For any ABM hired during October and November of 2009, objectives will be developed for the territory and a Management by Objective (MBO) bonus will be paid based on the successful completion of those objectives. The maximum payout will be $2,000 and will be prorated based on the ABM start date.

iv. **2009 Sales Incentive Program – hired between 12/1/2009 and 12/31/2009**

Any ABM hired in the month of December will not be eligible to participate in the 2009 KADIAN® ABM Sales Incentive Program.

Table 1. KADIAN® ABM Payout vs. % to Goal

% to Goal	$ Payout	% to Goal	$ Payout	% to Goal	$ Payout
< 85%	0				
85%	$5,000	111%	$30,500	137%	$43,500
86%	$6,000	112%	$31,000	138%	$44,000
87%	$7,000	113%	$31,500	139%	$44,500
88%	$8,000	114%	$32,000	140%	$45,000
89%	$9,000	115%	$32,500	141%	$45,500
90%	$10,000	116%	$33,000	142%	$46,000
91%	$11,000	117%	$33,500	143%	$46,500
92%	$12,000	118%	$34,000	144%	$47,000
93%	$13,000	119%	$34,500	145%	$47,500
94%	$14,000	120%	$35,000	146%	$48,000
95%	$15,000	121%	$35,500	147%	$48,500
96%	$16,000	122%	$36,000	148%	$49,000
97%	$17,000	123%	$36,500	149%	$49,500
98%	$18,000	124%	$37,000	150%	$50,000
99%	$19,000	125%	$37,500	> 150%	$250/pt
100%	$20,000	126%	$38,000		
101%	$21,000	127%	$38,500		
102%	$22,000	128%	$39,000		
103%	$23,000	129%	$39,500		
104%	$24,000	130%	$40,000		
105%	$25,000	131%	$40,500		
106%	$26,000	132%	$41,000		
107%	$27,000	133%	$41,500		
108%	$28,000	134%	$42,000		
109%	$29,000	135%	$42,500		
110%	$30,000	136%	$43,000		

A. **Eligibility Criteria**

Any ABM hired after 6/1/2009 will be eligible for bonus the first full calendar month after their start date.

For example, if an ABM has a start date of 6/25/2009 then the ABM is eligible for the bonus program beginning 7/1/2009. The ABM is eligible for a pro-rated bonus payout of 6/8 of the full bonus payout for the territory quota attainment. At 100% quota attainment for the full year, this would equal $15,000.

2009 Bonus Pro-ration table (based on 8 months)

Hire Month	Bonus Eligible Month	Bonus payout Monthly Pro-ration	% of Annual Bonus Payout
June	July	6/8	75%
July	August	5/8	62.5%
August	September	4/8	50%
September	October	3/8	37.5%
October	MBO	0	0
November	MBO	0	0
December	Not eligible for 2008 plan	0	0

3. **Basis for Payment**

Payout for the 2009 KADIAN® Area Business Manager Bonus Plan will be based on total dollarized prescriptions, as reported by Wolters Kluwer Health. These sales will be credited towards quota achievement.

4. **Payout Schedule**

Incentive payouts will be paid at two different time periods; November 15, 2009 and March 15, 2010 and will be relative to year to date annual percent to goal. Percent to goal is measured based on year to date sales vs. year to date quota. Quotas are broken out to the monthly level and there will be two bonus periods;

Bonus Period 1 May-August 2009 (4 months)
Bonus Period 2 September – December 2009 (4 months)

Year to date quota and sales credit are calculated as the sum of the individual four month totals through the current bonus period.

Bonus period target payouts are shown in table 2 below:

Table 2. Payout Schedule

	Bonus Period 1	Bonus Period 2
% of Annual Bonus	35%	65%
Target $ payout at 100%	$7,000	$13,000

Final 2009 bonus payouts will be calculated after the close of the year based on the annual target payout of $20,000. Payouts are based on overall 2009 performance per table 1 above, less any payouts made in Bonus Period 1.

5. Payout

BP = Bonus Period

Example 1

End of BP	YTD % Quota Achievement	Annual Bonus Level (Table 1)	% Payout	Cumulative % payout	Actual Bonus Period Payout
BP 1	90%	$10,000	35%	35%	$3,500
BP 2	95%	$15,000	65%	100%	$15,000 -$3,500 = $11,500
Total Payout				100%	**$15,000**

BP = Bonus Period

Example 2

End of BP	YTD % Quota Achievement	Annual Bonus Level (Table 1)	% Payout	Cumulative % payout	Actual Bonus Period Payout
BP 1	75%	$0	35%	35%	$0
BP 2	80%	$0	65%	100%	$0
Total Payout				100%	$0

Example 3

End of BP	YTD % Quota Achievement	Annual Bonus Level (Table 1)	% Payout	Cumulative % payout	Actual Bonus Period Payout
BP 1	95%	$15,000	35%	35%	$5,250
BP 2	105%	$25,000	65%	100%	$25,000 -$5,250 = $19,750
Total Payout				100%	**$25,000**

Example 4

End of BP	YTD % Quota Achievement	Annual Bonus Level (Table 1)	% Payout	Cumulative % payout	Actual Bonus Period Payout
BP 1	115%	$32,500	35%	35%	$11,375
BP 2	95%	$15,000	65%	100%	$15,000 - $11,375 = $3,625
Total Payout					**$15,000**

6. **General Terms and Conditions**

   i. **Compliance** – an ABM must be in full compliance with Ventiv and Actavis promotional SOP's and guidelines to be eligible for any sales incentive payment.

ii. **Termination / Resignations** – Area Business Managers must be an employee of Ventiv on the last day of the Bonus Period to be eligible to receive the incentive compensation payout that was earned for that Bonus Period.

iii. **Out of Territory** – If an Area Business Manager is out of the territory during the year due to reasons other than company approved time off, the sales incentive payout will be prorated based on the number of days worked year to date.

iv. **Adjustments** – Management reserves the right to modify or adjust the Sales Incentive Program at any time.

2009 KADIAN® Regional Business Director Incentive Compensation Program

7. Program Objectives

The 2009 KADIAN® RBD incentive compensation program is designed to provide incentive for sales results. The objectives of the plan are to:

iv. Maximize the sales of KADIAN® Capsules;
v. Align sales force goals with organizational goals;
vi. Recognize and reward Regional sales performance.

8. Program Description

i. 2009 Sales Incentive Program – hired before 6/1/2009

The Sales incentive program provides for bonuses to be paid based on Regional KADIAN® Capsule sales as a percentage of a pre-determined 2009 sales quota. The quota period runs from May-December 2009. Target payout for 100% quota attainment is $32,000.

No bonus will be earned until 85% of quota has been met.

Table 1 describes payouts relative to quota achievement in detail.

ii. 2009 Sales Incentive Program – hired between 6/1/2009 and 9/30/2009

The Sales incentive program provides for bonuses to be paid based on Regional KADIAN® Capsule sales as a percentage of a pre-determined 2009 sales quota. Target payout for 100% quota attainment will be **pro-rated** against the full payout of $32,000. The number of months used for calculating the pro-rated amount will be dependent on the RBD start date. (See eligibility criteria).

The 2009 sales quota for the territory will be **pro-rated** based on the RBD start date.

No bonus will be earned until 85% of quota has been met.

iii. **2009 Sales Incentive Program – hired between 10/1/2009 and 11/30/2009**

For any RBD hired during October and November of 2009, objectives will be developed for the territory and a Management by Objective (MBO) bonus will be paid based on the successful completion of those objectives. The maximum payout will be $4,000 and will be prorated based on the RBD start date.

iv. **2009 Sales Incentive Program – hired between 12/1/2009 and 12/31/2009**

Any RBD hired in the month of December will not be eligible to participate in the 2009 KADIAN® RBD Sales Incentive Program.

Table 1. KADIAN® RBD Payout vs. % to Goal

% to Goal	$ Payout	% to Goal	$ Payout	% to Goal	$ Payout
< 85%	0				
85%	$15,000	111%	$43,000	137%	$58,000
86%	$16,000	112%	$44,000	138%	$58,500
87%	$17,000	113%	$45,000	139%	$59,000
88%	$18,000	114%	$46,000	140%	$59,500
89%	$19,000	115%	$47,000	141%	$60,000
90%	$20,000	116%	$47,500	142%	$60,500
91%	$21,000	117%	$48,000	143%	$61,000
92%	$22,000	118%	$48,500	144%	$61,500
93%	$23,000	119%	$49,000	145%	$62,000
94%	$24,000	120%	$49,500	146%	$62,500
95%	$25,000	121%	$50,000	147%	$63,000
96%	$26,000	122%	$50,500	148%	$63,500
97%	$27,000	123%	$51,000	149%	$64,000
98%	$28,000	124%	$51,500	150%	$64,500
99%	$30,000	125%	$52,000	> 150%	$250/pt
100%	$32,000	126%	$52,500		
101%	$33,000	127%	$53,000		
102%	$34,000	128%	$53,500		
103%	$35,000	129%	$54,000		
104%	$36,000	130%	$54,500		
105%	$37,000	131%	$55,000		
106%	$38,000	132%	$55,500		
107%	$39,000	133%	$56,000		
108%	$40,000	134%	$56,500		
109%	$41,000	135%	$57,000		
110%	$42,000	136%	$57,500		

A. **Eligibility Criteria**

Any RBD hired after 6/1/2009 will be eligible for bonus the first full calendar month after their start date.

For example, if an RBD has a start date of 6/25/2009 then the RBD is eligible for the bonus program beginning 7/1/2009. The RBD is eligible for a pro-rated bonus payout of 6/8 of the full bonus payout for the territory quota attainment. At 100% quota attainment for the full year, this would equal $15,000.

2009 Bonus Pro-ration table (based on 8 months)

Hire Month	Bonus Eligible Month	Bonus payout Monthly Pro-ration	% of Annual Bonus Payout
June	July	6/8	75%
July	August	5/8	62.5%
August	September	4/8	50%
September	October	3/8	37.5%
October	MBO	0	0
November	MBO	0	0
December	Not eligible for 2008 plan	0	0

9. **Basis for Payment**

Payout for the 2009 Kadian Regional Business Director Bonus Plan will be based on total dollarized prescriptions, as reported by Wolters Kluwer Health. These sales will be credited towards quota achievement.

10. **Payout Schedule**

Incentive payouts will be paid at two different time periods; November 15, 2009 and March 15, 2010 and will be relative to year to date annual percent to goal. Percent to goal is measured based on year to date sales vs. year to date quota. Quotas are broken out to the monthly level and there will be two bonus periods;

Bonus Period 1 May-August 2009 (4 months)
Bonus Period 2 September – December 2009 (4 months)

Year to date quota and sales credit are calculated as the sum of the individual four month totals through the current bonus period.

Bonus period target payouts are shown in table 2 below:

Table 2. Payout Schedule

	Bonus Period 1	Bonus Period 2
% of Annual Bonus	35%	65%
Target $ payout at 100%	$11,200	$20,800

Final 2009 bonus payouts will be calculated after the close of the year based on the annual target payout of $32,000. Payouts are based on overall 2009 performance per table 1 above, less any payouts made in Bonus Period 1.

11. Payout

BP = Bonus Period

Example 1

End of BP	YTD % Quota Achievement	Annual Bonus Level (Table 1)	% Payout	Cumulative % payout	Actual Bonus Period Payout
BP 1	90%	$20,000	35%	35%	$7,000
BP 2	95%	$25,000	65%	100%	$25,000 -$7,000 = $18,000
Total Payout				100%	**$25,000**

BP = Bonus Period

Example 2

End of BP	YTD % Quota Achievement	Annual Bonus Level (Table 1)	% Payout	Cumulative % payout	Actual Bonus Period Payout
BP 1	75%	$0	35%	35%	$0
BP 2	80%	$0	65%	100%	$0
Total Payout				100%	$0

Example 3

End of BP	YTD % Quota Achievement	Annual Bonus Level (Table 1)	% Payout	Cumulative % payout	Actual Bonus Period Payout
BP 1	95%	$25,000	35%	35%	$8,750
BP 2	105%	$37,000	65%	100%	$37,000 -$8,750 = $28,250
Total Payout				100%	**$37,000**

Example 4

End of BP	YTD % Quota Achievement	Annual Bonus Level (Table 1)	% Payout	Cumulative % payout	Actual Bonus Period Payout
BP 1	115%	$47,000	35%	35%	$16,450
BP 2	95%	$25,000	65%	100%	$25,000 - $16,450 = $8,550
Total Payout					**$25,000**

12. General Terms and Conditions

i. **Compliance** – an RBD must be in full compliance with Ventiv and Actavis promotional SOP's and guidelines to be eligible for any sales incentive payment.

ii. **Termination / Resignations** – Regional Business Directors must be an employee of Ventiv on the last day of the Bonus Period to be eligible to receive the incentive compensation payout that was earned for that Bonus Period.

iii. **Out of Territory** – If a Regional Business Director is out of the territory during the year due to reasons other than company approved time off, the sales incentive payout will be prorated based on the number of days worked year to date.

iv. **Adjustments** – Management reserves the right to modify or adjust the Sales Incentive Program at any time.

Exhibit D

HIRING PROFILES

1. AREA BUSINESS MANAGER JOB DESCRIPTION

Summary:

Field-based sales representative calling on Health Care Professionals (Physicians, Nurses, and Pharmacists) involved in the treatment of moderate to severe Pain. Customers primarily include Interventional and Pain Management Specialists, Anesthesiologists, Physiatrists, Neurologists, Orthopedic Surgeons, select Primary Care Physicians and their staff. Responsible for all aspects of sales, market development and strategic business planning and implementation for KADIAN® for the assigned territory by performing the following duties.

Essential Duties and Responsibilities:

- Meets and exceeds sales goals that contribute to the overall company objectives while acting in complete and total compliance with laws, regulations and policies.
- Develops territory business plans, operates within a territory budget and successfully utilizes approved company resources to drive results.
- Complies with all laws, regulations and policies that govern the conduct of Actavis activities.
- Business travel, by air or car, is regularly required.

Qualifications and/or Experience:

- Bachelor's degree or equivalent; 6-8 years related experience in specialty pharmaceutical/biotech sales.
- Proven sales track record as a top performer.
- Ability to prioritize customer targets.
- Prior experience in pain management or specialty sales preferred.
- Prior experience selling KADIAN® a plus.
- Prior experience managing large, multi-state territories preferred.

2. REGIONAL BUSINESS DIRECTOR JOB DESCRIPTION

Summary:

Seasoned professional manager with a proven ability to lead and manage a sales team to achieve sales goals. Ensure that sales goals contribute to the overall company objectives while acting in complete and total compliance with laws, regulations and policies. Manages the activities of sales representatives within an assigned geography for KADIAN®.

Essential Duties and Responsibilities:

- Develop a full understanding of the regional business plan to achieve goals and objectives for KADIAN®.
- Monitor sales representative's performance and effectiveness.
- Meets and exceeds sales goals that contribute to the overall company objectives while acting in complete and total compliance with laws, regulations and policies.
- Operates within a territory budget and successfully utilizes approved company resources to drive results.
- Business travel, by air or car, is regularly required.

Qualifications and/or Experience:

- Bachelor's degree or equivalent; 5-8 years sales management experience in specialty pharmaceutical/biotech sales.
- 10+ years pharmaceutical/biotech sales experience.
- Proven sales track record as a top performer.
- Ability to lead and manage a large geography and multiple sales representatives to achieve sales goals.
- Prior experience in pain management or specialty sales preferred.
- Prior experience selling KADIAN® a plus.

PATIENT ASSISTANCE PROGRAM AGREEMENT

This agreement ("Agreement") is made and entered as of February 1, 2009 ("**Effective Date**"), by and between Triple i Division of MediMedia USA, Inc. ("**Triple i**") with an address of 350 Starke Road, Carlstadt, NJ 07072 and Actavis Kadian LLC, having an address of 60 Columbia Road, Bldg B, Morristown, NJ 07960 ("**Actavis**").

Background

A. Triple i is in the business of, among other things, providing patient assistance program services to pharmaceutical companies for distribution of pharmaceutical products to physicians and/or other channels.

B. Actavis is in the business of developing, marketing and distributing pharmaceutical products.

C. Actavis desires to utilize the services of Triple i in implementing a patient assistance program related to its product Kadian® ("**Product**").

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

I. THE ACTAVIS PAP PROGRAM.

- Actavis will work with Triple i to develop a patient assistance program ("**Actavis PAP Program**") as set forth in this Agreement, including the exhibits attached hereto.
- A statement of work ("**SOW**") and overview of the Actavis PAP Program is attached hereto as **Exhibit A** and incorporated herein.
- A current copy of the Actavis PAP Program Business Rules are attached hereto as **Exhibit B** and incorporated herein.

1.01 Reports. Triple i will manage and deliver the data in a standard reporting format, as set forth in the SOW. Customized reporting is available for additional fees. If Actavis desires a change in reporting format later in the Actavis PAP Program, a change request must be approved by both parties in writing. Actavis may, at its option and in its sole discretion, request Triple i to provide data files to a third party for Actavis PAP Program analysis and reporting. Data files shall not contain protected health information ("**PHI**") except in accordance with the Health Insurance Portability and Accountability Act ("**HIPAA**") and codified at 45 CFR Parts 160 and 164 as amended from time to time ("**HIPAA Privacy Rules**"). PHI includes, but is not limited to, patient's name, address, date of birth, and social security number.

1.02 Payment of Actavis PAP Program Costs.

A. On a monthly basis, within fifteen (15) days after the end of each calendar month, Triple i shall, via facsimile or other mutually agreed upon electronic means, provide to Actavis, an invoice stating: (i) the Product name Kadian, (ii) the total amount of Actavis PAP Program costs and reasonable out-of-pocket expenses approved in advance, in writing, by Actavis (as set forth in Exhibit A of this Agreement) for the previous month, and (iii) Actavis' contact name, telephone and facsimile numbers (the "Invoice").

B. Within thirty (30) days of the receipt of an Invoice, Actavis shall pay Triple i any undisputed amounts by check or electronic deposit as mutually agreed by Triple i and Actavis. If Actavis disputes any amounts on the Invoice, Actavis shall notify Triple i within ten (10) business days of receipt of such Invoice, giving in writing its reasons for disputing the amount and any supporting documentation. Failure to provide such notice shall waive Actavis' right to dispute such Invoice.

1.03 Recordkeeping.

A. Triple i will maintain hardcopy applications and corresponding files on-site for a period of twelve (12) months. Files will be maintained off-site for a minimum of two (2) years or as otherwise required by law. In the event of a trace, the original document(s) will be provided to Actavis within two (2) business days.

B. In addition to Section 1.03A., all data and documents related to the Actavis PAP Program: (a) will be batched and stored in Triple i's Oracle database for a period of three (3) years or longer if required by law; (b) shall be available on-line via Triple i's Oracle database system for such period; and (c) shall be available on archived media for a period of three (3) years from the date the data is no longer available via Triple i's Oracle database, or for such longer terms if required by law. The Oracle database system maintains the complete Actavis PAP Program history, including documentation, for each practitioner and patient.

1.04 Internet. Actavis acknowledges that the Internet is not a secure or reliable environment and that the ability of Triple i to deliver Internet services is dependent upon the Internet and equipment, software, systems, data and services provided by various telecommunications carriers, equipment manufacturers, firewall providers and encryption system developers and other vendors and third parties. Actavis acknowledges that use of the Internet in conjunction with Triple i's services entails confidentiality and other risks that may be beyond Triple i's reasonable control. Triple i agrees to maintain and make available written and commercially reasonable encryption and other mechanisms to protect against unauthorized interception, corruption, use of or access to confidential information that it receives and/or disseminates over the Internet ("Internet Mechanisms"). Triple i may, but shall not be required to, modify the Internet Mechanisms from time to time to the extent it believes in good faith that such modifications will not diminish the security of Triple i's systems.

II. TERM AND TERMINATION.

2.01 Term. This Agreement shall commence upon the Effective Date and shall continue for a period of one (1) year, unless earlier terminated as set forth below.

2.02 Termination.

A. Termination of Agreement. Either party may terminate this Agreement (i) with or without cause, upon thirty (30) days prior written notice to the other party; or (ii) upon written notice to the other party in the event such party materially breaches any of the representations, warranties, certifications or obligations set forth in this Agreement, and such breach remains uncured for thirty (30) days after notice thereof, or (iii) immediately upon written notice to the other party if such party becomes insolvent or a receiver is appointed for its business or properties, which appointment is not vacated within sixty (60) days or if any petition is filed by or against it under any provisions of any bankruptcy, insolvency, or similar laws.

B. Termination of Program. The Actavis PAP Program may be immediately terminated by any party upon written notice to the other party in the event of a Change of Law, which results in a material adverse effect on the legitimate expectations of either party regarding the Actavis PAP Program at the time such party entered into this Agreement (e.g., violation of applicable federal, state or local law or regulation). For purposes of this Section 2.02(B), a "Change of Law" means (i) any new legislation enacted by the federal or any state government; (ii) any new rule, regulation, guideline, or interpretation issued or promulgated by any governmental agency or governmental third-party payor; and/or (iii) any order or decree issued by any judicial or administrative body.

2.03 Rights Upon Termination. The termination or expiration of this Agreement shall not affect any payment obligation or other obligation that accrued prior to such termination or expiration. Upon termination or expiration, Triple i shall not be required to continue to perform services hereunder or providing ongoing storage and maintenance of records, except as set forth in Section 1.03 above; provided however, that Triple i shall provide Actavis with reasonable transition services and information and documentation that reasonably may be needed by Actavis in connection with the orderly and expeditious transition of the Actavis PAP Program to another vendor upon request and full payment of any undisputed amounts.

III. REPRESENTATIONS AND WARRANTIES.

Each party hereby represents and warrants to the other parties the following:

3.01 Authorization and Enforcement of Obligations. Such party (a) has the corporate power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder, and (b) has taken all necessary corporate action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party, and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

3.02 No Conflict. The execution and delivery of this Agreement and the performance of such party's obligations hereunder (a) do not conflict with or violate any requirement of applicable laws or regulations and (b) do not conflict with, violate, breach or constitute a default or require any consent under, any contractual obligation of such party.

3.03 Compliance with Laws. Each party shall perform its obligations under this Agreement in compliance with all federal, state and local laws, rules, regulations and guidelines, as amended from time to time, applicable to such entity and its obligations hereunder.

3.04 Compliance with SOW/PAP Business Rules. Each party shall perform its obligations under this Agreement in accordance with the SOW and in compliance with the PAP Business Rules, as each may be amended from time to time.

3.05 Except as specifically set forth in this Agreement, assistance under the Actavis PAP Program will be awarded without regard to any health care provider or supplier used by a patient, and without regard to a patient's choice of health plan. Further, availability of Product under the Actavis PAP Program is not conditioned on the volume or value of federal health care program business generated by a health care provider and no health care provider will be compensated directly or indirectly related to the Actavis PAP Program.

3.06 Additional Representations and Warranties of Triple i. Triple i represents and warrants to the other parties the following:

A. Triple i has all rights, title and interest in and to all computer programs, databases and other intellectual property needed to perform the services hereunder sufficient to enable Triple i to use them in performing the services hereunder.

B. None of the services contemplated hereunder or any development, use, production, distribution or exploitation thereof will infringe, misappropriate or violate any intellectual property or other right of any person or entity (including, without limitation, patent, trademark, service mark, copyright, trade dress).

C. Product provided free pursuant to the Actavis PAP Program shall not be sold, transferred to any third party other than designated qualifying patients, nor submitted for reimbursement to any third party insurer.

D. Triple i will audit, at least once every twelve (12) months during the term of this Agreement: (a) Fisher BioServices; and (b) each health care provider who receives a Product on behalf of a patient/Actavis PAP Program enrollee, to ensure that same maintains compliance with this Agreement including, but not limited to, the PAP Business Rules.

IV. CONFIDENTIAL INFORMATION.

4.01 Nondisclosure. During the term of this Agreement and for a period of five (5) years after expiration or termination of this Agreement, no party shall disclose, publish or otherwise make available (orally or in writing) any Confidential Information of the other party to any third party. For purposes of this Agreement, "Confidential Information" means all non-public and/or proprietary information owned or possessed by the disclosing party, whether existing before the date of this Agreement or created hereafter, including, without limitation: all

notes, books, papers, diagrams, documents, reports, memoranda, concepts, formal or analytical methods, technical or scientific data, unpublished findings, biological material, know-how, specifications, processes, techniques; intellectual property, patents, patent applications, trade secrets, inventions, discoveries, trademarks, services marks, trade dress, trade names and equivalents thereof; copyrights, mask works, registrations and applications thereof and any equivalents therof; algorithms, programs, designs, drawings, or formulae; any engineering, manufacturing, marketing, financial or business plan, and all other data or information in whatever form, disclosed by one party to the other. Confidential Information also includes the terms and conditions of this Agreement.

The parties agree that the recipient of the Confidential Information shall not disclose, cause, or permit the disclosure of said Confidential Information to any third party or parties, without the prior written consent of the disclosing party, except for Confidential Information which is expressly excluded by the disclosing party in writing or any Confidential Information which: (a) was known to the receiving party at the time of disclosure by the disclosing party; (b) was generally available to the public at the time of disclosure by the disclosing party; (c) became known to the receiving party from a third party lawfully disclosing such information without breach of this Agreement or (d) was independently developed by or for the receiving party without regard to the Confidential Information.

In the event the receiving Party of Confidential Information is required by applicable law, regulation, rule, governmental authority, regulatory authority or by order of a court competent jurisdiction to disclose any Confidential Information, the receiving party shall give the disclosing party prompt notice thereof so that the disclosing party may seek an appropriate protective order to such required disclosure. The receiving party will reasonably cooperate with the disclosing party in its efforts to seek such protective order. In the event a party is still required to disclose this Agreement or any portion thereof, or to disclose any Confidential Information thereunder, it shall promptly notify the other party. The disclosing party shall use its best efforts to advance the other party's position, as applicable, that such Confidential Information should not be made publicly available.

Actavis acknowledges and agrees that from time to time Triple i may use Actavis PAP Program data to analyze the performance of the Actavis PAP Program ("Performance Reporting"). Each party agrees that Performance Reporting is considered Confidential Information.

Confidential Information may be disclosed, on a need to know basis, to consultants, agents, and advisors of either party; provided, that the receiving party shall cause those to whom Confidential Information or data is disclosed, regarding or concerning the matters contemplated herein to observe the restrictions set forth in this Section 4. Any party may also disclose such Confidential Information as it deems appropriate to its employees provided such employees have a need to know. The parties agree to enforce the terms and provisions herein as to any such employee, consultant, agent or advisor who receives Confidential Information hereunder, and to assume liability for any unauthorized use or disclosure of Confidential Information by any or all such persons.

The Parties agree that: (a) the confidentiality provisions contained herein are reasonable; (b) any breach of a receiving party's obligations hereunder will cause irreparable damage for which the disclosing party will have no adequate remedy at law; and (c) the disclosing Party

shall be entitled to seek and obtain an injunction and immediate restraints against any breach, threatened breach, or potential breach, of this Agreement, in addition to any other remedy it may have under this Agreement, at law, or in equity.

Upon termination or expiration of this Agreement, or at the request of the disclosing party, the recipient of any Confidential Information shall promptly return all Confidential; provided however, that the recipient may retain one (1) confidential copy of the returned Confidential Information under the control of its counsel, solely to evidence the scope of its confidentiality obligations hereunder.

4.02 No Publicity. No party shall issue any press release or other public announcement, verbally or in writing, referring to the other party or any entity which controls, is controlled by or under common control of such party. Nothing contained herein shall limit the right of any party to issue a press release or public announcement if, in the opinion of such party's counsel, such press release or public announcement is required pursuant to state or federal securities laws, rules or regulations, or other applicable laws or by any governmental agency, in which case the party required to make the press release or public announcement shall promptly use its commercially reasonable efforts to obtain the approval of the other party as to the form, nature and extent of the press release or public announcement prior to issuing the press release or making the public announcement.

V. LIMITATIONS OF LIABILITY, INDEMNIFICATION AND INSURANCE.

5.01 Actavis Indemnification. Subject to Section 5.04 below, Actavis shall defend, indemnify, and hold harmless Triple i and their respective affiliates, directors, officers, employees and representatives from and against any and all claims, liabilities, losses, damages, costs, and expenses (including without limitation reasonable attorneys' fees) ("**Liability**") arising directly or indirectly out of: (a) the fraud, intentional misconduct, omission or negligence of Actavis; (b) the use of the Product in the Actavis PAP Program; and (c) the breach of any warranty, representation, certification or obligation of Actavis under this Agreement, except that any of the foregoing arises out of or results from Triple i's obligations under this Agreement or Triple i's fraud, intentional misconduct, omission or negligence.

5.02 Triple i Indemnification. Subject to Section 5.04 below, Triple i shall defend, indemnify, and hold harmless Actavis, its affiliates and their respective directors, officers, employees and representatives from and against any and all Liability arising directly or indirectly out of: (a) the fraud, intentional misconduct, omission or negligence of Triple i; and (b) the breach of any warranty, representation, certification or obligation of Triple i under this Agreement, except that any of the foregoing arises out of or results from Actavis' obligations under this Agreement or Actavis' fraud, intentional misconduct, omission or negligence.

5.03 Indemnity Process. Each party agrees, to the extent reasonably practicable, to cooperate with the indemnifying party in the defense of any claims made by third party(ies) to which this Section 5 applies, including, but not limited to, (i) promptly notifying the indemnifying party and its applicable insurance carrier of the Liability to be indemnified; (ii) allowing the indemnifying party to conduct and control (at the cost and expense of such indemnifying party), at its option, the defense of such a claim and any related settlement negotiations, with the exception of a settlement which includes any admission of liability by the indemnified party, which admission may only be granted to the indemnifying party by the

indemnified party in writing; and (iii) affording all reasonable assistance to the indemnifying party (at the cost and expense of such indemnifying party) and making no admission prejudicial to the defense of such a claim. Subject to other provisions of this Section 5, the indemnified party may, at its sole cost and expense, participate in the defense of any claim hereunder with counsel of its own choice.

5.04 Limitation of Liability.

NO PARTY SHALL BE LIABLE TO THE OTHER PARTIES FOR ANY CONSEQUENTIAL (SPECIFICALLY EXCEPTING THOSE CONSEQUENTIAL DAMAGES ARISING FROM EACH PARTY'S OBLIGATION TO INDEMNIFY THE OTHER AS SET FORTH IN THIS SECTION 5), INCIDENTAL, INDIRECT, SPECIAL, OR OTHER SIMILAR DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT (INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUES, PROFITS OR DATA, WHETHER IN CONTRACT OR TORT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), OTHER THAN CLAIMS BY THIRD PARTIES FOR SUCH CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, OR OTHER SIMILAR DAMAGES. FURTHER, NOTWITHSTANDING ANYTHING TO THE CONTRARY THAT MAY BE CONTAINED IN THIS AGREEMENT, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY IN THE AGGREGATE IN CONTRACT, TORT, OR OTHERWISE ARISING FROM THE RELATIONSHIP OF THE PARTIES OR THE CONDUCT OF BUSINESS UNDER THIS AGREEMENT, FOR AN AMOUNT EXCEEDING, IN THE AGGREGATE, THE TOTAL AMOUNT TO BE PAID FOR SERVICES UNDER THIS AGREEMENT.

5.05 Insurance. Each party will, at its own cost and expense, maintain and keep in force during the term of this Agreement, commercial general liability, general public liability and property damage insurance against any insurable claim or claims which might or could arise regarding services provided under this Agreement. Such insurance will contain a minimum combined single limit of liability for bodily injury and property damage in the amounts of not less than $2,000,000 per occurrence and $10,000,000 in the aggregate, and will name the other party as an additional insured. In the event that any of the required policies of insurance are written on a claims-made basis, then such policies shall be maintained during the entire term of this Agreement and for a period of not less than three (3) years following the termination or expiration of this Agreement plus twelve (12) months of discovery. Each party will provide to the other party within fifteen (15) days after a party's request, an insurance certificate indicating the foregoing coverage, issued by an insurance company licensed to do business in the relevant states and signed by an authorized agent.

This Section 5 shall survive expiration or termination of this Agreement.

VI. AUDIT AND INSPECTION.

During the term of this Agreement, upon thirty (30) days' prior written notice and during normal business hours, either party shall be entitled to audit and inspect those relevant records which are maintained by the other party in direct connection with its performance under this Agreement; provided, however: (i) the audit or inspection shall be performed by either bona fide permanent employees of the party conducting such audit or inspection, or a mutually agreed

upon third-party auditor; and (ii) under no circumstances does either party have the right to audit: (a) the other party's internal costs or (b) accounts and/or records unrelated to the services contemplated hereunder.

VII. DISPUTE RESOLUTION.

Subject to any provisions regarding equitable relief contained herein, the parties agree that any dispute, controversy or difference ("Dispute") that arises in connection with this Agreement shall first be presented for good faith resolution to the respective presidents or senior executives of each party. If no resolution is reached within thirty (30) days or such other reasonable period of time agreed to by the parties in writing, then either party may pursue appropriate legal and equitable relief, as provided by applicable law, in any court of competent jurisdiction, consistent with Section 8.01 below.

VIII. MISCELLANEOUS.

8.01 Governing Law. This Agreement shall be governed by the laws of the state of Delaware, excluding its conflicts of laws provisions, and any litigation that may arise herefrom shall be instituted in any U.S. Federal or State court that has jurisdiction.

8.02 Notices. All notices and other communications between the parties which shall or may be given pursuant to this Agreement shall be deemed to have been sufficiently given when delivered by personal service or sent by registered mail, express delivery service or facsimile, as further described below, to the recipient addressed as follows:

(a)	If to **Triple i**:	Triple i 350 Starke Road Carlstadt, NJ 07072 Attention: Tom Langan, President Facsimile: 201-231-6281
(b)	If to **Actavis**:	Actavis Kadian LLC 60 Columbia Road Bldg B Morristown, NJ 07960 Attention: Nathalie Leitch
	With a copy to:	Actavis Kadian LLC 60 Columbia Road Bldg B Morristown, NJ 07960 Attn: Legal Department Facsimile: 973-993-4306

Any notice or other communication required or desired to be given to any party under this Agreement shall be in writing and shall be deemed given: (a) three (3) business days after such notice is deposited in the United States mail, first-class postage prepaid, and addressed to that party at the address for such party set forth above; (b) one (1) business day after delivered to Federal Express, Airborne, or any other similar express delivery service for delivery to that party

at that address; or (c) when sent by facsimile transmission, with electronic confirmation, to that party at its facsimile number set forth above. Any party may change its address or facsimile number for notices under this Agreement by giving the other parties notice of such change.

8.03 Entire Agreement. This Agreement constitutes the entire Agreement between the parties relating to the subject matter of this Agreement, and this Agreement may not be amended, except in writing signed by a duly authorized representative of each party.

8.04 Counterparts. This Agreement may be executed in any number of counterparts, all of which together shall constitute a single Agreement.

8.05 Assignment. Neither of the parties may assign this Agreement without the prior written consent of the other party except in connection with the sale of all or substantially all of the stock or assets of such party related to this Agreement. Either party may assign this Agreement to an affiliated company, which is understood to be an entity controlled by, under the control of, or under common control with the assigning party. This Agreement will be binding upon the parties hereto, and their successors and permitted assigns.

8.06 Waiver. No failure by any party to insist upon strict compliance with any term of this Agreement, to enforce any right, or to seek any remedy upon any default of the other parties shall affect, or constitute a waiver of, the first party's right to insist upon strict compliance, to exercise that option, to enforce that right, or to seek that remedy with respect to that default or any prior, contemporaneous, or subsequent default. No custom or practice of the parties at variance with any provision of this Agreement shall affect, or constitute a waiver of, that party's right to demand strict compliance with all provisions of this Agreement.

8.07 Independent Contractor. The relationship of the parties is that of independent contractors, and no party shall incur any debts or make any commitments for the other parties except to the extent expressly provided in this Agreement. Nothing in this Agreement is intended to create or shall be construed as creating between the parties the relationship of joint ventures, co-partners, employer/employee or principal and agent.

8.08 Force Majeure. If the performance of any part of this Agreement by any party shall be prevented, restricted, interfered with or affected for any length of time by fire or other casualty, government restrictions, acts of terrorism, embargo, war, riots, strikes or labor disputes, lock out, transportation delays, acts of God, or any other causes which are beyond the reasonable control of such party, such party shall not be responsible for delay or failure of performance of this Agreement for such length of time ("**Force Majeure**"); provided however, that a delay in a party's obligation to repay or reimburse amounts, as applicable, during such Force Majeure period shall not a constitute a waiver of such requirement thereafter, and an obligation to pay money may be delayed hereunder, but shall not be excused. Neither party may terminate this Agreement because of such delay or failure of performance except upon thirty (30) days' prior written notice to the other party if the delay or failure of performance has existed for thirty (30) days and is continuing at the end of the thirty (30) day notice period.

8.09 Sophisticated Parties. Each party to this Agreement is a sophisticated business party negotiating in good faith with the advice of legal counsel. Each party is hereby advised to seek the advice of legal counsel prior to executing this Agreement. Neither party shall be considered to be the party which drafted this Agreement and no presumptions regarding

interpretation of this Agreement shall be made in connection with the preparation of this Agreement.

8.10 Severability. If any term of this Agreement is declared invalid or unenforceable by a court or other body of competent jurisdiction, the remaining terms of this Agreement will continue in full force and effect.

8.11 Survival. Sections III (Representations and Warranties), IV (Confidential Information), V (Limitations of Liability, Indemnification and Insurance), VI (Audit and Inspection) and VIII (Miscellaneous) shall survive termination or expiration of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties through their duly authorized officers effective as of the day and year first above written.

Triple i Division of MediMedia USA, Inc.

By: [signature]

Name: Tom Langan

Title: President, Triple i

Date: September 16, 2009

Actavis Kadian LLC

By: [signature]

Name: Douglas S. Boothe

Title: CEO, Actavis Inc

Date: 9/1/09

REVIEWED WB LEGAL DEPT.

EXHIBIT A

STATEMENT OF WORK

To be provided.

Kadian® Capsules
Patient Assistance Program SOW

Company:	*Actavis Kadian LLC*
Contact:	Terrence Fullem VP Commercial Development Actavis Kadian LLC
Address:	60 Columbia Road, Bldg. B Morristown, NJ 07960
Triple i Contact:	Jeff Uccello Senior Account Director 350 Starke Road Carlstadt, NJ 07072
Program:	Patient Assistance Program
Estimated Volume:	100 - 150 New Patients Per Month
Program Duration:	12 months
Date:	February 1, 2009
Agreement #:	06-FL2862

Our Understanding of Actavis Needs:

Triple i is pleased to submit a proposal ("SOW") to Actavis Kadian LLC ("Actavis") to provide a Patient Assistance Program for Kadian® Capsules ("Actavis PAP Program"). This Actavis PAP Program would be completely turnkey and would provide Program Management and support in the following areas: Front end support to the physicians calling in to enroll their patients in the program, receiving applications, validating and capturing practitioner requests and then providing a personalized Actavis PAP Program acceptance letter with direct shipment of Kadian to patient to follow. The direct shipment will allow qualified patients to receive their monthly prescription directly shipped to their home address, for free. All capitalized terms used herein shall have the same meaning ascribed thereto in the main text of the Agreement, unless otherwise defined in this SOW.

We are proposing that our fully integrated services can assist Actavis with all aspects of your patient assistance initiatives. As we understand, the following services will be provided ("Services"):

- Triple i will design an oracle database ("Oracle Database") to support the practitioner request.
- Triple i will provide Live Operator phone coverage for physicians and patients requesting Actavis PAP Program Services.
- Triple i will be responsible for the design and printing of the application and re-order form.
- Fax or mail application to the physician based on the phone request and patient qualifications.
- Fax or mail the re-order application to the physician based on the phone request.
- Triple i will process and validate all requests using set parameters according to HIPAA regulations and Actavis business rules.
- Maintain a practitioner/patient database to support the business needs and legal requirements for Actavis.
- Triple i will process the orders within 48-hours based on the Actavis PAP Program Business Rules ("PAP Business Rules") attached hereto as Exhibit B.
- All approved patients are eligible for a twelve-month period and will need to re-apply every twelve months, if the patient still requires therapy.

Program Objectives:

The intent of this program will produce the following benefits to Actavis:

- Provide Kadian to eligible patients free of charge.
- Provide a solution for the practitioner as it relates to Actavis products for their indigent patients.
- Provide a complete compliance process with a quick turnaround.
- Strengthen goodwill among practitioners by allowing them to offer value to their patients in a timely fashion.
- Maintain a validated database of practitioners based on state license and DEA validation.
- Provide the sales representatives, if applicable, with a response to how Actavis addresses Patient Assistance.

Triple i Deliverables:

Triple i will provide:

- All services as outlined in this SOW

IMPLEMENTATION AND ASSUMPTIONS

Program Assumptions:

- Estimate approximately 100-150 new orders processed monthly at the mail-order pharmacy; there are also approximately 1,700 patients in the current program.
- The application process is good for a twelve-month period. If the patient still requires therapy after twelve months the physician or patient will need to contact the Patient Assistance 800-number set-up for the Actavis PAP Program, to request a re-order form.
- Triple i will be responsible for the printing of the Patient letter/s, application and envelopes:
  - Application printed: 1 page, printed 1/1, 60 lb. White offset
  - Re-order application form printed: 1 page, printed 1/1 60 lb. White offset.
  - #10 envelopes: closed face and window, printed 2/0.
  - Patient acceptance letter: printed 8.5 x 11.
  - The patient will receive a personalized approval letter notifying him/her of the twelve month approval period.
  - Estimate 500 calls per month.
- Patients will have Actavis PAP Program eligibility, once approved, for twelve months. But Product will be limited to a thirty (30) day maximum supply at a time.
- Provide Live Operator support: 8:30 to 5:30, Monday through Friday with voice mail available off hours.
- Receive request via PO Box or fax.
- Provide validation based on mutually agreed upon PAP Business Rules.
  i.e., patient income and alternative funding sources.

Program Execution:

- Receive calls from practitioners and/or patients.
- Capture practitioner information and send application via fax or mail. If the patient is already enrolled in the program, the patient will need to re-apply (if necessary) every twelve months and notify existing Actavis PAP Program participants of any change in status and timing to reapply based on eligibility. The re-order form will also be faxed or mailed to the physician or patient as requested.
- Receive back-completed forms via fax or mail.

- All requests need to be validated to provide the following criteria:
  - Practitioner name
  - Complete address
  - Phone numbers
  - Fax number
  - Title
  - Signature
  - Date
  - Product name, quantity and strength (original prescription must be attached)
  - Patient's name
  - Patient's social security number
  - Patient's address
  - Patient's birth date
  - Patient's signature
  - Patient's income and insurance status
- Additional validations include:
  - Completion of the application form
  - Tracking excessive requests to determine if Triple i can release the order based on past history
- If the request does not meet the validation requirements, our Customer Service Center will attempt to reach the physician's office to correct the information (based on the type of reject), allowing for quicker turnarounds.
  - All others will receive a personalized incomplete or denial letter.
  - If the application is incomplete, an incomplete letter is mailed, along with the original form.
- Once the application has been validated it is batched and released for production of patient acceptance letter.
- Insert patient acceptance letter into a #10 window envelope and mail to the patient.
- The patient is accepted into the program and will receive by mail a thirty day supply of Kadian. Each month following that, they receive by mail a thirty day supply of Kadian (twelve months) pursuant to the PAP Business Rules.
- An eligibility expiration letter will be sent to participating patients at ninety days and forty-five days prior to expiration with a reapplication form.
- No substitutions are permitted and all pre-determined NDCs would be eligible.

Program Execution – *Continued*:

- The reimbursement for the Product supply will be handled via Product being supplied by Actavis directly to our mail-order facility.
- At the end of twelve months the patient/physician will need to re-apply.
- All patient assistance data is maintained in accordance with HIPAA Privacy Rules and Actavis business rules.
- All documents will be batched and stored. In the event of a trace, the original document(s) will be provided within two business days. Additionally, the Oracle Database system maintains the complete history for each practitioner and patient allowing Triple i to provide all documentation.
- All data will be maintained in Triple i's Oracle Database System for three years or longer if required by law.
- Alpharma has a historical patient assistance program through Triple i for the product Kadian ("Alpharma Kadian PAP"). For current patients in the Alpharma Kadian PAP, Triple i could either notify them to re-enroll for the new Actavis PAP Program or work with Actavis to transition the patients over once they have completed their current approved time period.

Reporting:

- Triple i will receive shipment information from its mail-order facility and provide the applicable Actavis contacts with the following monthly and program-to-date utilization reports:
  - Number of shipments per month and YTD
  - Shipments by NDC
  - Each quantity dispensed
  - Unique identification number for the patient to whom each Product was shipped
  - Number of calls per month
  - Number of applications received and approved by month
- This information can be delivered via email to designated recipients and will be formatted in a text file suitable for import into Microsoft Access or Microsoft Excel, unless otherwise requested.

ESTIMATED BUDGET

Type of Cost	Unit	Unit Cost	Total
Printing of Applications and Envelopes Applications printed 1/1, 60 lb Closed face envelopes: printed 2/0	$5,000		$10,454
Printing of Patient acceptance letter and envelopes: Letter printed 1/1, 60lb #10 window envelopes printed 2/0	$5,000		$8,234
Monthly Program Management Includes daily project management support and standard monthly reports	Monthly	$2,000	$24,000
Call Center Support Inbound/Outbound talk time at $1.25 per minute. Based on 35 inbound + 15 outbound calls per month	50 calls per month	$3.00	$1,800
Data Entry Receive, batch, key and validate applications 150 applications at $2.75 each per month	150/month	$2.75	$4,950
Manual Validation and Reject Processing Provide manual look-ups or call office for corrected information Estimate 25% of orders at $1.50 each	40/month	$1.50	$720
Fax or Mail Application and Patient Letter Based on faxing a 3-page fax or mailing an application in a #10 envelope. Plus postage, if mailed. (Patient approvals, denials, etc)	150/month	$1.25	$2,250
Sub Total: Estimated Project Management, Print, Call Center and Data Entry for the Year			**$52,408**

Type of Cost (Processing and Reimbursment) Order Processing at Mail-Order Pharmacy	Unit	Unit Cost	Total
Monthly Storage-Room Temperature	Monthly	$600	$7,200
Rx Direct to Patient Orders(includes supplies, freight, and pharmacist)	1200 per month	$38.75	$558,000
Program Management	12	1500	$18,000
DEA-Controlled Receipt Processing	Per Lot	$150 X 60 Lots	$9,000
Sub Total: Processing, Reimbursement and Redemptions			**$592,200**
		Grand Total	**$644,608**

Note:

- All postage and telecommunication charges are passed through at cost.
- Monthly minimum for Call Center Support: $400.00/month.

Payment Terms

- **Program Costs:**
  For performance of the Services specified in the attached Statement of Work, Company will pay the Actavis PAP Program costs specified in the Statement of Work.

- **Expenses:**
  Actavis will pay Triple i's actual, reasonable out-of-pocket costs and expenses approved in advance, in writing, by Actavis as and if specified in the Statement of Work. Triple i is responsible for all other expenses related to the Actavis PAP Program.

- **Billing:**
  Triple i will invoice Actavis as specified in the Statement of Work, and Actavis will pay any undisputed fees and expenses within thirty (30) days of receipt of an Invoice by check or electronic deposit as mutually agreed by Triple i and Actavis.

EXHIBIT B

PAP BUSINESS RULES

To be provided.

Patient Assistance Program
Business Rules

February 1, 2009

TABLE OF CONTENTS

Actavis Kadian LLC
Patient Assistance Program
Business Rules

CONTACT INFORMATION

Triple I Contacts website	Jeff Uccello Account Executive (267) 685-2793 Joyce L. Miller VP, Operations (480) 214-5036 Dustin Sullo Project Manager (201) 231-6147
Program Address	Actavis Patient Assistance Program P.O. Box 2110 Yardley, PA 19067
Federal Express Shipping Address	Fisher BioServices 14665 Rothgeb Drive Rockville, MD 20850
Actavis Adverse Event Contact	Actavis Kadian LLC c/o KAI Research, Inc. 6001 Montrose Road, Suite 920 Rockville, Maryland 20852 **Contact:** Telephone: 1-888-496-3082 Forward via fax: 1-301-770-5608
Distribution Contact	Send all DEA 222 forms to: Actavis Kadian LLC Central Distribution Center 7125 Columbia Gateway Drive Columbia, MD 21046 Telephone: (410) 298-1000
Actavis Customer Service	1-888-206-9743
Actavis Contact	Terrence Fullem VP Commercial Development 60 Columbia Road, Bldg. B Morristown, NJ 07960 Telephone:1-973-993-4500

GENERAL PROGRAM INFORMATION

The Patient Assistance Program Business Rules ("PAP Business Rules") shall be incorporated into the Kadian® Capsules Patient Assistance Program Agreement by and between Actavis Kadian LLC ("Actavis"), and Triple i Division of MediMedia USA, Inc. ("Triple i"), dated February 1, 2009 ("Agreement"). All capitalized terms used herein shall have the same meaning as set forth in the Agreement, unless otherwise defined in these PAP Business Rules.

A. Product Information

1. Product List[1]

Name	NDC#
Kadian 10mg Capsules	63857-0410-11
Kadian 20mg Capsules	63857-0322-11
Kadian 30mg Capsules	63857-0325-11
Kadian 50mg Capsules	63857-0323-11
Kadian 60mg Capsules	63857-0326-11
Kadian 80mg Capsules	63857-0412-11
Kadian 100mg Capsules	63857-0324-11
Kadian 200mg Capsules	63857-0377-11

[1]Effective on or about June 1, 2009, and over a period of several months thereafter, each SKU of Kadian® will be transitioned to the Actavis Kadian LLC label, with the following NDC numbers:

Name	NDC#
Kadian 10mg Capsules	46987-0410-11
Kadian 20mg Capsules	46987-0322-11
Kadian 30mg Capsules	46987-0325-11
Kadian 50mg Capsules	46987-0323-11
Kadian 60mg Capsules	46987-0326-11
Kadian 80mg Capsules	46987-0412-11
Kadian 100mg Capsules	46987-0324-11
Kadian 200mg Capsules	46987-0377-11

2. Product Quantities Allowed

Kadian® is a schedule II controlled substance; orders can only be processed for a maximum of a 30-days supply. System will only release orders at 24 days past last order to ensure patient has an adequate supply of Product on hand. There is no maximum quantity per month; the prescription is to be filled per the physician's Rx.

B. Eligibility Term

Enrollment is valid through the end of each calendar year at which time the patient must re-apply.

C. Eligibility Criteria

Summary

Household Income Requirement	200% of Federal Poverty Level
U.S. Citizen Required [or Legal U.S. Resident]	Yes
Medical Insurance Allowed	Yes
Prescription Benefits allowed	No prescription drug coverage allowed.
Medical Expenses Considered	Yes
Medicare Part D Enrollment Allowed	No
Medicaid Denial Letter Required	No
Income Documentation Required	Yes
Prescription Required	Yes
Asset Limitation	No
Appeals Accepted	Yes

1. Household Income Requirement

The patient's annual household income (after adjustment for medical expenses) must not exceed 200% of the Federal Poverty level for the patient's household size ("Annual Household Income Requirement").

2009 Federal Poverty Guidelines [48 Contiguous States and the District of Columbia]

Household Size	100% Yearly	200% Yearly
1	$10,830	$21,660
2	$14,570	$29,140
3	$18,310	$36,620
4	$22,050	$44,100
5	$25,790	$51,580
6	$29,530	$59,060
7	$33,270	$66,540
8	$37,010	$74,020
For each additional person add	$3,740	$7,480

2009 Federal Poverty Guidelines [Alaska]

Household Size	100% Yearly	200% Yearly
1	$13,530	$27,060
2	$18,210	$36,420
3	$22,890	$45,780
4	$27,570	$55,140

5	$32,250	$64,500
6	$36,930	$73,860
7	$41,610	$83,220
8	$46,290	$92,580
For each additional person add	$4,680	$9,360

2009 Federal Poverty Guidelines [Hawaii]

Household Size	100% Yearly	200% Yearly
1	$12,460	$24,920
2	$16,760	$33,520
3	$21,060	$42,120
4	$25,360	$50,720
5	$29,660	$59,320
6	$33,960	$67,920
7	$38,260	$76,520
8	$42,560	$85,120
For each additional person add	$4,300	$8,600

SOURCE: *Federal Register*. VolVol. 74. No. 14. January 23. 2009, pp. 4199-4201

2. Citizenship

Patient must be a citizen or a legal resident of the United States. A social security number is required or written documentation evidencing legal residency.

3. Medical Insurance

Patients can have medical and hospitalization coverage through private or third-party organizations. Patients that are covered by Medicare/Medicaid are not eligible for Actavis PAP Program participation. Patients can appeal. A Medicaid denial letter is not required to be eligible (this is for Medicaid patients under the age of 65).

4. Financial Documentation

Patients will be required to submit financial documentation along with a valid prescription and completed application. Eligibility will be determined based on gross annual income. Patients will be required to submit the following forms of documentation in order of preference:

Patients will be required to provide the previous year's tax return (1040, 1040EZ, etc.). The last date to accept tax returns from the previous return period is October 15th. The tax documents will be entered into the enrollment system. Total income before deductions is the amount utilized to determine eligibility and will be accepted on the following forms. If there is a discrepancy between the amount stated on the application and the amount stated on the documentation, the income will be entered into the enrollment system as provided on documentation.

IRS Form 1040 – Line 22
IRS Form 1040A – Line 15
IRS Form 1040EZ – Line 4
IRS Form 1040X – Line 1 of column C
IRS Tele-file Worksheet – Line I
IRS Form 8453 (Electronic Filing Transcript) – Line 1
IRS Form 8879 (Electronic Filing Form) – Line 1
IRS Form 4506T
1099 -Box 5
1099R – Box 1
1099RRB – Box 3
Social Security Statement

5. Prescription Drug Benefits

Patients with prescription drug benefits (including Medicare Part D) are not eligible for the program. All prescription discount cards will be accepted.

6. Un-reimbursed Medical Expenses

Medical Expenses paid out of pocket by the patient or another financially responsible individual in the same household towards medical insurance premiums, prescription medication costs and copays, hospital and/or physician bills, etc. will be deducted from the patient's annual household income to determine eligibility for the Actavis PAP Program. Documentation of medical expenses may be required. If the patient does not fill in their medical expenses, only annual household income, Triple i will assume patient has "zero" expenses.

7. Asset Limitation

There is no limitation of assets for patient eligibility.

8. Appeals Process

Appeals will be reviewed on a case by case basis. If a patient indicates any of the criteria in Sections 8 A., B., or C., he/she will be reviewed on a case by case basis by the Program Project Manager and will be approved as indicated below. If the reason is outside of these guidelines, the Project Manager will contact the Actavis Account Manager.

A. Income

1. Patients denied due to income will have to submit an appeal letter in order to be reviewed.
2. Each appeal will require the patient/physician to submit an application. financial documents, prescription, and a letter explaining circumstances, medical expenses, etc.
3. If the patient's income is within $1,000 per year of the Annual Household Income Requirement, they will be accepted in the program.
4. All appeals over $1000/year above the Annual Household Income Requirement will be reviewed by the Actavis Account Manger.
5. A customer note is entered into the Oracle Database system upon approval or denial of appeal.

B. Insurance and prescription drug coverage

Patients denied due to prescription drug coverage/insurance will be required to submit a letter explaining their coverage, an application, financial documentation and prescription. All prescription drug coverage/insurance appeals will be reviewed by a Project Manager. If the patient indicates any of the following they will be reviewed on a case by case basis.

1. Question answered incorrectly
2. Spend down
3. Insurance cap
4. No longer have prescription drug coverage/insurance

A customer note is entered into the Oracle Database system upon approval or denial of appeal.

C. Change in circumstances

Patients who were denied and have had a change in circumstances due to income, insurance, etc. will be required to submit a letter of explanation, including necessary documents to support the change, an application, financial documentation and prescription if applicable. Appeals will be reviewed by a Project Manager on a case by case basis. A customer note is entered into the Oracle Database system upon approval or denial of appeal.

9. Application Storage

Triple i will maintain applications on-site for a period of one year. Files will be maintained off-site for a minimum of two years or as otherwise required by law.

D. Shipping

All shipments will be sent Federal Express Standard Overnight with signature confirmation service directly to the patient and will include a refill mailer. Shipments will only occur Monday through Thursday of each week. Triple i will use Fisher BioServices Federal Express Account number for all patient shipments which is ACCOUNT 251967776. Each shipment will also include a patient mailer for refills.

E. Customer Service Hours

Customer Service hours of operations will be 8:30 a.m. to 5:30 p.m. Eastern Standard Time.

F. On-Call Pharmacist

A licensed pharmacist shall be available normal business hours each week to answer patient or physician questions and services concerning the Actavis PAP Program.

G. Returned Product

Returned product in good condition (i.e., has not been open or tampered) can be re-shipped to the originally indicated patient.

PROGRAM PROCESS

A. Application Requests

Applications can be faxed, or mailed to physicians and patients.

B. Enrollment Process

The physician or patient will mail the completed application, financial documentation, original prescription, and money order to the Actavis Patient Assistance Program to enroll in the Actavis PAP Program.

C. Application Receipt

1. Applications can be received via:
   a. US mail at P.O. Box 2110, Yardley, PA 19067
2. Mail from the US Post Office is received once a day.
3. Each application is date stamped when received.
4. Applications received after 12:00 p.m. will be stamped with the next day's date.
5. All applications must include a copy of the patient's original prescription and a $5.00 money order payable to Actavis Kadian LLC.

D. Eligibility Determination

All information provided on the application will be entered into the Oracle Database system. The Oracle Database system will determine the enrollment status (i.e., accepted, rejected or denied) of the patient and will trigger the appropriate correspondence to be mailed. The defined status will be noted on the patient profile.

1. Incomplete Applications

Applications are considered incomplete if they are missing any of the following information:

Missing Information
Patient Name
Patient Shipping Address
SSN
U.S. Citizen (Y or N)
Legal U.S. Resident (Y or N)
Number of People in Household
Patient Signature
Insurance Information
Financial Information on Application
Financial Documentation
Physician Name
Physician DEA #
Physician Address
Physician Phone
Product Strength
Product Dosage
Dosage Frequency
Original Physician Signature
Physician Specialty Not Indicated on Application
Missing Money Order

If incomplete information can be easily gathered by an outbound call to the patient and/or healthcare professional, that will be the first process. If the applications are missing the above Patient or physician information it will be returned to the patient by mail along with a Patient Incomplete Application Notice (a copy of which is attached hereto in the **Appendix** and incorporated herein). The patient can correct the missing items on the application and then the application can be resubmitted for consideration. Prescriptions will be sent to the mail-order pharmacy to clarify missing information. The Pharmacy will make one attempt to contact the physician's office to clarify the missing information. If there is no response in forty eight hours from the physician's office, the pharmacy will reject the order.

2. Denied Applications

Patients will be denied access into the Actavis PAP Program for the following reasons:

a. Income level exceeds the guidelines set by Actavis.
b. Patient is not a US Citizen or legal US resident.
c. Patient has prescription drug benefits.

Denied applications are mailed back to the patient with a Patient Denial Notice (a copy of which is attached hereto in the **Appendix** and incorporated herein) stating the reason for the denial. Prescriptions and money orders are also returned. Patient can reapply for the program after a one month elimination period.

3. Accepted Applications

Patients that meet the criteria for enrollment into the Actavis program will be sent a Patient Acceptance Letter (a copy of which is attached hereto in the **Appendix** and incorporated herein). An approval letter will also be sent to the physician. Patient will be enrolled for one year. Money orders for approved patients will be batched daily and sent weekly to Actavis.

E. Order Processing & Prescription Fulfillment

Per Program Standard Operating Procedures – All orders are turned around in three business days. An FTP file of approved patients will be sent to Fisher BioServices each day. Prescriptions for approved patients will be batched and sent overnight to Fisher BioServices each day.

F. Reporting Processing

The following information will be captured for client reporting:

1. Shipments per Month and Year-to-Date
2. NDC utilization (i.e., shipments by NDC)
3. Physician Utilization
4. Each quantity dispensed
5. Unique identification number for the patient to whom each Product was shipped
6. Number of calls per month
7. Number of applications received and approved by month

G. Re-orders

Patients are required to send a mailer with an enclosed original prescription for each re-order of Kadian®. The patient must also enclose a $5.00 money order payable to Actavis to cover shipping charges. Money orders are to be sent to the Account Manager at Actavis weekly for all refills. At month ten (10) a letter will be generated to remind the patient of his/her impending eligibility expiration and the need to re-enroll if additional benefits are required.

Patients' re-orders follow program standard operating procedures for schedule II controlled medications.

H. Re-enrollment

Once a patient is approved for the program, they are eligible for one year. To re-enroll in the program, a patient must submit a new application. The enrollment system will determine the status of the application and define the appropriate correspondence to be mailed. The Oracle Database system will note the defined status on the patient or physician profile.

I. Adverse Event Reporting

Calls related to potential Adverse Events will be transferred to the Actavis Products and Adverse Reactions toll-free number at 1-888-496-3082. No Adverse Event information will be detailed in the patient database.

ACTAVIS PATIENT ASSISTANCE PROGRAM DEFINITIONS

Product: Products that will be included in the Actavis PAP Program. Any patient enrolling into the Actavis PAP Program, provided they are program eligible, will be able to receive this Product(s).

Duration of Therapy: The number of days, within the authorized days supply, a patient is taking their medication.

Excessive Utilization: A "refill too soon" edit response will occur if the patient attempts to fill subsequent prescriptions prior to 80% of utilization of the previous authorization for that medication. No Overrides will be allowed.

Generic Medication: This term is commonly used to identify non-brand drugs, sold at a lower cost. Technically, a generic medication is a pharmaceutical equivalent of another medication. A generic contains the same active ingredients as a brand name medication and is identical in strength concentration and dosage form. No generic substitutions will be allowed.

Gross Monthly Income: The sum of all income obtained by one family within one month prior to deductions.

Healthcare Provider: Any physician, nurse practitioner, nurse, physician assistant, etc that is providing health services to the patient; provided that, such healthcare individual is authorized to write prescriptions under their applicable state laws/regulations.

Household Size: The number of persons dependent upon the income generated within the family. The number of persons dependent is the total number of dependents the patient could/does claim on a tax return (including self).

Medicare: A nationwide, federally administered health insurance program which covers the cost of hospitalization, medical care, and prescription drug benefits for eligible persons. Medicare has three parts: Part A, Part B, and Part D.

- Part A: Covers inpatient costs for Medicare patients. Medicare pays for pharmaceuticals provided in hospitals.
- Part B: Covers outpatient costs for Medicare patients.
- Part D: Covers prescription benefits for enrolled patients

2009 COMPANY PAID HOLIDAY SCHEDULE
TRIPLE i

New Year's Day	January 1
Day after New Year's	January 2
President's Day	February 16
Memorial Day	May 25
Independence Day	July 3
Labor Day	September 7
Thanksgiving Day	November 26
Day After Thanksgiving	November 27
Christmas Day	December 25

APPENDIX

APPLICATION COVER LETTER - PATIENT

<Date>

<Sample A. Sample>
<123 Any Street>
<Suite 123>
<Anytown, USA 12345-6789>

Dear <Patient's full name>:

Thank you for your interest in the Actavis Patient Assistance Program. Enclosed you will find the application form you had requested.

To participate in our program, it is important that you ensure **all** information is completed accurately.

Patient must:

- Complete all requested information and sign patient information section.
- Please note that income information being requested is **Annual Income**
- Attach financial documentation. Acceptable documentation include IRS Form 1040, 1040EZ, 4506T, 1099, social security or disability statement, etc.
- Attach a money order for $5.00.

Healthcare Professional must:

- Complete all requested information and sign physician information section.
- It is important that you enclose a valid prescription for KADIAN C-II (Morphine Sulfate Sustained Release) Capsules. A new prescription will be required for each month of eligibility.
- Please note a stamped signature will not be accepted.

Applications with incomplete or missing information will be returned and will delay processing.

Continued:

Upon completing all necessary information on your application, please submit your application to:

Actavis Patient Assistance Program
P.O. Box 2110
Morrisville, PA 19067

Once your application is received, your eligibility will be evaluated for participation in the Actavis Patient Assistance Program. You and the authorizing healthcare professional will be notified by mail if you qualify for the program.

Our customer service representatives are available between the hours of 8:30 a.m. and 5:30 p.m. EST Monday through Friday (excluding holidays). We invite you to call us at 1-888-206-9743 if you have further questions. Again, thank you for your interest in the Actavis Patient Assistance Program.

Sincerely,
Actavis Patient Assistance Program

Enclosures

ACTPATCVR

APPENDIX - *Continued*
DENIAL LETTER-PATIENT

<Date>

<Sample A. Sample>
<123 Any Street>
<Suite 123>
<Anytown, USA 12345-6789>

Dear <Patient's full name>:

Thank you for your interest in the Actavis Patient Assistance Program. We regret to inform you that you do not meet the eligibility guidelines for the following reasons:

<You have third party prescription coverage>

If your status changes or if information was submitted incorrectly, please feel free to resubmit your application.

If you have questions, please call the Actavis Patient Assistance Program at 1-888-206-9743. A customer service representative is available between the hours of 8:30 a.m. and 5:30 p.m. EST Monday through Friday, excluding holidays.

Sincerely,
Actavis Patient Assistance Program

ACTPATDRN

APPROVAL LETTER-PATIENT

<Date>

<Sample A. Sample>
<123 Any Street>
<Suite 123>
<Anytown, USA 12345-6789>

Dear <Patient full name>:

Thank you for your interest in the Actavis Patient Assistance Program. We are pleased to inform you that your application has been approved and you are eligible to receive prescription drug assistance.

A valid prescription for KADIAN® capsules, authorized by your Healthcare Professional, is required for each shipment. If you already included your prescription for Kadian along with your Actavis Patient Assistance Program Enrollment Application, then your shipment will be mailed directly to your home within the next week.

If you did not include your prescription for Kadian along with your application then please mail it to:

Actavis Patient Assistance Program
P.O. Box 2110
Morrisville, PA 19067-0610

After one year, if you need additional benefits, it will be necessary to submit another application to re-enroll in the program. Program eligibility rules are subject to change without notice.

Our customer service representatives are available between the hours of 8:30 a.m. and 5:30 p.m. EST Monday through Friday (excluding holidays). We invite you to call us at 1-888-206-9743 if you have further questions. Again, thank you for your interest in the Actavis Patient Assistance Program.

Sincerely,
Actavis Patient Assistance Program

ACTPATAPV

APPLICATION COVER LETTER – HEALTHCARE PROFESSIONAL

<Date>

<Sample A. Sample, MD>
<123 Any Street>
<Suite 123>
<Anytown, USA 12345-6789>

Dear <HealthCare Professional>:

Thank you for your interest in the Actavis Patient Assistance Program. Enclosed you will find the application form you had requested.

To enroll your patients in our program, it is important that you **ensure all information is completed accurately.**

Patient must:

- Complete all requested information and sign patient information section
- Please note that income information being requested is **Annual income**
- Attach financial documentation. Acceptable documentation include IRS Form 1040, 1040EX, 4506 T, 1099, social security or disability statement, etc.
- Attach a money order for $5.00

Healthcare Professional must:

- Complete all requested information and sign physician information section
- Attach a valid prescription for KADIAN C-II (Morphine Sulfate Sustained Release) Capsules - a new prescription will be required each month of patient eligibility
- Please note that a stamped signature will not be accepted.

Applications with **incomplete** or **missing information** will be returned and delay processing.

Continued:

Upon completing all necessary information on your patient's application, please submit the application to:

Actavis Patient Assistance Program
P.O. Box 2110
Morrisville, PA 19067

Once the application is received, patient eligibility will be evaluated for participation in the Patient Assistance Program. The patient and you will be notified by mail if qualified for participation.

Our customer service representatives are available between the hours of 8:30 a.m. and 5:30 p.m. EST Monday through Friday (excluding holidays). We invite you to call 1-888-206-9743 if you have further questions. Again, thank you for your interest in the Actavis Patient Assistance Program.

Sincerely,
Actavis Patient Assistance Program

Enclosure

ACTHCPCVR

APPENDIX - ***Continued***
INCOMPLETE LETTER- PATIENT

<Date>

<Sample A. Sample>
<123 Any Street>
<Suite 123>
<Anytown, USA 12345-6789>

Dear <Patient Full Name>:

Thank you for your interest in the Actavis Patient Assistance Program. We recently received your application to be enrolled into the Program. Unfortunately, we were unable to process the form due to the following reason(s):

<Insert reason 1 here>
<Insert reason 2 here>
<Insert reason 3 here>
<Insert reason 4 here>
<Insert reason 5 here>

Enclosed you'll find the submitted application. *Please complete only the missing or invalid fields.* Please do not complete another entire form.

Upon completing all necessary information on the application, please submit your application:

Actavis Patient Assistance Program
P.O. Box 2110
Morrisville, PA 19067

Once the application is received, patient eligibility will be evaluated for participation in the Patient Assistance Program. You will be notified by mail if qualified for participation.

Our customer service representatives are available between the hours of 8:30 a.m. and 5:30 p.m. EST Monday through Friday (excluding holidays). We invite you to call us at 1-888-206-9743 if you have further questions. Again, thank you for your interest in the Actavis Patient Assistance Program.

Sincerely,
Actavis Patient Assistance Program

Enclosure

ACTPATRJT

<Date>

<Sample A. Sample, MD>
<123 Any Street>
<Suite 123>
<Anytown, USA 12345-6789>

Re Patient: <Patient full name>

Dear Healthcare Professional:

Thank you for your interest in the Actavis Patient Assistance Program. We recently received an application for the above patient. We are pleased to inform you that the application has been approved and the patient is eligible to receive prescription drug assistance.

Your patient has been sent a similar approval notification. This approval will allow the patient to receive approved medication in thirty-day increments for one (1) year. If he/she needs additional benefits, a new enrollment application must be completed. Program eligibility rules are subject to change without notice.

Our customer service representatives are available between the hours of 8:30 a.m. and 5:30 p.m. EST Monday through Friday (excluding holidays). We invite you to call 1-888-206-9743 if you have further questions. Again, thank you for your interest in the Actavis Patient Assistance Program.

Sincerely,
Actavis Patient Assistance Program

ACTHCPAPV

APPENDIX - *Continued*
45 DAY ENROLMENT EXPIRATION LETTER

<Date>

<Patient Full Name>
<Patient Address 1>
<Patient Address 2>
<City, State, Zip>

Dear <Patient's full name>:

Thank you for your interest in the Patient Assistance Program. As you know, the program offers medication to patients who cannot otherwise afford KADIAN® capsules. Patients qualify through an annual enrollment process to determine eligibility. Your eligibility to receive drug will expire in 45 days. If you require continued prescription coverage, please complete the enclosed enrollment form and submit to our Program. Failure to submit this form in a timely manner will delay or deny your benefit beyond your current enrollment.

Please mail your completed enrollment form along with the required information to:

Actavis Patient Assistance Program
P.O. Box 2110
Morrisville, PA 19067-0610

If you have already submitted your paperwork to renew your eligibility, then please disregard this request.

If you have any questions, please call the Actavis Patient Assistance Program at 1-888-206-9743. A customer service representative is available between the hours of 8:30 a.m. and 5:30 p.m. EST Monday through Friday, excluding holidays. Again, thank you for your interest in the Actavis Patient Assistance Program.

Sincerely,

Actavis Patient Assistance Program

ACTPATREN45

APPENDIX - ***Continued***
90 DAY ENROLMENT EXPIRATION LETTER

<Date>

<Patient Full Name>
<Patient Address 1>
<Patient Address 2>
<City, State, Zip>

Dear <Patient's full name>:

Thank you for your interest in the Patient Assistance Program. As you know, the program offers medication to patients who cannot otherwise afford KADIAN® capsules. Patients qualify through an annual enrollment process to determine eligibility. Your eligibility to receive drug will expire in 90 days. If you require continued prescription coverage, please complete the enclosed enrollment form and submit to our Program. Failure to submit this form in a timely manner will delay or deny your benefit beyond your current enrollment.

Please mail your completed enrollment form along with the required information to:

Actavis Patient Assistance Program
P.O. Box 2110
Morrisville, PA 19067-0610

If you have any questions, please call the Actavis Patient Assistance Program at 1-888-206-9743. A customer service representative is available between the hours of 8:30 a.m. and 5:30 p.m. EST Monday through Friday, excluding holidays. Again, thank you for your interest in the Actavis Patient Assistance Program.

Sincerely,

Actavis Patient Assistance Program

ACTPATREN90

AMENDMENT No. 8 TO AMENDED AND RESTATED SUPPLY AGREEMENT

THIS AMENDMENT No. 8 TO AMENDED AND RESTATED SUPPLY AGREEMENT (the "Eighth's Amendment") is hereby made as of November 24th, 2008 (the "Effective Date") by and between Plantex USA, Inc., a New Jersey corporation, with offices at 2 University Plaza, Suite 305, Hackensack, New Jersey 07601 ("Plantex") and Actavis Elizabeth LLC, a Delaware limited liability corporation with offices at 60 Columbia Road, Morristown, NJ 07960, ("Actavis"). Plantex and Actavis are sometimes together referred to herein as the "Parties" and separately as a "Party."

WHEREAS, Plantex and Actavis entered into a certain Amended and Restated Supply Agreement dated April 26, 2004, as amended to date (collectively, the "Supply Agreement");

WHEREAS, the Parties desire to enter into this Eighth Amendment to make certain modifications to the terms and conditions of the Supply Agreement in order to reflect the current mutual intent and desire of the Parties.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual agreements set forth below, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. APIs. Notwithstanding Section 16.2 of the Supply Agreement and/or such other prior agreements, understandings and arrangements between the Parties, whether written or oral, effective January 1st, 2009, the active pharmaceutical ingredient Sertraline shall be deleted from the definition of Additional APIs (as defined in Amendment No.5 to the Supply Agreement dated June 2, 2006 (the "Fifth Amendment"))

2. Purchase Price and Purchase Requirements. The Final API Price for the API and Additional APIs purchased pursuant to the Supply Agreement are as set forth in **Annex A**, which shall be effective January 1, 2009 and remain valid until December 31, 2009 ("Term"). Payment terms for Actavis shall be Net 360 days for purchases made by Actavis on all APIs but will revert to the prior payment terms of Net 90 days for purchases on or after January 1, 2010. Notwithstanding anything contained in the Supply Agreement to the contrary, the Parties agree and understand that the requirements under Paragraph 2 of the Fifth Amendment and Section 2.2(a) of the Supply Agreement shall no longer apply to Gabapentin API.

3. Miscellaneous.

3.1 All capitalized terms used herein, unless otherwise defined herein, shall have the respective meanings set forth in the Supply Agreement.

3.2 Except as expressly modified by this Eighth Amendment, all terms and conditions of the Supply Agreement shall remain in full force and effect and shall be otherwise unaffected hereby. In the event of any conflict between the particular provisions of the Supply Agreement and those of this Eighth Amendment, the provisions of this Eight Amendment shall prevail.

1/8/09

IN WITNESS WHEREOF, the Parties have caused this Eighth Amendment to be executed in multiple counterparts by their respective duly authorized representatives, as of the date first set forth above.

ACTAVIS ELIZABETH LLC
By: Helga Gudlaugsdottir
Name: Helga Gudlaugsdottir
Title: VP Global Purchasing

PLANTEX USA, INC.
By:
Name: George Svokos
Title: Vice President

By:
Name: John Denman
Title: President

ANNEX A

Active Pharmaceutical Ingredients	Purchase Price	Estimated Quantities
Carbidopa	$650/kg	8MT
Diltiazem	$80/kg	24MT
Etodolac	$110/kg	5MT
Gabapentin	$90/kg	120MT
Lovastatin	$325/kg	4.1MT

Actavis shall purchase no less than 120 metric tons of Gabapentin API during the Term at the purchase price set forth above. Actavis shall have no obligation to purchase any additional quantities of Gabapentin API during the Term.

1/8/09

1/8/09

PLANTEX USA INC.

2 University Plaza, Suite 305, Hackensack, New Jersey 07601 Tel: (201) 343-4141 Fax: (201) 343-3833

November 24, 2009

Tejendra Rao
Actavis Elizabeth LLC
200 Elmora Avenue
Elizabeth, NJ 07202

Re: Amendment 9 to Supply Agreement

Dear Tejendra:

Enclosed please find one (1) fully executed Amendment 9 to Supply Agreement between Plantex USA and Actavis Elizabeth. We have kept one (1) fully executed copy for our files.

Best regards,

D. Jaros

Debbie Jaros
Marketing Administrator/Assistant
Plantex USA, Inc.
201-336-1971
debbie.jaros@plantexusa.com

Enclosure

AMENDMENT NO. 9 TO AMENDED AND RESTATED SUPPLY AGREEMENT

THIS AMENDMENT NO. 9 TO AMENDED AND RESTATED SUPPLY AGREEMENT (this "Ninth Amendment") is made and entered into as of October 30 2009 (the "Amendment No. 9 Effective Date") by and between Plantex USA, Inc., a New Jersey corporation with offices at 2 University Plaza, Suite 305, Hackensack, NJ 07601 ("Plantex") and Actavis Elizabeth LLC, a Delaware limited liability corporation with offices at 60 Columbia Road, Morristown, NJ 07960 ("Actavis"). Plantex and Actavis are sometimes together referred to herein as the "Parties" and separately as a "Party."

WHEREAS, Plantex and Actavis entered into a certain Amended and Restated Supply Agreement dated April 26, 2004, as amended to date (collectively, the "Supply Agreement");

WHEREAS, the Parties desire to enter into this Ninth Amendment to make certain modifications to the terms and conditions of the Supply Agreement in order to reflect the current mutual intent and desire of the Parties.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual agreements set forth below, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Purchase Price and Purchase Requirements. The Final API Price for the API and Additional APIs purchased pursuant to the Supply Agreement are as set forth in **Annex A** (attached hereto), which shall be effective for quantities of API and Additional API shipped from Plantex's factory to Actavis and invoiced between January 1, 2010 and December 31, 2010 (the "Term"). All invoices shall be paid in US dollars within one-hundred-twenty (120) days from the date of the applicable invoice.

2. 2009 Calendar Year Purchase Price Adjustment. Provided that this Ninth Amendment is duly executed, the purchase price for the remaining 40MT quantity of gabapentin due pursuant to Amendment No. 8 to Amended and Restated Supply Agreement shall be adjusted to seventy-eight US dollars per kilogram ($78/kg).

3. Miscellaneous.

3.1 All capitalized terms used herein, unless otherwise defined herein, shall have the respective meanings set forth in the Supply Agreement.

3.2 This Ninth Amendment, together with the Supply Agreement, contains every obligation and understanding between the Parties relating to the subject matter hereof and merges all prior discussions, negotiations and agreements, if any, between them with respect thereto, and none of the Parties shall be bound by any conditions, definitions, understandings, warranties or representations other than as expressly provided or referred to in the Supply Agreement, as amended herein.

3.3 This Ninth Amendment is an integral part of the Agreement, and upon execution of this Ninth Amendment by the Parties hereto, this Ninth Amendment shall be deemed to be effective and the Supply Agreement shall be amended as set forth above. In the event that there is a conflict between terms of the Supply Agreement and this Ninth Amendment, the terms of this Ninth Amendment shall prevail. Except as amended and supplemented in this Ninth Amendment, all provisions of the Supply Agreement shall remain fully valid and in full force and effect. This Ninth Amendment shall be binding upon and inure to the benefit of the Parties hereto. This Ninth Amendment may be executed in any member of counterparts, with each executed counterpart constituting an original, but all together one and the same instrument.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS HEREOF, the Parties have caused this Ninth Amendment to be executed by their duly authorized representatives as of the Ninth Amendment Effective Date.

PLANTEX USA, INC.

By: _____
Name: John Denman
Title: President

By: _____
Name: Allen Lefkowitz
Title: Chief Financial Officer

LEGAL AFFAIRS DC

ACTAVIS ELIZABETH LLC

By: _____
Name: Helga Gudlaugsdottir
Title: VP Global Sourcing

IN WITNESS HEREOF, the Parties have caused this Ninth Amendment to be executed by their duly authorized representatives as of the Ninth Amendment Effective Date.

PLANTEX USA, INC.

By:_____
Name: John Denman
Title: President

By:_____
Name: Allen Lefkowitz
Title: Chief Financial Officer

ACTAVIS ELIZABETH LLC

By:_____
Name: _____
Title: _____

ANNEX A

Active Pharmaceutical Ingredients	Purchase Price	Estimated Quantities
Carbidopa	$600/Kg	7 MT
Gabapentin	$65/Kg	150 MT*
Diltiazem	$77/Kg	40 MT
Etodolac	$105/Kg	7.5 MT
Lovastatin	$310/Kg	4 MT

*Actavis shall purchase no less than 150 MT gabapentin during the Term (as defined in the Ninth Amendment) at the $65/Kg purchase price.

Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "ACTAVIS KADIAN LLC", FILED IN THIS OFFICE ON THE EIGHTH DAY OF JANUARY, A.D. 2009, AT 1:02 O'CLOCK P.M.

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

4642790 8100

090016260

AUTHENTICATION: 7070055

DATE: 01-08-09

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 01:23 PM 01/08/2009
FILED 01:02 PM 01/08/2009
SRV 090016260 - 4642790 FILE

CERTIFICATE OF FORMATION

OF

ACTAVIS KADIAN LLC

The undersigned authorized person, for the purpose of forming a limited liability company pursuant to the provisions of the Limited Liability Company Act of the State of Delaware (the "LLCA"), hereby certifies as follows:

1. The name of the limited liability company is: ACTAVIS KADIAN LLC

2. The registered office of the company in the State of Delaware is c/o United Corporate Services, Inc., 874 Walker Road, Suite C, in the City of Dover, County of Kent in the State of Delaware, 19904. The name of the company's registered agent at that address is United Corporate Services, Inc.

3. The nature of the business to be conducted by, and the purposes of, the company are to engage in any lawful act or activity for which a limited liability company may be organized under the LLCA.

4. The company reserves the right to amend, alter, change or repeal any provision contained in this Certificate in the manner now or hereafter prescribed by law, and all rights and powers conferred in this Certificate are subject to this reserved power.

5. The company may indemnify and advance expenses to any of its managers, officers and members, any person who has ceased to be a manager, officer or member, and the heirs, executors, administrators, successors and assigns of such a person or entity to the fullest extent permitted by the LLCA as the same exists now or may hereafter be amended.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation of ACTAVIS KADIAN LLC this 8th day of January, 2009.

/s/KEVIN BAIN
Kevin Bain, Authorized Person

Limited Liability Company Operating Agreement

of

Actavis Kadian LLC

This Limited Liability Company Operating Agreement (this "Agreement") of Actavis Kadian LLC, is entered into as of January 8, 2009, by Actavis Inc. as the sole member (the "Member", and with any additional Members added pursuant to Section 12 hereto, the "Members").

WHEREAS, the Member desires to form a limited liability company under and subject to the laws of the State of Delaware for the purpose described below; and

WHEREAS, the Members desire to enter into this Agreement to define formally and express the terms of such limited liability company and its rights and obligations with respect thereto.

NOW THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the Members hereby agree as follows:

1. Formation. The Company (as defined below) has been formed and established as a Delaware limited liability company by the filing of a Certificate of Formation (the "Certificate") pursuant to and in accordance with the Delaware Limited Liability Company Act (6 Del. C. § 18-201, et seq.), as amended from time to time (the "Act"), with the Secretary of State of the State of Delaware. The Members hereby agree that their rights, duties and liabilities shall be provided in the Act, except as otherwise provided herein.

2. Name. The name of the limited liability company formed hereby is Actavis Kadian LLC (the "Company").

3. Purpose. The Company has been formed for the object and purpose of, and the nature of the business to be conducted and promoted by the Company is, engaging in any lawful act or activity for which limited liability companies may be formed under the Act and engaging in any and all activities necessary or incidental to the foregoing.

4. Registered Office. The address of the registered office of the Company in the State of Delaware is c/o United Corporate Services, Inc., 874 Walker Road, Suite C, Dover, Delaware 19904.

5. Registered Agent. The name and address of the registered agent of the Company for service of process on the Company in the State of Delaware is United Corporate Services, Inc., 874 Walker Road, Suite C, Dover, Delaware 19904.

6. Term. The Company shall exist in perpetuity, unless earlier dissolved and its affairs wound up in accordance with this Agreement and/or the Act.

7. Members. The name and the business address of each Member and the amount of cash or property contributed or to be contributed by such Member to the capital of the Company shall be listed on the books and records of the Company and on Schedule A attached hereto. Such Member's percentage interest in the Company shall be the percentage specified opposite its name on Schedule A. The Officers, as defined below, shall be required to update the

books and records and Schedule A from time to time as necessary to accurately reflect the information therein.

8. Powers and Officers. The business and affairs of the Company shall be managed by the Members or by one or more duly appointed officers appointed by the Members (each a "Officer" and together, the "Officers"). In furtherance of its purpose, the Company shall have the power to do any and all acts necessary, appropriate, proper, advisable, incidental or convenient to or for the protection and benefit of the Company. The Officers have the authority to bind the Company. The initial Officers of the Company are as follows:

Name	Title
Douglas Boothe	President and CEO
Kevin Bain	Vice President and Treasurer
John W. LaRocca	Vice President and Secretary
Brenda Vesey	Vice President

9. Dissolution. The Company shall dissolve and its affairs shall be wound up upon the first to occur of the following: (a) the written consent of the Member or (b) the entry of a decree of judicial dissolution under Section 18-802 of the Act.

10. Allocation of Profits and Losses. The Company's profits and losses shall be allocated to the Members in proportion to their respective capital contributions.

11. Distributions. Distributions shall be made to the Members at the times and in the aggregate amounts determined by the Members. Such distributions shall be allocated among the Members in the same proportion as their then capital account balances.

12. Admission of Additional or Substitute Members. One or more additional members or substitute members of the Company (including persons who acquire a Member's entire limited liability company interest by transfer or assignment) may be admitted to the Company with the consent of all the Members. Such additional or substitute member shall be admitted to the Company as a Member upon the execution of this Agreement or a counterpart of this Agreement.

13. Liability of Members. The Members shall not have any liability for the obligations or liabilities of the Company except to the extent provided in the Act.

14. Amendment. This Agreement may be amended from time to time with the consent of all the Members.

15. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall be considered one and the same agreement.

16. Indemnification of Officers.

(a) The Company shall indemnify to the full extent permitted by law each Officer and the testator or intestate of any such Officer, made or threatened to be made a party to any action, suit or proceeding, whether civil, criminal, administrative or investigative,

by reason of the fact that such Officer is or was an Officer, officer, employee, appointee or designee of the Company; provided, however, that no indemnification or reimbursement shall be made to or on behalf of any such Officer to the extent that a final judgment or other final adjudication binding upon such Officer establishes that the acts or omissions of such Officer resulted from the bad faith, fraud or criminal act of such Officer. Expenses, including attorneys' fees, incurred by any such Officer in defending any such action, suit or proceeding shall be paid or reimbursed by the Company promptly upon receipt by it of an undertaking of such Officer to repay such expenses if it shall ultimately be determined that such Officer is not entitled to be indemnified by the Company. In case any such action, suit or proceeding shall be brought against any such Officer, such Officer shall notify the Company of the commencement thereof, and the Company shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof.

(b) The indemnification and reimbursement of expenses provided by this Section 16 shall not be deemed exclusive of any other rights to which those seeking indemnification or reimbursement of expenses may be entitled under any other instrument or by reason of any other action or otherwise. However, the indemnification and reimbursement of expenses so provided by this Section 16 shall be available only to the extent that indemnification or reimbursement is unavailable to such Officer under any applicable policy of insurance or otherwise.

17. Governing Law. This Agreement shall be governed by, and construed under, the laws of the State of Delaware and all rights and remedies shall be governed by such laws without regard to principles of conflict of laws.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, have duly executed this Agreement as of the date first written above.

ACTAVIS INC.

By: _____
Name: John W. LaRocca
Title: Vice President and Secretary

Schedule A

Member and Business Address	Capital Contribution	Limited Liability Company Interest
Actavis Inc. 60 Columbia Road, Bldg B Morristown, New Jersey 07960		100%

SETTLEMENT AGREEMENT

This **Settlement Agreement** (the "***Agreement***") is entered into and made effective as of July 14, 2009 (the "***Effective Date***") by and between Actavis South Atlantic LLC, a Delaware limited liability company having offices at 60 Columbia Road, Morristown, New Jersey 07960 ("***Actavis***"), and Corium International, Inc., a Delaware corporation having offices located at 235 Constitution Drive, Menlo Park, CA 94025 ("***Corium***"). Actavis and Corium are each hereafter sometimes referred to as a "***Party***" and together are referred to as the "***Parties***" under this Agreement.

RECITALS

A. WHEREAS, the Parties have previously collaborated with respect to the development of, and Corium has supplied to Actavis certain Fentanyl transdermal patch reservoir products (the ***"Products"***), primarily pursuant to that certain Product Development Collaboration and License Agreement dated May 11, 2002 (the "***Development Agreement***") and Manufacturing and Supply Agreement dated November 12, 2003 (the "***Existing MSA***"), each as amended through the Effective Date of this Agreement;

B. WHEREAS, in February 2008 there was a recall undertaken of all Products manufactured by Corium pursuant to the Existing MSA and Development Agreement as of that date, and Corium ceased production of the Products for several months thereafter (the "***Product Recall***");

C. WHEREAS, except as expressly provided herein, the Parties have agreed to resolve all issues that exist between them that relate to the Product Recall or any of the events or circumstances that gave rise to or are otherwise associated with such Product Recall, without expending time and resources on litigation and on the basis of the terms and conditions set forth in this Agreement; and

D. WHEREAS, contemporaneously with the execution and delivery of this Agreement the Parties are entering into an Amended and Restated Manufacturing and Supply Agreement, dated the date hereof (the "**Replacement MSA**"), which shall amend and restate in its entirety the Existing MSA.

NOW, THEREFORE in consideration of the mutual covenants and agreements contained herein, the sufficiency and satisfaction of which are hereby acknowledged, Actavis and Corium hereby agree as follows.

SETTLEMENT TERMS

1. Compromise Only. This Agreement is entered into for purposes of settlement and compromise only, and such compromise includes, without limitation, the amount of the Settlement Amount. Neither this Agreement nor anything contained herein, nor any act or thing done in connection herewith, is intended to be or shall be

construed or deemed to be an admission by any Party of any liability, fault or wrongdoing whatsoever.

2. **Settlement Amount; Certain Equipment.**

(a) The Parties hereby agree and stipulate that, as of the Effective Date a compromise settlement amount is owed by Corium to Actavis, in an amount equal to twelve million six hundred thousand dollars ($12,600,000) in connection with, and in full settlement of any claims related to, the Product Recall (the "***Settlement Amount***"). Corium will pay or otherwise satisfy the Settlement Amount as set forth below, and Actavis agrees and covenants that, except as otherwise permitted by this Agreement, it will not seek payment of the Settlement Amount in any other form. From and including September 1, 2008, until such Settlement Amount has been satisfied, the outstanding balance will accrue interest at the rate of eight (8.0%) per annum, compounded annually.

(b) As a condition to the effectiveness of this Agreement, Corium shall take such action as is necessary to permit Actavis to perfect, and Actavis shall have perfected, its first priority security interest in the equipment for the third production line for the Products, as referred to in and contemplated by that certain letter agreement, dated October 4, 2007, between Actavis and Corium.

3. **Offsetting of Other Obligations.**

(a) The Parties hereby recognize Actavis' outstanding obligations to pay Corium: **(1)** $2,195,206.44 of accounts receivable on Product shipped to Actavis under the Existing MSA prior to November 11, 2008; and **(2)** $155,216.36 of unpaid royalties on Product shipped to Actavis under the Existing MSA, and the Parties agree that a portion of such amounts will be offset against payment obligations of Corium that are unrelated to the Product Recall and the remainder of such amounts will be offset against the Settlement Amount as set forth in the next sentence. Effective as of September 1, 2008, **(y)** Actavis shall apply $1,000,000 of such amounts to that certain Promissory Note issued by Corium to Actavis, Inc. as of June 14, 2007 (the "***2007 Note***") in full satisfaction and discharge of Corium's obligations thereunder, which satisfaction and discharge Actavis will confirm by returning the original 2007 Note, marked across its face "CANCELLED," to Corium, and **(z)** the remaining amount of $1,350,422.80 will automatically be credited against the Settlement Amount, leaving an unpaid balance of $11,249,577.20.

(b) Immediately and automatically upon the issuance of a validation report by Corium in regard to a third production line as contemplated by that certain Amendment to Transdermal Fentanyl Collaboration Agreements, dated as of September 28, 2007 (the "***September 2007 Amendment Agreement***"), between Actavis and Corium, Corium shall offset against the Settlement Amount Actavis' then obligation under the September 2007 Amendment Agreement to pay Corium $199,790.00.

4. **Pressure-Testing Technology.** Upon completion of appropriate validation procedures and any required regulatory requirements, Corium shall utilize the

pressure-testing features (which Corium has been developing at its own expense) in the manufacture of the Product under the Replacement MSA. On completing its validation procedures, Corium will provide promptly to Actavis all information which is reasonably necessary or appropriate to enable Actavis to complete such regulatory filings as may be necessary to notify the FDA of the change in manufacturing process. Actavis shall promptly make such regulatory filing and take such actions, with Corium's assistance, as are reasonably necessary to respond to any FDA comments or requests for information regarding such filing. In consideration of Corium's providing access to the pressure testing technology for use in such manufacture, the amount of $600,000 (the "***$600,000 Credit***") shall be credited or not credited, as the case may be, against the Settlement Amount in accordance with the following provisions:

(a) $300,000 of the $600,000 Credit (the "***First $300,000***") shall be so credited thirty (30) days after Corium completes the validation of the pressure testing technology;

(b) The remaining $300,000 of the $600,000 Credit (the "***Second $300,000***") shall be so credited forty (40) days after Corium has provided to Actavis the information specified in the opening paragraph of this Section 4, (such 40 day period, the "***Initial Regulatory Review Period***"); provided that

(i) In the event the FDA takes any action ("***FDA Action***") during the Initial Regulatory Review Period which prevents Corium from implementing such pressure testing technology on a commercial basis for the Product ("***Commercial Implementation***") immediately after the Initial Regulatory Review Period, then:

(1) if Corium does not assist or take such actions as reasonably requested by Actavis to allow Actavis to resolve the issues raised by the FDA in the FDA Action (the "***FDA Issues***") in order to proceed with Commercial Implementation, and the FDA does not ultimately determine that the issues raised have been resolved such that the Commercial Implementation can proceed, the Second $300,000 shall not be so credited and the credit for the First $300,000 shall be reversed effective as of the date the credit was made; or

(2) if Corium does assist or take such as actions as reasonably requested by Actavis to allow Actavis to resolve the FDA Issues in order to proceed with Commercial Implementation, then:

(A) if the FDA Issues are resolved and Corium is permitted to proceed with Commercial Implementation, the Second $300,000 shall be so credited on the date Commercial Implementation is permitted; or

(B) if the FDA Issues are not resolved and Corium is not permitted to proceed with Commercial Implementation, then, subject to Section 4(b)(i)(2)(C), the Second $300,000 shall not be so credited and the credit for the First $300,000 shall be reversed effective as of the date the credit was made, and

(C) if the FDA Issues are not resolved because Actavis does not take appropriate action to respond to the FDA Issues, the Second $300,000 shall be credited effective as of the end of the Initial Regulatory Review Period.

(ii) In the event of FDA Action after the Initial Regulatory Review Period but prior to the date which is the second annual anniversary of the end of the Initial Regulatory Review Period (the "***Second Anniversary Date***") which prevents Corium from continuing the Commercial Implementation and does not result from a failure of Actavis to cooperate or take necessary action, then a portion of the $600,000 Credit equal to $25,000 for each month (or a pro-rata portion thereof for partial months based on days elapsed in such month) between the date of the subject cessation of the Commercial Implementation and the Second Anniversary Date shall be reversed effective as of (A) the date of the credit for the First $300,000 with respect to the first $300,000 of any such reversal, and (B) the date of the credit for the Second $300,000 with respect to all amounts of the reversal in excess of $300,000.

5. Product Price Adjustments.

(a) Until the Settlement Amount has been fully satisfied, Corium will adjust the pricing otherwise payable for all Product sold to Actavis under the Existing MSA on and after November 11, 2008, and under the Replacement MSA by: **(i)** reducing Corium's mark-up on the cost of such Product's active pharmaceutical ingredient ("***API***") to two percent (2%); **(ii)** reducing Corium's mark-up on other costs of such Product payable by Actavis to ten percent (10%); and **(iii)** waiving any royalty on such Product. The pricing methodology for any new product that Corium may develop for Actavis as more fully described below will be separately negotiated and agreed upon at such time as the Parties determine to proceed with the development program for such product, and such price shall not be subject to the provisions of this Section.

(b) For purposes of determining the value of the price adjustments described above, the reduced mark-ups and royalties will, respectively, be compared against: **(i)** the mark-up of fifteen percent (15%) on Corium's fully burdened costs of the Product (including but not limited to the cost of API) as set forth in the Existing MSA; and **(ii)** the royalty on Actavis' sales of the Product in the amounts set forth in the Existing MSA. The dollar value of the price adjustments, as so calculated, will be credited against the Settlement Amount (and any interest thereon) **(y)** in the case of Product sold to Actavis under the Existing MSA, on a retroactive basis effective as of the respective dates on which the underlying invoices were issued, plus five (5) days, and **(z)** in the case of Product to be sold to Actavis under the Replacement MSA, as the adjusted prices are invoiced by Corium under the Replacement MSA.

(c) For additional clarity, and by way of example only, if the reduced cost mark-up on a given quantity of Product is equal to $7,000 (pursuant to Sections 5(a)(i) and (ii) above) and the royalties on such Product are waived (pursuant to Section 5(a)(iii) above), and if the same quantity of Product would have been subject to a cost mark-up of $15,000 and a royalty of $6,000 had the pricing and royalty terms of the Existing MSA applied, then the value of the price-adjustment credit for that quantity of

Product will be calculated as: ($15,000 + $6,000) - $7,000 = $14,000. The foregoing example would apply under either the Existing MSA or the Replacement MSA.

6. Matrix Product Development.

(a) The Parties will negotiate in good faith, **(i)** within forty-five (45) days after the Effective Date, with respect to undertaking a potential development program for the development by Corium of a matrix-based passive Fentanyl transdermal patch product (when referred to generically, the "***Matrix Product***", and when referring to the Matrix Product developed by Corium, the ***"Corium Matrix Product"***) that constitutes an AB-rated generic equivalent of the Ortho-McNeil product generally known as DURAGESIC (the "***Matrix Development Program***"), which would include a mutually agreeable written plan (including commercially reasonable schedule and milestone terms) (the "***Matrix Plan***"), and **(ii)** within six (6) months following the agreed Matrix Plan, the economic terms of an amendment to the Replacement MSA for the manufacture and supply of the Corium Matrix Product (the "***Replacement MSA Matrix Amendment***").

(b) The agreement(s) between the Parties reflecting the Matrix Plan (collectively, the "***Matrix Agreement"***) shall recognize that Actavis shall have the right to collaborate with one or more additional third party developers (collectively, the "***Third Party Developer***") for the development of a Matrix Product.

(c) The Replacement MSA Matrix Amendment shall provide, among other things, that in the event both Corium and the Third Party Developer are successful in developing a Matrix Product, Actavis shall purchase from Corium (the "***Actavis Matrix Product Purchase Obligation***"), as applicable, **(i)** 100% of the Matrix Product sold by Actavis in terms of units during such time as the Corium Matrix Product is sold commercially prior to the first commercial sale, if any, of the Matrix Product of the Third Party Developer, or **(ii)** at least 50% of the Matrix Product sold by Actavis, in terms of units, during any consecutive 24 month period beginning on or after the date of the first commercial sale of the Corium Matrix Product, if the Corium Matrix Product is sold commercially for the first time after the first commercial sale of the Matrix Product of a Third Party Developer, provided however, the parties recognize that achieving a 50% product balance may not be attainable in any given period, and therefore agree that the product balance shall be 50%, +/- 5% during any calendar quarter and Actavis will act in good faith and use its best efforts to achieve 50%, +/-2% over any 24 month period, and to adjust order quantities in subsequent quarters as warranted to achieve the overall 50% balance. The Actavis Matrix Product Purchase Obligation **(w)** is applicable to the extent that Corium timely and properly meets the supply forecasts required to meet the applicable minimum percentage volume set forth above, **(x)** shall go into effect no earlier than the fourth month after the Corium Matrix Product is first sold, unless the Corium Matrix Product is the first Matrix Product approved for manufacture and sale by Actavis, in which case, this obligation shall become effective immediately upon FDA approval; **(y)** shall be determined on a quarterly basis, and **(z)** shall apply to each of the United States, and the rest of the world (excluding the United States), separately. In determining the compliance of Actavis with the Matrix Product Purchase Obligation, the sales of

Matrix Products in North America by other Actavis Entities (as defined in Section 15(b)) shall be deemed to be sales of Matrix Product by Actavis.

(d) Corium shall have no obligation to license its intellectual property relating to the Matrix Product to any Third Party Developer.

(e) The Matrix Agreement also shall include commercially reasonable terms and conditions, to be negotiated by the Parties in good faith, to, among other things, **(i)** provide Actavis the right to qualify and thereafter utilize a second source of supply of the Corium Matrix Product (the "***Second Source***") otherwise obligated to be supplied by Corium under the Replacement MSA in the event that Corium ceases or fails to supply Corium Matrix Products as required by the Replacement MSA, as amended, which failure, if it results from a breach of the Replacement MSA, is not cured as provided in the Replacement MSA, and **(ii)** provide Actavis a non-exclusive, royalty-free, non-transferable (except to the extent permitted by Section 17) and perpetual license, without the right to sublicense (the "***Second Source License***") to all then existing, and only to the extent applicable to the Corium Matrix Product, know-how, trade secrets, patent rights, technology and technical, scientific and clinical information and data solely to the extent necessary for the Second Source to manufacture, control the quality of, package, and store, and for obtaining required governmental registrations for, Corium Matrix Products. The use of the Second Source License shall be solely for the purpose of qualifying and thereafter utilizing the Second Source as contemplated by clause (i) immediately above, and shall include confidentiality and other restrictions to protect Corium trade secrets.

(f) So long as the Settlement Amount has not been fully satisfied, Corium will bear the costs of its own labor in performance of the Matrix Development Program, with such costs being determined on the cost basis set forth in Exhibit A to this Agreement (the "***Labor Cost***"). Actavis will reimburse Corium for (or otherwise pay) all out-of-pocket expenses (which will include materials and supplies associated with production of product for non-clinical and clinical development, costs of non-clinical and clinical testing by third parties, costs of other third party services, and other similar expenses) incurred in furtherance of the Matrix Development Program, as shall be more specifically set forth in the Matrix Plan. The Labor Costs shall be credited against the Settlement Amount (and any interest thereon) as such Labor Costs are incurred. The Parties currently estimate that the total estimated cost of such Matrix Development Program (before clinical testing) will be approximately $4,500,000, of which it is estimated that $3,500,000 to $4,000,000 will represent the Labor Cost. Corium shall provide Actavis not less frequently than monthly a report detailing the Labor Cost.

(g) Actavis shall be entitled to discontinue the Matrix Development Program at any time upon reasonable written notice to Corium, but discontinuation shall not void, diminish, or otherwise affect any credits against the Settlement Amount earned pursuant to Section 6(b) above prior to such discontinuation.

(h) Corium shall, within thirty (30) days of written request not more frequently than once every twelve months during the period beginning upon

commencement of the Matrix Development Plan and ending one year after its completion or discontinuation, provide Actavis' independent certified public accountants (reasonably acceptable to Corium) with access, during regular business hours and subject to the confidentiality undertakings contained in this Agreement, to Corium's books and records relating to the Matrix Development Plan solely for purposes of verifying the accuracy of any credits claimed under Section 6(b) above.

(i) Neither party shall be obligated to undertake a Matrix Development Program until such time as they have entered into a written agreement with respect to such program. If Corium fully satisfies the Settlement Amount (and any interest thereon) after agreement upon and commencement of activities under the Matrix Development Program, but before completion or discontinuation thereof, Actavis shall pay Corium, on a monthly basis, for any further Labor Costs in the amounts that would otherwise have been credited against the Settlement Amount under Section 6(b) above.

7. Tracking of Settlement Amount; Cash Payment Option.

(a) On at least a quarterly basis while any portion of the Settlement Amount remains unsatisfied, Actavis will provide to Corium a written update showing Actavis' calculation of the then-current balance of the unsatisfied Settlement Amount (and any interest thereon), taking into account all amounts credited under this Agreement to date (the "***Written Update***"). Corium will notify Actavis of any objections Corium may have to the amounts reflected in such update within thirty (30) days after receipt. If Corium fails to notify Actavis of any such objection within such thirty day period, then such Written Update shall be binding on Corium (except as provided below). In the event Corium notifies Actavis of any such objection within such thirty day period, the Parties will work in good faith to resolve any such objections consistent with the terms of this Agreement.

(b) Except as otherwise agreed by Actavis and Corium in writing from time to time: **(i)** no such Written Update shall be binding on Actavis as a statement of the then-current balance of the unsatisfied Settlement Amount with respect to **(y)** any part of the Labor Cost for which Actavis retains an audit right under Section 6(d), and/or **(z)** any other component of credits to the Settlement Amount for which Actavis retains an audit right under the Existing MSA, the Replacement MSA, or the Matrix Plan; and **(ii)** no part of any such Written Update shall be binding on either Party to the extent it contains a manifest typographical, clerical, or computational error, or to the extent the information reflected in such Written Update is found to be inaccurate, incomplete, or otherwise erroneous in the course of either Party's exercise of its audit rights under this Agreement, any agreement referenced herein, or any other agreement between the Parties.

(c) The Parties shall confer annually in March of each year, commencing in March 2010, for the purpose of agreeing in writing on the balance of the unsatisfied Settlement Amount as of the previous December 31, and in the absence of such an agreement, to identify those credits, or, if appropriate, the elements or components of those credits, to the Settlement Amount which remain subject to audit or which are not otherwise agreed by the Parties. The Parties shall endeavor to resolve, or

put in place a plan and process to resolve, any dispute or uncertainty regarding such credits or elements or components thereof. Any agreement reached in writing in this regard shall be binding on both Parties. No Party shall be in breach of this Agreement for failure to reach an agreement under this Section 7(c).

(d) Corium may at its option, at any time and without penalty, pay off any outstanding balance of the Settlement Amount (and interest thereon), in whole or in part, by paying Actavis a corresponding amount in immediately available funds.

8. Conversion of Remainder Value.

(a) Upon the first to occur of **(i)** December 31, 2013, or **(ii)** the election of Actavis given to Corium within thirty (30) days following the occurrence of a Triggering Event (as defined in Section 8(c) below), or **(iii)** immediately prior to a Change of Control (as defined in Section 8(c) below), the portion of the Settlement Amount (and interest thereon) then remaining unsatisfied, if any (the "***Remainder Value***"), shall be automatically converted (the "***Conversion***") into that number of shares of Conversion Stock (as defined in Section 8(c) below) equal to the quotient, rounded down to the nearest whole share, obtained by dividing the Remainder Value by the Conversion Price (as defined in Section 8(c) below); provided that such automatic conversion on December 31, 2013 is subject to Section 8(b). The date that an Election Notice (as defined below) is given to Corium, or, if no Election Notice is given, then December 31, 2013, is referred to herein as the "***Conversion Date***"), Any election by Actavis under the first sentence of this subsection must be made by written notice to Corium (an "***Election Notice***") and must be received by Corium **(y)** no later than thirty (30) days following the applicable Triggering Event with respect to an election made pursuant to clause (ii) of the preceding sentence or **(z)** prior to the consummation of the Change of Control with respect to an election made pursuant to clause (iii) of the preceding sentence. Upon conversion of the Remainder Value to Conversion Stock as set forth above, the Settlement Amount shall be deemed fully paid and satisfied for all purposes of this Agreement. If Corium affects a Change of Control at any time before the satisfaction of the entire Settlement Amount, Corium shall give Actavis, subject to reasonable confidentiality assurances from Actavis, thirty (30) days advance notice of the anticipated closing of such Change of Control transaction. A determination by Actavis not to elect its option upon the occurrence of any Triggering Event or Change of Control shall not constitute a waiver or other bar of Actavis' right to make such election upon the occurrence of any subsequent Triggering Event or Change of Control. Until such time as the Conversion occurs or the Settlement Amount is otherwise fully satisfied, Corium shall provide Actavis **(I)** quarterly financial statements for Corium and its affiliates on a consolidated basis within thirty (30) days of such statements becoming available to Corium, **(II)** annual financial statements of Corium and its affiliates on a consolidated basis within thirty (30) days of such statements becoming available to Corium, which annual statements shall be audited if Corium otherwise obtains audited financial statements, provided that Corium may redact footnotes and auditors' notes (collectively, "***Notes***") to exclude references to or descriptions of any persons, products or transactions otherwise identified in such Notes that Corium reasonably determines could compromise competitively sensitive information if disclosed to Actavis, and **(III)** at the time of any

Change of Control or Triggering Event, such additional financial information and background and diligence type information as Actavis shall reasonably request and which Corium is able to provide without violating its obligations of confidentiality to any third party, in regard to any such Change of Control or Triggering Event, all of which information shall be provided promptly following such request so as to permit a reasonable timeframe within which Actavis can evaluate the exercise of its election rights hereunder; and provided further that Corium may condition the delivery of any such statements or information upon Actavis agreeing to reasonable and customary terms of confidentiality.

(b) Notwithstanding Section 8(a) or any other provision of this Agreement, if as of December 31, 2013, the Settlement Amount has not been fully credited as a result of Corium's failure to supply to Actavis Product ordered by Actavis under the Replacement MSA, due to a material, uncured breach by Corium of its supply obligations under the Replacement MSA, then, Actavis shall have the right to elect by written notice given to Corium not later than December 31, 2013, to **(i)** consummate the otherwise automatic Conversion on December 31, 2013, or alternatively, **(ii)** declare the entire remaining balance of the Settlement Amount (including accrued interest) due and payable, in which event Corium shall pay such amount to Actavis in cash not later than thirty (30) days following Corium's receipt of Actavis' written notice or January 31, 2014 whichever is later.

(c) The following definitions shall apply for purposes of this Section 8:

"***Change of Control***" means any of the following: **(i)** the sale or other transfer (including by an irrevocable, exclusive, worldwide license having a duration of the life of the patents included in such license) of all or substantially all of the assets of Corium; **(ii)** a sale or exchange of capital stock by the stockholders of Corium in one transaction or series of related transactions where more than 50% of the outstanding voting power of Corium is acquired by a person or entity or group of related persons or entities; and **(iii)** a merger or consolidation pursuant to which the holders of a majority of the voting securities of Corium (determined on a fully diluted basis) prior to the date of such event do not control a majority of the voting securities of the resulting company (determined on a fully diluted basis); provided however that a Change of Control shall not be deemed to occur in the event that Essex Woodlands Healthcare Ventures or its affiliated venture funds acquires ownership of more than 50% of the voting securities of Corium.

"***Conversion Price***" means an amount equal to the lowest per share selling price of Conversion Stock sold by Corium in the Most Recent Financing (as defined below). The Conversion Price is subject to adjustment as provided in Section 8(d) below.

"***Conversion Stock***" means the class or series of Corium's capital stock that is sold by Corium in the Most Recent Financing (as defined below). The number and character of shares of Conversion Stock are subject to adjustment as

provided in Section 8(d) below and the term "***Conversion Stock***" shall include the stock and other securities and property that are, on the Conversion Date, receivable or issuable upon conversion of the Remainder Value in accordance with Section 8(a) above.

"***Most Recent Financing***" means Corium's last sale preceding the Conversion Date of its capital stock (but not issuances only of options or warrants to acquire such capital stock) in one transaction or series of related transactions undertaken by Corium primarily for capital raising purposes; and in either case having been arm's length sales conducted in good faith.

"***Triggering Event***" means any of the following: **(i)** any action by the U.S. FDA or other applicable regulatory authority that materially impairs Corium's ability to earn any credits against the Settlement Amount contemplated under this Agreement; **(ii)** Corium's failure for any reason to have paid or otherwise satisfied at least 60% of the 2009 Targeted Credit Amount (as set forth in Exhibit B); and **(iii)** Corium's failure for any reason to have paid or otherwise satisfied at least 80% of the 2010 Targeted Credit Amount (as set forth on Exhibit B). The Parties acknowledge that the Targeted Credit Amounts shown in Exhibit B include agreed upon estimated credits related to the Matrix Development Program. To the extent that this program is never initiated or is discontinued by Actavis for any reason, or the actual costs of such program are less than the amounts estimated, the Targeted Credit Amounts will be decreased by the estimated amounts (or the difference between the estimated amounts and the actual amounts) related to the Matrix Development Program for purposes of the conversion provisions outlined in this Section 8 (c).

(d) The number and character of shares of Conversion Stock and, to the extent set forth in this Section 8(c), the Conversion Price, are each subject to adjustment upon each occurrence of an adjustment event described in paragraphs (i) and (ii) below of this Section 8(d) occurring between the date of the Most Recent Financing and the Conversion Date:

(i) The Conversion Price and the number of shares of Conversion Stock shall each be proportionally adjusted to reflect any stock dividend, stock split, reverse stock split, or other similar event affecting the number of outstanding shares of Conversion Stock without the payment of consideration to Corium therefor.

(ii) In any case not otherwise covered in paragraph (i) of this Section 8(d) where **(y)** all the outstanding Conversion Stock is converted, pursuant to the terms of Corium's Certificate of Incorporation, into Common Stock or other securities or property, or **(z)** the Conversion Stock otherwise ceases to exist or to be authorized under Corium's Certificate of Incorporation (each a "***Stock Event***"), then Actavis, upon conversion of the Remainder Value at any time after such Stock Event, shall receive, in lieu of the number of shares of Conversion Stock that would have been issuable upon conversion of the Remainder Value immediately prior to such Stock Event, the stock and other securities and property that Actavis would have been entitled to receive upon the Stock Event, if immediately prior to such Stock Event, Actavis had converted the Remainder Value into Conversion Stock pursuant to Section 8(a) above.

9. **Release, Settlement, and Waiver.**

(a) The term "***Release Effective Date***" means the date which is the earlier of **(i)** the date upon which the Settlement Amount, including all interest thereon, is fully paid or otherwise fully satisfied as provided in this Agreement, or **(ii)** the Conversion Date.

(b) Release by Actavis. Effective automatically on the Release Effective Date, and except as specifically provided in Section 9(d), Actavis, on behalf of itself, its predecessors, successors, parents, affiliates, subsidiaries, officers, directors, insurers, shareholders, agents, employees, representatives, attorneys, and assigns (individually and collectively referred to herein as the "***Actavis Releasing Entities***") does hereby relieve, release and forever discharge Corium and its predecessors, successors, parents, affiliates, subsidiaries, officers, directors, insurers, shareholders, agents, employees, representatives, attorneys, and assigns (individually and collectively referred to herein as the "***Corium Released Entities***"), of and from any and all rights, claims, debts, demands, obligations, promises, damages and causes of action of every kind and nature whatsoever, including but not limited to **(i)** claims arising under contract, tort (including negligence or product liability), warranty, or any other theory of liability, and **(ii)** direct, indirect, incidental and consequential damages, including without limitation, lost profits, damages to reputation and goodwill, and all costs and expenses of whatever kind or nature, including without limitation reasonable attorneys' fees and expenses incurred in connection therewith; and in any such case whether known or unknown and which any of the Actavis Releasing Entities may have had or asserted, may now have or assert, or may hereafter have or assert against the Corium Released Entities, or any of them, for or by reason of any matter, cause or thing whatsoever arising out of or relating to the Product Recall or any of the events or circumstances that gave rise to or are otherwise associated with such Product Recall (such rights, claims, debts, demands, obligations, promises, damages and causes of action individually and collectively, but excluding any claim of breach under this Agreement, are referred to herein, whether on, before, or after the Release Effective Date, as "***Actavis Product Recall Claims***").

(c) Release by Corium. Effective automatically on the Release Effective Date, and except as specifically provided in Section 9(d), Corium, on behalf of itself, its predecessors, successors, parents, affiliates, subsidiaries, officers, directors, insurers, shareholders, agents, employees, representatives, attorneys, and assigns (individually and collectively referred to herein as the "***Corium Releasing Entities***") does hereby relieve, release and forever discharge Actavis and its predecessors, successors, parents, affiliates, subsidiaries, officers, directors, insurers, shareholders, agents, employees, representatives, attorneys, and assigns (individually and collectively referred to herein as the "***Actavis Released Entities***"), of and from any and all rights, claims, debts, demands, obligations, promises, damages and causes of action of every kind and nature whatsoever, including but not limited to **(i)** claims arising under contract, tort (including negligence or product liability), warranty, or any other theory of liability, and **(ii)** direct, indirect, incidental and consequential damages, including without limitation, lost profits, damages to reputation and goodwill, and all costs and expenses of whatever kind or nature, including without limitation reasonable attorneys' fees and expenses

incurred in connection therewith; and in any such case whether known or unknown and which any of the Corium Releasing Entities may have had or asserted, may now have or assert, or may hereafter have or assert against the Actavis Released Entities, or any of them, for or by reason of any matter, cause or thing whatsoever arising out of or relating to the Product Recall or any of the events or circumstances that gave rise to or are otherwise associated with such Product Recall (such rights, claims, debts, demands, obligations, promises, damages and causes of action individually and collectively, but excluding any claim of breach under this Agreement, are referred to herein, whether on, before, or after the Release Effective Date, as "***Corium Product Recall Claims***").

(d) Full and Final Settlement. It is the intention of the Parties in executing this Agreement that, as of the Release Effective Date, this Agreement shall be effective as **(i)** a full, complete, and final accord and satisfaction of all claims relating to the Product Recall and that might be asserted by any of the Actavis Releasing Parties against any of the Corium Released Parties or by any of the Corium Releasing Parties against any of the Actavis Released Parties, and **(ii)** a release of and from all matters referred to in the respective releases set forth in Section 9(b) above (the "***Actavis Release***") and in Section 9(c) above (the "***Corium Release***"). Notwithstanding anything to the contrary in this Agreement and for the avoidance of doubt, **(y)** the Actavis Release does not pertain to, cover, or otherwise release Corium or any other Corium Released Entity from, and the Actavis Product Recall Claims do not include, any claim relating to a breach of this Agreement, any product liability or other claim by a third party against Actavis or any other Actavis Releasing Entity, or indemnity or contribution claims related thereto and/or any claim for breach of the September 2007 Amendment Agreement (which the Parties acknowledge is unrelated to the Product Recall), and **(z)** the Corium Release does not pertain to, cover, or otherwise release Actavis or any other Actavis Released Entity from, and the Corium Product Recall Claims do not include, any claim relating to a breach of this Agreement, or any product liability or other claim by a third party against Corium or any other Corium Releasing Entity, or indemnity or contribution claims related thereto.

(e) Covenants Not to Proceed or Sue in Regard to Product Recall Claims.

(i) Notwithstanding that the Actavis Release is not effective until the Release Effective Date, Actavis represents, warrants and covenants, on behalf of itself and on behalf of all other Actavis Releasing Entities, that neither it nor any other Actavis Releasing Entity shall bring, make or otherwise assert any claim or cause of action whatsoever arising out of or in any way relating to any Actavis Product Recall Claims against Corium or any other Corium Released Entity, or aid any other entity or third party in any such acts, unless, prior to the Release Effective Date, Corium becomes the subject of a Corium Bankruptcy Event, in which case (1) Actavis and/or any other Actavis Releasing Entity may assert any Actavis Product Recall Claims against Corium and/or or any other Corium Released Entity without regard to the limitation of the Settlement Amount subject to off-set for payments received or other credits made under this Agreement prior to such termination, and (2) notwithstanding the provisions of Section 9(e)(ii) below, Corium and/or any other Corium Released Entity may assert any

available affirmative defenses and/or counterclaims, including any Corium Product Recall Claims, that Corium or any other Corium Released Entity may have against Actavis and/or any other Actavis Released Entity without limitation. Further, Actavis represents and warrants, on behalf of itself and on behalf of all other Actavis Releasing Entities, that neither it nor any other Actavis Releasing Entities has assigned or otherwise transferred any Actavis Product Recall Claims to any other entity or third party as of the Effective Date. The term "***Corium Bankruptcy Event***" means Corium making an assignment for the benefit of creditors, initiating or otherwise consenting to the appointment of a custodian, receiver, or trustee for itself or for a substantial part of its assets, or commencing, consenting to the commencement or continuation of, or becoming involuntarily the subject of, any proceeding under any bankruptcy, reorganization, liquidation, insolvency or similar laws of any jurisdiction. Compliance by Actavis or any other Actavis Releasing Entity with a legal subpoena shall not be deemed to be a breach of this Section 9(e)(i).

(ii) Except as provided in Section 9(e)(i) above, notwithstanding that the Corium Release is not effective until the Release Effective Date, Corium represents, warrants and covenants, on behalf of itself and on behalf of all other Corium Releasing Entities, that neither it nor any other Corium Releasing Entity shall bring, make or otherwise assert any claim or cause of action whatsoever arising out of or in any way relating to any Corium Product Recall Claims against Actavis or any other Actavis Released Entity or aid any other entity or third party in any such acts, unless, prior to the Release Effective Date, Actavis becomes the subject of an Actavis Bankruptcy Event, in which case Corium and/or any other Corium Releasing Entity may assert any Corium Product Recall Claims against Actavis and/or any other Actavis Released Entity. Further, Corium represents and warrants, on behalf of itself and on behalf of all Corium Releasing Entities, that neither it nor any other Corium Releasing Entity has assigned or otherwise transferred any Corium Product Recall Claims to any other entity or third party as of the Effective Date of this Agreement. The term "***Actavis Bankruptcy Event***" means Actavis making an assignment for the benefit of creditors, initiating or otherwise consenting to the appointment of a custodian, receiver, or trustee for itself or for a substantial part of its assets, or commencing, consenting to the commencement or continuation of, or becoming involuntarily the subject of, any proceeding under any bankruptcy, reorganization, liquidation, insolvency or similar laws of any jurisdiction. Compliance by Corium or any other Corium Releasing Entity with a legal subpoena shall not be deemed to be a breach of this Section 9(e)(ii).

(iii) The covenants set forth in Sections 9(e)(i) and (ii) above shall not preclude either Party from asserting a claim for indemnification or contribution against the other Party in the context of any third party product liability or other claim.

(f) **Actavis Right to Sue in Regard to Settlement Amount.** Notwithstanding any other provision of this Agreement to the contrary, Actavis shall have the right by written notice to Corium to declare the then outstanding balance of the Settlement Amount, including all accrued interest thereon, due and payable, upon the occurrence of either of the following events:

(i) a material breach by Corium of any of its obligations under this Agreement, and/or

(ii) Corium shall have breached or defaulted in the performance or observance of any material obligation under the Replacement MSA,

and in the case of either such event, Corium shall have failed to cure such breach or default within thirty (30) days of receiving written notice from Actavis of such breach or default.

Upon Actavis' declaration pursuant to this Section 9(f), Corium shall pay such outstanding balance in cash to Actavis within thirty (30) days of such notice, and if Corium fails to make such payment, Actavis shall be entitled, in addition to any other remedy it may have for breach of this Agreement and/or the Replacement MSA, to bring a legal action against Corium under this Agreement seeking recovery in cash of the outstanding balance of the Settlement Amount, including accrued interest thereon.

(g) Waiver Regarding Unknown Claims. Actavis and Corium acknowledge, respectively, that they understand and are familiar with California Civil Code Section 1542, which provides as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Actavis and Corium, respectively, expressly waive and relinquish, on behalf of itself and all of the other Actavis Releasing Entities and Corium Releasing Entities, any rights that it or they may have under the above-cited Section 1542, and any rights under any other statute or common law principle with a similar effect, as to any unknown claims within the scope of the release granted above. In connection with such waiver and relinquishment, Actavis and Corium, respectively, acknowledge that its attorneys or agents may hereafter discover claims or facts in addition to or different from those which it now knows or believes to exist with respect to the subject matter of this Agreement, but the respective releases herein given shall be and remain in effect as a full and complete release notwithstanding the discovery or existence of any such additional or different claim or fact.

(h) Agreement to Toll and Extend the Statute of Limitations. The Parties expressly acknowledge and agree that, notwithstanding any statute or rule of law to the contrary relating to limitations of actions, laches or any other rule relating to the timeliness of asserting claims, the period of time within which Actavis may assert any Actavis Product Recalls Claim, and the period of time within which Corium may assert any Corium Product Recall Claims, shall be, and hereby is, in each case extended until March 31, 2015; provided, however, that such extension and tolling of the period of limitations will not be deemed to modify or extend the Release Effective Date.

10. **Confidentiality.** Each Party to this Agreement agrees that it will not reveal the terms of this Agreement to any person not a party to this Agreement, other than: **(i)** in confidence to such Party's legal, financial, and business advisors and its actual and prospective investors, acquirers, and providers of capital; **(ii)** as may be required by law, including as required for compliance with disclosure laws or rules imposed by state or federal laws or regulatory agencies, or in response to an order of a court of competent jurisdiction or lawful discovery processes; **(iii)** in connection with any litigation between the parties hereto relating to this Agreement, or as may otherwise be reasonably necessary to enforce the terms hereof; and **(iv)** as the Parties may mutually agree in writing. The Parties agree to respond to any third party inquiry related to the dispute settled by this Agreement by stating that the dispute has been resolved to the satisfaction of all parties.

11. **Governing Law.** This Agreement and any disputes arising from this Agreement shall be governed by the laws of the state of New York, without regard to its conflicts of laws rules.

12. **Litigation Expense.** If either Party to this Agreement shall bring an action against the other Party hereto by reason of any alleged breach of this Agreement, the prevailing Party shall be entitled to its costs and reasonable attorneys' fees.

13. **Representation by Counsel.** Each of the Parties hereto acknowledges that this Agreement has been executed with the consent and on the advice of independent legal counsel of its choice. Each Party further acknowledges that it and its counsel have had adequate opportunity to make whatever investigation or inquiry is deemed necessary or desirable in connection with the subject matter of this Agreement.

14. **Interpretation.** For purposes of any action arising out of the application, interpretation, or alleged breach of this Agreement brought by either Party, each Party waives California Civil Code Section 1654, any other statutory or common law principle of similar effect, and any judicial interpretation of this Agreement which would create a presumption against the other party as a result of its having drafted any provision of this Agreement. The headings used herein are descriptive only and for the convenience of identifying provisions, and are not determinative of the meaning or a fact of any such provisions.

15. **Representations as to Authority.**

(a) Each of the Parties hereto represents and warrants to the other Party that it has the sole right and authority to execute this Agreement and that it has not sold, assigned, transferred, conveyed, or otherwise disposed of any claim or demand, relating to any matter covered by this Agreement.

(b) In addition, Actavis represents and warrants to Corium that **(i)** Actavis is duly authorized to act and is acting on behalf of itself and its parent, direct and indirect subsidiaries and other affiliated entities under direct or common control with Actavis (collectively, the "***Actavis Entities***") with respect to the Actavis Release and the

amount of and method of settling the Settlement Amount; and **(ii)** Actavis is duly authorized to, and hereby does, bind the Actavis Entities, each of whom will be bound, jointly and severally, to the terms and conditions of this Agreement respecting the Actavis Release and the amount of and method of settling the Settlement Amount. Corium's obligations and liabilities to Actavis under this Agreement are expressly conditioned on the foregoing representations and warranties of Actavis.

(c) In addition, Corium represents and warrants to Actavis that **(i)** it is acting on behalf of itself and, if any, its parent, direct and indirect subsidiaries, and affiliated entities under direct or common control with Corium (collectively, the "***Corium Entities***"), with respect to the amount of and method of settling the Settlement Amount and the Corium Release; and **(ii)** that Corium is duly authorized to, and hereby does, bind the Corium Entities, each of whom will be bound, jointly and severally, to the terms and conditions of this Agreement respecting the Corium Release and amount of and method of settling the Settlement Amount. Actavis' obligations and liabilities to Corium under this Agreement are expressly conditioned on the foregoing representations and warranties of Corium.

16. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the Parties hereto with respect to the subject matters set forth herein, and supersedes and replaces any prior agreements and understandings, whether oral or written, between and among them with respect to such matters. The provisions of this Agreement may be waived, altered, amended or repealed in whole or in part only upon the Parties' mutual written consent.

17. Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the Parties, their successors and permitted assigns and the Actavis Entities and Corium Entities to the extent contemplated by Section 15(b) and Section 15(c), respectively. Neither Party may assign this Agreement, in whole or in part, without the prior written consent of the other Party, except that either party may, without the other Party's consent, assign this Agreement to an Affiliate or to a successor to substantially all of its business or assets to which this Agreement pertains.

18. Counterparts. This Agreement may be executed in counterparts, each of which shall be original, but all of which shall constitute one and the same instrument. Signature may be by facsimile or other printable electronic transmission.

19. Severability. Should any provision of the Agreement be declared invalid, unenforceable or otherwise in conflict with any law or statute it shall not affect the validity of any other provision of the Agreement.

20. Application of Credits. Whenever pursuant to this Agreement there is a credit to the Settlement Amount, or, if at anytime Corium makes a cash payment toward or of the Settlement Amount, such credit or cash payment, as the case may be, shall first be applied to accrued and unpaid interest and then to the principal balance.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the parties hereto has duly executed this Agreement as of the date noted below

CORIUM INTERNATIONAL, INC.	**ACTAVIS SOUTH ATLANTIC LLC**
By: _____	By: _____
Name: _____	Name: _____
Its: _____	Its: _____
Date: _____	Date: _____

IN WITNESS WHEREOF, each of the parties hereto has duly executed this Agreement as of the date noted below.

CORIUM INTERNATIONAL, INC.	**ACTAVIS SOUTH ATLANTIC LLC**
By: _____	By: _____
Name: Peter D. Staple	Name: _____
Its: President and CEO	Its: _____
Date: July 27, 2009	Date: _____

EXHIBIT A

Calculation of Labor Costs

Labor Costs as related to the development of products under the Matrix Development Program shall be calculated as follows; **[1]** for each month, the total labor hours are reported by each employee in each department within the company (including those directly involved with the development of new products and those indirectly involved, for example, quality, engineering, purchasing, production supervision, etc.) for all projects / products being worked on for the month (NOTE: Corium, maintains a very detailed time reporting system for virtually all employees for purposes of keeping track of work on all projects / products). **[2]** The costs associated with each department for each month are gathered and accumulated. Costs for each department include, among other costs: salaries and wages, benefits, direct expenses of the department including, supplies, outside services, equipment repairs, depreciation and an allocation of facility costs as allocated among all departments within the company. **[3]** The hours worked on a project under the Matrix Development Program by all employees, in each department, for each month is divided by the total hours worked on all projects within that department for the month (as defined in [1]) and the resulting percentage is multiplied by the total costs of each department associated with that project (as defined in [2]), resulting in a total cost of the labor associated with the project for a particular month by department. Labor Costs associated with direct production labor will be invoiced at average hourly wage rate which includes an estimate for benefit costs.

For the avoidance of doubt, Labor Costs shall not include any production overhead costs.

These costs will be computed by Corium in a manner which is consistent with the then current methods and practices used by Corium to determine the cost of other products developed by Corium. In all cases, such costs will be in accordance with U.S. GAAP.

Example:

Labor Costs for Project _____ for the month of _____.

Department	**Hours worked on Actavis Project [a]**	**Total hours worked on all projects/products [b]**	**Total Monthly Operating Costs for the Dept [c]**	**Total Monthly Labor Costs ([a]/[b] X [c])**
R&D	100	1,000	$150,000	$15,000
Quality	50	1,000	$200,000	$10,000
Engineering	10	1,000	$200,000	$2,000
Purchasing	5	1,000	$150,000	$750
Direct Labor	50		$34 / hour	$1,700
Other departments				
Total Monthly Labor Costs				**$29,450**

EXHIBIT B

Targeted Credit Amounts

The Targeted Credit Amount for 2009 is $2,399,000.

The Targeted Credit Amount for 2010 is $3,458,000.

These amounts include $1,000,000 for 2009 and $2,000,000 for 2010 estimated for the Matrix Development Program.

Document Withheld for Privilege