

Message

From: Nancy Baran [/O=ONETeam/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=NBARAN]
Sent: 5/6/2011 2:57:48 PM
To: Beth Zelnick-Kaufman [/O=ONETeam/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=BZELNICKKAUFMAN]
CC: Umesh Solanki [/O=ONETeam/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=USOLANKI]; Michael Perfetto [/O=ONETeam/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=MPERFETTO]; Bill Ostrowski [/O=ONETeam/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=BOSTROWSKI]
Subject: FW: Actavis / BuzzeoPDMA - Customer Services Agreement - SOM Services
Attachments: Actavis SOM Services CSA 5.6.11.doc; Suspicious Order Monitoring (2).doc

Beth,

We have Doug's approval to move forward with implementing a suspicious order monitoring system. We have looked at a few options and the team has agreed to move forward with Dendrite. A copy of their proposal/service agreement is attached. The team would like to take the next steps which have been identified as follows:

- 1) Bill is having his team (Rich Bruskin) assist in completing the CapEx paperwork.
- 2) I would like to get a legal review of the services agreement.
- 3) Once services agreement is reviewed and signed, I would plan to schedule Dendrite to be on-site to begin the process starting with requirements documentation and data gathering.
- 4) Have I missed anything?

Please let me know if you or someone from your team would be available to assist me in this regard. I would like to get started at your earliest convenience.

Thanks in advance.

Nancy

Nancy Baran
Director, Customer Service



Actavis
60 Columbia Rd. Bldg B ☎ +1 973-993-4510 or 888-925-2342 @ NBARAN@actavis.com
Morristown, NJ 07960 United States ☎ +1-973-993-4300 w www.actavis.com
Internal VoIP number ☎ 1254510

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From: GLOTZ Gary [mailto:Gary.Glotz@cegedim.com]
Sent: Friday, May 06, 2011 2:15 PM
To: Nancy Baran
Subject: Actavis / BuzzeoPDMA - Customer Services Agreement - SOM Services

Hello Nancy,

As a follow-up to our discussion today, please find our customer services agreement for your review.

Please let me know if you have any questions.

PLAINTIFFS TRIAL
EXHIBIT
P-01289_00001

Thank you...Gary

Gary Glotz | Business Development Director
Cegedim Compliance Solutions Powered by BuzzeeoPDMA
1025 Boulders Parkway, Suite 405, Richmond, VA, 23225
Tel: 804-230-5003 | Fax: 804-267-1746 | Cell: 804-677-6465 | email: gary.glotz@cegedim.com

Please join us for our 14th Annual Controlled Substances, PDMA and State Conference
June 1 – 3, 2011
Hyatt Regency Crystal City, Arlington, Virginia
<http://crm.cegedim.com/page/Documents/pdma-june-2011/index.html>

CUSTOMER SERVICES AGREEMENT

This Customer Services Agreement (together with the Schedules, this "Agreement") is made as of the __th day of May, 2011, by and between BuzzeoPDMA LLC, a Delaware limited liability company having its principal office at 1025 Boulders Parkway, Suite 405, Richmond, Virginia 23225 ("BuzzeoPDMA"), and ACTAVIS, a _____ corporation having its address at 60 Columbia Road, Building B, Morristown, NJ 07960 ("Customer").

WITNESSETH:

WHEREAS, BuzzeoPDMA provides compliance and sample management solutions to the life sciences industry; and

WHEREAS, Customer desires to engage BuzzeoPDMA to provide Customer with services as more fully described in this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual representations, warranties, covenants and agreements contained herein, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1. Defined Terms. The following capitalized terms shall have the respective meanings given them below:

"Affiliate" of any Person shall mean any other Person which directly or indirectly controls, is controlled by or is under common control with, such Person. The term "control" (including its correlative meanings "controlled by" and "under common control with") means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise).

"Confidential Information" shall mean any and all business and technical information of a party disclosed to, or otherwise acquired or observed by, the other party, whether communicated in writing, orally, electronically or in any other form, including, but not limited to, the terms and conditions of this Agreement, except Confidential Information does not include any information which (1) becomes generally available to the public through no fault of the receiving party, (2) was independently developed by the receiving party without access to the disclosing party's Confidential Information or (3) becomes available to the receiving party on a non-confidential basis from a source other than the disclosing party; provided that such source is not prohibited from transferring the information to the receiving party by a contractual, legal or fiduciary obligation.

"Contractor" shall mean any vendor, consultant or contractor utilized by BuzzeoPDMA to accomplish defined tasks in the Services.

"Governmental Authority" shall mean any Federal, state, local or foreign governmental authority, agency, court, regulatory commission or other governmental body.

"Person" shall mean any individual, firm, corporation, unincorporated association, partnership, limited liability company, trust, Governmental Authority or other entity.

"Schedule" shall mean any schedule to this Agreement identified as such.

"Services" shall mean the services described on Schedule 1.

Section 1.2. Rules of Construction. All defined terms contained herein shall apply equally to both the singular and plural forms of such terms. Whenever the context may require, any pronoun shall have the corresponding masculine, feminine and neuter forms. Headings of Articles and Sections have been inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. In the event of any conflict in interpretation between this Agreement and any Schedule or any statement of work or work order issued hereunder, the provisions of this Agreement shall control. This Agreement has been jointly prepared and shall not be strictly construed against either party.

ARTICLE II CONTRACTORS

Section 2.1. Performance of Services by Contractors. BuzzeoPDMA may delegate to a Contractor its obligations to perform any of the Services without prior written consent of Customer. Such delegation shall not release BuzzeoPDMA of its responsibility to Customer regarding the timely and proper performance of such Services.

ARTICLE III SERVICES

Section 3.1. Performance of Services. (a) Subject to the terms of this Agreement, BuzzeoPDMA agrees to provide to Customer, and Customer agrees to pay for, the Services. BuzzeoPDMA agrees that the Services will be performed in

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accordance with the service descriptions set forth in Schedule 1. Customer acknowledges and agrees that the fees which BuzzeoPDMA is charging Customer for the Services are premised upon the types of Services which Customer has purchased from BuzzeoPDMA. Accordingly, any changes in the Services or any usage by Customer of Services other than those purchased pursuant to this Agreement will be subject to the imposition of additional service fees by BuzzeoPDMA, the amount of such fees to be determined by BuzzeoPDMA in its sole discretion. Any change in Service fees occurring as a result of the operation of this Section 3.1 shall be reflected in the next invoice delivered to Customer.

(b) Customer may request BuzzeoPDMA from time to time to perform additional services other than the Services. In such event, such services shall be performed pursuant to an appropriate statement of work or work order executed by Customer and accepted by BuzzeoPDMA. Any such statement of work or work order shall be subject to the terms and conditions of this Agreement.

Section 3.2. Commencement of Services. BuzzeoPDMA shall provide the Services to Customer commencing on the date hereof and continuing through the Term (defined herein) in the manner set forth on Schedule 1, except that Services which are to be provided upon Customer's request shall be provided by BuzzeoPDMA from time to time as appropriate.

Section 3.3. Customer Support. Customer agrees to provide BuzzeoPDMA with all necessary information, personnel, license rights, documentation and support to enable BuzzeoPDMA to perform the Services and to carry out its obligations hereunder. A failure by Customer to provide any of such assistance will relieve BuzzeoPDMA of its obligations hereunder to perform the Services.

Section 3.4 Subpoenas or Summons. In the event that BuzzeoPDMA or any party acting on behalf of BuzzeoPDMA receives a subpoena or summons requesting that BuzzeoPDMA (or such person) to testify concerning this engagement, BuzzeoPDMA will promptly notify Customer. Customer may, within the time permitted for BuzzeoPDMA (or such person) to respond to any such requests, initiate legal action seeking a protective order or other relief as Customer deems appropriate to protect information from disclosure. If Customer takes no action within the time permitted for BuzzeoPDMA (or such person) to respond or if Customer's actions do not result in a judicial order preventing BuzzeoPDMA (or such person) from testifying, BuzzeoPDMA may comply with the request. Customer shall reimburse and pay BuzzeoPDMA (or such person) for all costs and expenses incurred by BuzzeoPDMA (or such person) in connection with any such summons or subpoenas, including reasonable attorney's fees and time spent by BuzzeoPDMA's personnel, billed at their regular rates.

ARTICLE IV FEES AND EXPENSES

Section 4.1. Amount of Service Fees; Payment Terms. (a) Subject to Section 3.1, Customer agrees to pay to

BuzzeoPDMA for the Services the fees set forth on Schedule 1. Except as otherwise set forth in this Agreement, all fees for Services will be invoiced at regular monthly intervals. All Services which are one-time services will be invoiced as incurred. All Services which are to be charged on a per diem, per incident or per user basis will be invoiced on a monthly basis. If Customer elects to submit payment via wire transfer or other electronic means, Customer will be solely responsible for all additional payment costs incurred.

(b) All payments due to BuzzeoPDMA hereunder are to be paid in U.S. dollars and are due within thirty (30) days of the date of the applicable invoice. All unpaid amounts due to BuzzeoPDMA hereunder shall bear interest at the rate of one and a half percent (1.5%) per month or at the highest rate permitted by New Jersey law, whichever is less.

Section 4.2. Taxes. All amounts due to BuzzeoPDMA hereunder are net of any and all taxes (including withholding taxes), assessments, charges and levies of any Governmental Authority, all of which shall be the sole obligation of Customer, except for taxes payable on the income of BuzzeoPDMA.

Section 4.3. Expenses. (a) Customer shall be responsible to reimburse BuzzeoPDMA for all reasonable travel, meals and lodging expenses which are incurred by BuzzeoPDMA in connection with BuzzeoPDMA's performance hereunder and with Customer's prior approval. All reimbursable expenses shall be paid to BuzzeoPDMA net thirty (30) days from the date of invoice therefor.

(b) Customer will pay BuzzeoPDMA in advance, or reimburse to BuzzeoPDMA upon demand, for all amounts payable or to be paid to third parties by BuzzeoPDMA on Customer's behalf. If Customer does not make such payment to BuzzeoPDMA in advance of BuzzeoPDMA's payment to a third party, then, in addition to Customer's reimbursement of such payment to BuzzeoPDMA upon demand, Customer will incur an additional handling charge payable to BuzzeoPDMA (upon demand) in the amount of fifteen percent (15%) of such reimbursement.

ARTICLE V WARRANTIES AND LIMITATIONS ON LIABILITY

Section 5.1. Services Warranty. BuzzeoPDMA represents and warrants to Customer (the "Services Warranty") that (a) it has the right to perform the Services in accordance with the terms of this Agreement and (b) it will perform the Services in accordance with customary industry standards.

Section 5.2. LIMITATIONS ON WARRANTIES. THE WARRANTY SET FORTH IN SECTION 5.1 HEREOF IS IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES AND BUZZEOPDMA HEREBY DISCLAIMS ALL OTHER REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR USE AND/OR A PARTICULAR PURPOSE.

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Section 5.3. LIMITATIONS ON LIABILITY. (a) IN NO EVENT SHALL BUZZEOPDMA BE LIABLE UNDER ANY CIRCUMSTANCES FOR SPECIAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER (WHETHER ARISING OUT OF CONTRACT, STRICT LIABILITY, OR OTHERWISE), INCLUDING, WITHOUT LIMITATION, ANY LOST REVENUES OR PROFITS OF CUSTOMER, RESULTING FROM OR ARISING OUT OF A BREACH OF ANY WARRANTY TO CUSTOMER, WHETHER OR NOT BUZZEOPDMA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(b) NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, THE PARTIES AGREE THAT BUZZEOPDMA'S AGGREGATE LIABILITY UNDER THIS AGREEMENT SHALL NOT EXCEED, UNDER ANY CIRCUMSTANCES, THE AGGREGATE AMOUNT OF FEES PAID PURSUANT TO THE APPLICABLE STATEMENT OF WORK OR WORK ORDER DURING THE SIX MONTH PERIOD IMMEDIATELY PRECEDING THE DATE UPON WHICH THE EVENT GIVING RISE TO SUCH CLAIM OCCURRED.

ARTICLE VI TERM AND TERMINATION

Section 6.1. Term. The term of this Agreement (the "Term") shall commence on the date hereof and shall continue for an initial term of three (3) years and may be renewed upon written agreement of the parties prior to the expiration of such initial anniversary or any subsequent anniversary.

Section 6.2. Termination for Cause. Either party may terminate this Agreement at any time in the event the other party commits a material default of any of its obligations, which such defaulting party fails to cure within thirty (30) days after receiving written notice of such default from the other party.

Section 6.3. Termination in the Event of Bankruptcy. Either party may terminate this Agreement upon thirty (30) days written notice following (1) the filing of a voluntary or involuntary petition in bankruptcy by or against the other party or (2) the liquidation of the other party.

Section 6.4. Survival. Articles I, IV, V, VII and VIII shall survive any termination or expiration of this Agreement.

ARTICLE VII CONFIDENTIALITY

Section 7.1. Restrictions on Disclosure of Confidential Information. Subject to this Article VII, each party shall maintain in confidence all Confidential Information of the other party and shall not use, copy or disclose any such Confidential Information without the other party's prior written consent. Notwithstanding the foregoing, each party may disclose Confidential Information (1) to its Affiliates and those of its and its Affiliates' directors, officers, employees,

independent contractors, accountants and attorneys (collectively "Representatives") who need such information in order to assist or advise such party in the performance of its obligations hereunder provided that disclosure to independent contractors may not be made without the other party's prior written consent, which consent shall not be unreasonably withheld and (2) regarding the terms and conditions of this Agreement to the extent required by applicable law. In addition, BuzzeoPDMA and its Affiliates may identify Customer as a customer of BuzzeoPDMA and its Affiliates in sales or promotional material, public announcements or government filings. Each party shall promptly notify the other party if it discovers any unauthorized use, copying or disclosure of the other party's Confidential Information.

Section 7.2. Compelled Disclosure. In the event that a party (including its Representatives) is requested in accordance with applicable law to disclose the other party's Confidential Information, the receiving party agrees to provide the disclosing party with prompt notice of such request so that the disclosing party will have an opportunity to limit or preclude such disclosure. The receiving party agrees to cooperate with the disclosing party, at the disclosing party's expense, in any lawful effort to contest the requirement of such disclosure. In the event that a protective order or other remedy is not obtained, the receiving party may furnish only that portion of the disclosing party's Confidential Information which such party is legally compelled to disclose and will exercise its best efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

Section 7.3. Confidentiality Obligations after Termination of Agreement. Upon termination of this Agreement, the parties agree that (a) all confidentiality provisions of this Article VII shall survive for a period of ten (10) years and (b) within thirty (30) days of the termination date, each party shall return or certify in writing the destruction of all documents and electronic media containing the other party's Confidential Information, including all copies.

ARTICLE VIII ACKNOWLEDGEMENTS

Section 8.1. With respect to any consulting services performed as part of the Services which involve compliance with regulatory requirements, the sole duty of BuzzeoPDMA shall be to examine or review existing practices, policies or procedures (as set forth in its engagement), report to the Customer and makes appropriate recommendations within the scope of the Services; BuzzeoPDMA shall have no liability or obligation (i) with respect to any prior violations of such requirements by the Customer; or (ii) to insure that any analysis or recommendations are adopted or implemented by the Customer; responsibility for implementing any recommendations and monitoring, overseeing and insuring compliance shall be the sole responsibility of the Customer. Without limiting the generality of the foregoing, Customer agrees and acknowledges that the ultimate regulatory burden of compliance is and shall remain with the Customer, and nothing herein contained is intended to shift such burden to BuzzeoPDMA.

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Section 8.2 Any analysis by BuzzeoPDMA as part of the Services is based solely on information and individuals made available to BuzzeoPDMA by Customer during its performance of the Services. Recommendations and analysis provided by BuzzeoPDMA as part of the Services represent BuzzeoPDMA's professional judgment based on its knowledge of and experience with the DEA, CSA, FDA and PDMA and comparable state laws. Customer acknowledges, however, that BuzzeoPDMA's performance of Services does not include providing legal, accounting, actuarial, financial, real estate, insurance or any other advice which is legally required to be provided by a licensed or certified professional and Customer should at all times rely on its own employees, personnel or agents for the provision of same. Certain requirements of federal and state regulations thereunder are subject to interpretation and such interpretations may contain subjective components; implementation of any recommendations does not guarantee that federal, state, or other governmental authority would not find any violations.

Section 8.3 The Services provided to Customer by BuzzeoPDMA are advisory in nature and BuzzeoPDMA's entitlement to payment hereunder is neither, directly or indirectly, tied to nor a function of any specific results or the outcome of any efforts BuzzeoPDMA may undertake.

Section 8.4 BuzzeoPDMA has expended considerable time and effort to develop and maintain its goodwill and credibility in the pharmaceutical and regulatory community. To avoid diminution in this regard, Customer agrees to disclose fully, completely and accurately any and all material information regarding its business and services to BuzzeoPDMA in order to permit BuzzeoPDMA to perform the Services hereunder.

Section 8.5 BuzzeoPDMA performs services to other clients which may have, directly or indirectly, common, similar or competing interests to the interests of Customer. Without derogating from BuzzeoPDMA's confidentiality obligations expressly provided under this Agreement, nothing herein shall be construed or interpreted to limit or restrict in any way the nature or type of services which may, during the Term of this Agreement or thereafter, be performed or undertaken by BuzzeoPDMA for other parties.

ARTICLE IX MISCELLANEOUS

Section 9.1. Notices. All notices required by this Agreement must be in writing and may be delivered personally, by overnight courier (e.g., Federal Express), or by certified or registered mail, return receipt requested, addressed to the parties at the respective addresses set forth above (and if to BuzzeoPDMA, to the attention of the General Counsel). A notice shall be deemed given on the earlier of its date of delivery or the third business day after its date of mailing or transmission.

Section 9.2. Relationship of the Parties. BuzzeoPDMA and Customer are independent contractors under this Agreement and are not agents, representatives, partners or joint venturers

of each other. No party has any right or authority to make any representation or warranty, or create any obligation or responsibility, on behalf of the other party.

Section 9.3. Amendments and Waivers. This Agreement may not be modified or amended except by a written instrument signed by an authorized representative of each of the parties. Any failure of a party to comply with any obligation contained herein may be waived by the party entitled to the benefit thereof only by a written instrument signed by an authorized representative of the party granting such waiver. No failure on the part of any party to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy hereunder preclude any future exercise thereof or the exercise of any other right or remedy.

Section 9.4. Assignment; Parties in Interest. This Agreement may not be assigned (by operation of law or otherwise) or transferred, in whole or in part, by either party without the prior written consent of the other party; provided, however, that either party shall be entitled to assign this Agreement, without the prior written consent of the other party, to an Affiliate of such party or to any successor corporation which succeeds as a going concern to the business presently conducted by such party pursuant to a merger, consolidation or sale of all or substantially all of its assets, if such successor corporation assumes such party's obligations hereunder. Except as specifically provided herein, this Agreement is not intended to and does not create any rights in favor of any Person not a party hereto.

Section 9.5. Entire Agreement; Severability. This Agreement contains the entire agreement and understanding between the parties relating to the subject matter hereof, and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to such subject matter. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. If any provision of this Agreement is declared invalid or illegal for any reason, then the remaining provisions of this Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein.

Section 9.6. Governing Law; Jurisdiction. This Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Virginia, without regard to its conflict of law principles or the United Nations Convention on the International Sale of Goods. All disputes arising out of this Agreement shall be exclusively resolved by a court of competent jurisdiction in the Commonwealth of Virginia. Each party expressly consents to the jurisdiction of the courts of the Commonwealth of Virginia and the Federal District Courts for the Commonwealth of Virginia, and waives any objections or right as to the forum non conveniens, lack of personal jurisdiction or similar grounds.

Section 9.7. Remedies. Each party acknowledges that money damages would be both incalculable and an

[PAGE]

insufficient remedy for any breach of this Agreement by the other party and that any such breach would cause such party irreparable harm. Accordingly, each party also agrees that in such event, the other party, in addition to any other remedies at law or in equity it may have, is entitled, without the requirement of posting any security, to equitable relief, including injunctive relief and specific performance.

Section 9.8. Force Majeure. Each party shall be excused for any reasonable delay in its performance under this Agreement, if such delay shall be due to any cause beyond its reasonable control, including, but not limited to, acts of God or the public enemy, valid law, acts or requests of any Governmental Authority, wars or acts of war, terrorist acts, threats of terrorism, floods, fires, storms, strikes, lockouts, delivery of nonconforming or defective raw material, supplies or equipment, interruptions of transportation, freight embargoes or failures, exhaustion or unavailability on the open market or delays in delivery of raw material, supplies, equipment, or services necessary for the performance of any provision hereof, or happening of any unforeseen acts, misfortune, or casualty by which performance hereunder is delayed or prevented, provided, however, that each party will use all commercially reasonable efforts to remedy the situation, except that nothing contained herein shall require any party to make settlement of any labor dispute on terms

unacceptable to it and no such party shall be liable to the other for any losses, damages, or costs by reason of its inability to remedy the situation. If any such delay occurs, the party affected by the delay shall inform the other parties of the occurrence of the circumstances causing the delay, and (unless the cause thereof shall frustrate or render impossible or illegal the performance of this Agreement or shall otherwise discharge the same), the period for performing obligations under this Agreement shall be extended (not limited to the length of the delay) as may reasonably be required to complete the delayed performance or obligation; further provided, however, that nothing herein shall relieve Customer of its obligations to make payment of any and all accrued fees and expenses under Article IV.

Section 9.9. No Solicitation of BuzzeoPDMA Employees. During the term of this Agreement, and for a period of two years thereafter, Customer will not directly or indirectly, and it will cause its Affiliates not to directly or indirectly, (a) solicit for employment any Person who is an employee or consultant of BuzzeoPDMA or any of its Affiliates or who was an employee or consultant of BuzzeoPDMA or its Affiliates at any time during the term of this Agreement or (b) encourage any employee or consultant of BuzzeoPDMA or any of its Affiliates to alter or terminate its relationship with BuzzeoPDMA or any of its Affiliates.

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

BUZZEOPDMA LLC

By: _____
Name: William E. Buzzeo
Title: General Manager and Vice President
Date: _____

—

ACTAVIS

By: _____
Name: _____
Title: _____
Date: _____
Tax ID #: _____

Addresses for Notice:

BuzzeoPDMA LLC
1025 Boulders Parkway
Suite 405
Richmond, Virginia 23225

Actavis

Invoices shall be sent to:

Name, Title

Address

Phone Number

Fax Number

Email address

Please check one of the following:

_____ **Purchase order #** _____ **required (please attach copy)**

Mail Checks to:
BuzzeoPDMA LLC
P.O. Box 281414
Atlanta, Georgia 30384-1414

Wire Transfer to:
BuzzeoPDMA LLC
c/o Bank of America
ABA# 0212-0033-9 (ACH)
ABA# 0260-0959-3 (EFT)
ACCT# 381026605690

_____ **Purchase order not required for payment**

Please answer the following questions:

1. Does your company allow for invoices to be received electronically? **Yes** **No**

If the answer is "yes", to what e-mail address should the invoices be sent? _____

(BuzzeoPDMA understands that certain invoices have supporting documentation; therefore, these invoices will be mailed with the backup, in addition to the invoice being sent electronically.)

Representatives:

BuzzeoPDMA has designated Gary Glotz to act on its behalf under the Agreement and the Customer has designated _____ to act on its behalf under the Agreement.

[PAGE]

Customer Services
Agreement
Version 5.2011

SCHEDULE 1: SERVICES AND SERVICE FEES

Description of Services and Pricing

Project #1: SOM Statistical Model Development & Consulting Support

BuzzeoPDMA has extensive experience developing SOM models for the pharmaceutical industry with over 18 SOM clients to date. What makes us unique is our ability to combine our former high level DEA associates along with our Ph.D. statisticians to offer the most comprehensive and defensible, customized SOM model on the market.

BuzzeoPDMA will develop a customized suspicious order monitor (SOM) statistical model using consulting team so that it can be implemented into Customer's existing order management system. The SOM modeling is a complex project that will result in a statistically sound SOM model for Customer. The two primary activities for this project will be 1) extensive data review and analysis of Customer's order history data and existing SOM system (if applicable) and 2) modeling and development of a statistically viable and supportable SOM model based on this data. BuzzeoPDMA consulting team will work with Customer to obtain the initial data sets that will provide the foundation for the SOM project.

This SOM project includes:

- Teleconference Discovery/Kickoff Meeting(s) - BuzzeoPDMA will meet via teleconference with Customer for a discussion and assessment of the items that will be needed to develop a defensible SOM program. This discovery meeting will include a thorough discussion and review of current process, Customer's customer and product profiles, current IT systems, and order history and Customer insight.
- Development of a customized statistical SOM model for Customer.
- Interaction with your IT team during model development and model integration into your system.
- Development of supporting documentation and justification for the SOM model.
- Support during the first 3 months upon launch of the new SOM model process (as required).

SOM Consulting Support – SOPs, Processes, Best Practices

BuzzeoPDMA will assist with the review, comment and recommendations for building the best practices pertaining to the Customer's SOM process and procedures including SOPs, order pending process, account investigation and customer qualification program to strengthen its SOM order analysis, evaluation and disposition process.

***Project Fee:* \$48,500.00 plus business expenses, for the development of SOM Statistical Model and SOM Consulting Support.**

Assumptions:

- As part of BuzzeoPDMA support for this project, our consultants will support modifying the recommended SOM model, if necessary, during the first 3 months after the model is delivered to Customer. If appropriate, BuzzeoPDMA recommends that Customer run a dual (old vs. new) SOM process during the initial launch of this new SOM process for data backup and continuity purposes.
- Customer's IT group is responsible for the actual programming and integration of the recommended SOM model into its inventory order system.
- Onsite time for this project is limited to one to two face to face visits with our consulting team – typically at model turnover or shortly thereafter to review initial “pends” generated by the enhanced system. All off-site discussions are supported within the project fees.
- BuzzeoPDMA owns the intellectual property of its model and will provide Customer a perpetual license to the use this SOM model as part of our project fees. BuzzeoPDMA does not own Customer's data used in the SOM modeling project.

[PAGE]

Outside the Scope:

- BuzzeoPDMA can provide a maintenance agreement for the SOM model which provides unlimited yearly phone support for the model and its implementation after the initial 3 months of support ends, as well as a once a year full “retunement” of the model by our statisticians based on potentially changing Customer’s customer ordering behavior.
- Follow-up walk through prior to DEA inspection or on-site during the DEA inspection or discussion with the DEA regarding the SOM model.

Project #2: Ongoing Maintenance Support Services - SOM System

Once a year, it is recommended that the model be fully retuned so that the model coefficients can be adjusted, if necessary, to assure optimal sensitivity. The reason for this is that the model is developed using historical data that is provided at the start of the design. When the model is implemented, a rolling history is used to calculate the model attributes. In this way the SOM model is a dynamic system. However, the model coefficients are fixed – relating back to the original (supplied) data. BuzzeoPDMA proposes that the model coefficients be verified and annually adjusted against a more current sample of data. The yearly annual adjustment also affords an opportunity for the attributes to be reconfirmed to ensure that the necessary information is collected in the best possible way. The yearly adjustment is primarily a data analysis exercise – reviewing the most recent 6 – 12 months of order history and confirming and/or adjusting the model as necessary to ensure optimum sensitivity.

The yearly adjustment can be accomplished in the background while your order system continues to function and typically requires only a minor software update by your company’s IT resources to implement the revised coefficients and/or formulas.

Yearly Ongoing Maintenance Support Service:

- Access to Consulting Team Resources:
 - DEA Project Consultant
 - Ph.D. Statistician
- Ongoing modifications to the attributes and parameters through the year.
- One annual full retunement so that the model coefficients can be adjusted, if necessary, to assure optimal sensitivity.
- Ongoing phone support with DEA Project Consultant/Statistician regarding changes to Customer customers and/or false positives issues etc.

Professional Fees: \$23,500.00 annually based on a three year support agreement. (Discounted from \$24,500 annually)

Assumptions: Ongoing Maintenance Support Service is based on offsite support. If onsite work is required, additional billable time may be required utilizing the rates under our current ongoing consulting agreement, plus business expenses.

The following are reimbursable expenses:

Business expenses will include hotels, meals, rental car, airfare, mileage, parking, taxi and postage etc.

Project #3: Customer Site Reviews

BuzzeoPDMA will provide independent customer site reviews for select Customer’s customers and potential new customers (pharmacies and/or physician clinics) to support Customer due diligence program. These on-site reviews will assist Customer with making regulatory and business decisions on the validity of each site and its regulatory operations. This project includes:

- Site Review Questionnaire: BuzzeoPDMA will use and complete our proven site review questionnaire for this project.

[PAGE]

- BuzzeoPDMA will perform site reviews using our Field Specialists or our Consultants/Associates resources depending on Customer's request/business needs (see descriptions of each role below). The reviewer will complete the site questionnaire.
- BuzzeoPDMA will provide Customer a completed, post visit questionnaire (checklist) along with digital pictures and a description of the operations after each visit is completed. This report will be reviewed by our BuzzeoPDMA consultant before submitting to Customer.
- Project Coordinator: A project coordinator will be assigned to this project and will assist with general coordination for each site review assignment, make sure site review questionnaires are properly completed and reviewed by our BuzzeoPDMA consultant, and provide the final site review report to the Client.

Professional Fees: There will be a one-time project setup fee of \$3,500 (waived with project #1) for the initial setup of our site review program, which covers the Client specific business rules and our standard site review questionnaire. The project fee chart below will be used to charge for each assigned site review. Our Project Coordinator and BuzzeoPDMA Consultant's document review time is included within the rates below.

Assumptions:

- *Business travel expenses: No business travel expenses will be charged when our Field Specialists perform assignments; however, our consultants are regionally based and will require BuzzeoPDMA to invoice for their travel related expenses.*
- *Each review is estimated to take 2 to 4 hours onsite, plus travel time and finalizing the questionnaire. Should the onsite time take longer than 6 hours, we reserve the right to charge our hourly rates outlined within our ongoing consulting agreement.*
- *BuzzeoPDMA will provide the Client our standard site review questionnaire. If the Client requests that we make revisions to our standard questionnaire, we reserve the right to invoice for the extra development time under our ongoing consulting agreement. We would require consent from the Client if this is required.*

Two levels of Personnel (Resource Type):

Field Specialist: Recommended for more routine reviews and inspections.

Our field specialists are well trained on our site review program, typically have life sciences or pharmaceutical related experience, possess at least a bachelor degree, and are under a contractor's agreement with our organization which includes confidentiality terms. Site reviews using our field specialists are locally based with no travel expenses to our Client.

Consultant: Recommended for reviews and inspections of higher risk or large purchasing volume accounts.

Review using former DEA experienced Associates or Consultant/Associate level personnel with investigative backgrounds and include employees and/or contractors in which we have professional agreements which includes confidentiality terms. BuzzeoPDMA Associate/Consultants are regionally based and in most cases, business travel expenses would be required.

The following are reimbursable expenses:

Business expenses will include hotels, meals, rental car, airfare, mileage, parking, taxi and postage etc.

For Project #1, you will be invoiced an initial retainer of 50% with the remaining 50% invoiced at SOM model turnover. Project #2, you will be invoiced annually at the start of the maintenance support services. For Project #3, we will invoice the project set fee initially (unless waived with Project #1), then each site review will be invoiced monthly. There is a 5% annual escalator for all ongoing services.

[PAGE]

Suspicious Order Monitoring/Reporting - Summary

Background/Objective:

DEA requires registrants who distribute controlled substances to have a mechanism to identify and subsequently report all suspicious orders – per DEA 21CFR1301.74(b).

Beginning in 2007 and continuing throughout 2008, the DEA made high profile examples of the “Big Three” in a renewed effort to bring Controlled Substance registrants into compliance with SOM (Suspicious Order Monitoring). The DEA imposed strict sanctions and significant fines on Cardinal, McKesson, Amerisource Bergen and CVS in amounts as high as \$34 million for non-compliance. A more recent example is back in June of 2010 where Harvard had their license temporarily revoked.

SOM has become one of the largest “hot topics” in the eyes of the DEA within the industry right now. It has been said that the focus of the DEA has shifted to manufacturers.

Current SOM processes at Actavis are threshold based and present a risk to Actavis for non-compliance to current standards. As a result, this requires us to upgrade to a more statistical-based model.

Approach:

Our initial approach was to expand our current model to fit DEA requirements. However, it was recognized that due to the complexity of developing the statistical-based model, we concluded that a third-party expert would help us minimize risk.

Cegedim Compliance Solutions (division of Dendrite) is an industry leader with extensive experience, and expertise in developing SOM models for the pharmaceutical industry with over 18 SOM clients to date. Cegedim offers compliant solutions that are unique in their ability to combine former high level DEA associates along with their PhD statisticians to offer the most comprehensive and defensible, customized SOM model on the market.

Cost/Benefit:

- The upfront fixed cost of \$50K plus T&E to develop SOM statistical model and associated SOP's/processes
- Ongoing Maintenance Support – less than \$25K annually (optional to support changing laws and/or other variables such as customer profile changes or changes to business model.
 - DEA compliance – avoid fines/penalties and potential lost sales
 - Streamline activities
 - Reducing costs and management burden
 - Increased customer confidence (selling point)
 - Leverage the design to manage reserve order process