

# VALUECENTRIC, LLC

## HOSTED SERVICES AGREEMENT

This Agreement is made as of this 24<sup>th</sup> day of May 2015 (the "Effective Date"), by and between ValueCentric, LLC ("ValueCentric"), with offices at 23 Cobham Drive, Orchard Park, NY 14127 and Actavis LLC on behalf of itself and its affiliates ("Customer") with offices at 400 Interpace Parkway, Parsippany, NJ 07054.

### WITNESSETH:

**WHEREAS**, ValueCentric is a software and services company which owns software under the ValueTrak product name; and

**WHEREAS**, ValueCentric has established a hosted services arrangement whereby ValueCentric administers the ValueTrak software, providing the computers, communications and technical support; and

**WHEREAS**, Customer desires to purchase such hosted services arrangement.

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

### 1. SERVICES

**1.1 Hosted Services.** During the term of this Agreement, ValueCentric shall supply to Customer, and Customer shall purchase from ValueCentric, the service package described on Schedule A (and the Appendices thereto, if any) attached hereto and incorporated herein by reference (the "Hosted Services"), which includes access to the "System" (as such term is hereinafter defined) for the purpose of receiving the Hosted Services, all upon and subject to the terms and conditions set forth herein. For purposes of this Agreement, the term "System" shall mean the ValueCentric computer system described on Schedule A pursuant to which ValueCentric will be providing Hosted Services hereunder, which shall include all hardware, software, internet and telecommunications components.

**1.2 Implementation and Training Services.** ValueCentric shall also provide to Customer, and Customer shall purchase from ValueCentric, the implementation services described in Schedule B attached hereto and incorporated herein by reference (the "Implementation Services").

**1.3 Hours of Operation.** The System shall operate and be available for access by Customer during the hours set forth on Schedule A hereto.



## 2. **PRICING; PAYMENT**

**2.1 Fees.** Customer shall pay ValueCentric the applicable fees according to the pricing schedule attached hereto as Schedule C (the "Pricing Schedule"). Such fees include fees for Transaction Processing, Installation, Connectivity of Trading Partners, and other fees payable by Customer. Customer shall pay ValueCentric for all such transactions, including without limitation, transactions containing incorrect data (such as incorrect product numbers), so long as such data conforms to the type of data required by the Format Specifications. Customer shall be responsible for costs associated with Customer's connectivity to the Hosted Service for the purposes of remote review and downloading of information.

**2.2 Reimbursable Expenses.** Customer shall reimburse ValueCentric in accordance with Customer's Reimbursement Policy attached hereto as Schedule G for certain reasonable and itemized expenses that ValueCentric may incur for activities related to, but not necessarily limited to, installation, implementation, project management, and/or training. Such expenses that may involve, but not be limited to, any travel and/or living expenses for ValueCentric personnel, such expenses that are incurred for the sole purpose of assisting Customer in the implementation of the Hosted Services, shall be billed monthly and be payable per the Payment Terms in Section 2.6. All expenses shall be billed at cost and copies of receipts shall accompany any billing notice that includes expense reimbursement.

**2.3 Changes.** After the end of the Initial Term of this Agreement, or as otherwise defined herein, ValueCentric may modify the fees and charges contained in Schedule C by furnishing to Customer a revised version of the Pricing Schedule and changes shall apply to Services performed by ValueCentric after the effective date of the change. The revised fees shall reflect any changes desired by Customer for additional contracted services and System Usage Parameters, not previously addressed by amendments to the Agreement. Any general increase to the Monthly Fees shall be limited to the lower of CPI or 5%.

**2.4 Offset.** Notwithstanding the above, ValueCentric shall have the right to increase the fees and charges paid by Customer to directly offset, on an appropriately allocated and weighted basis, any increase in rates charged to ValueCentric (i) by communications common carriers or network providers (including value added network or Internet provider) applicable to, or in connection with, the provision of Services by ValueCentric hereunder; (ii) any increase to ValueCentric in the direct costs of providing the Services brought about by any change in the rules, regulations or operating procedures of any cognizant federal, state or local governmental agency or regulatory authority after the Effective Date. Any increase contemplated by this subsection shall become effective as of the date on which ValueCentric notifies Customer of such increase provided that the additional costs precipitating the increased charges are in fact being incurred; however, ValueCentric agrees to use reasonable efforts to provide Customer with as much notice as possible that such an increase is about to occur. ValueCentric agrees to provide Customer with reasonable backup documentation setting forth the justification for any increase.

**2.5 Taxes.** All federal, state or local taxes that may be assessed on the Services rendered herein or otherwise on any service delivered or rendered by ValueCentric to Customer under this Agreement, shall be paid by ValueCentric to the appropriate governmental agency and Customer shall fully reimburse ValueCentric therefore upon presentation to it of written proof of payment by ValueCentric. This provision shall not apply to any tax based upon the income of ValueCentric. Customer shall have no liability for any interest, penalty or tax increase resulting from the actions or failure to act by ValueCentric.

**2.6 Payment Terms.** Certain fees may be due and payable upon execution of this

Agreement. For monthly fees, ValueCentric shall invoice Customer monthly in advance beginning 30 days after the signing of the Agreement and itemizing in detail the basis for each invoice. All charges under this Agreement will be due and payable within forty-five (45) days of the date of invoice. Any charges not paid when due shall bear interest at a rate equal to the lesser of 1.5% per month or the maximum interest rate allowed by applicable law.

### 3. CUSTOMER RESPONSIBILITIES

**3.1 Internet Communication.** Customer shall, at its expense, provide and maintain all hardware, software and telecommunications equipment and devices required at Customer's site(s), including any Customer personnel that may connect to the Hosted Service from a remote location, to connect to and interact with the System, except as are expressly stated herein to be provided by ValueCentric.

**3.2 Designated Contacts.** Customer shall designate two (2) individuals (primary and secondary) to serve as Customer's contacts with ValueCentric. The primary contact shall also be designated as the project manager for the Implementation Services and shall coordinate the implementation on behalf of Customer. Such individuals will have the knowledge and authority to relate the technical aspects of problems to ValueCentric, receive, interpret and apply remedial instructions from ValueCentric.

**3.3 Implementation.** Customer shall at its cost be solely responsible for providing the necessary support and resources for the implementation of the System (the "Implementation Services") as set forth in Schedule B attached hereto.

**3.4 Cooperation.** Customer shall cooperate with ValueCentric in the performance of ValueCentric's obligations hereunder, and shall not unreasonably hinder, prevent or delay ValueCentric in the performance thereof.

### 4. TERM, TERMINATION

**4.1 Term.** This Agreement shall be for a term commencing upon the Effective Date, and shall continue in effect for a period of three (3) years (the "Initial Term") unless sooner terminated according to the provisions hereof.

**4.2 Termination for Cause.** If either party fails to perform its material obligations hereunder and the other party gives the defaulting party written notice of default and the defaulting party does not cure such default within thirty (30) days of its receipt of the written notice of default, the non-defaulting party may then terminate this Agreement immediately upon written notice to the other party. Both parties shall fully perform all of their obligations under this Agreement throughout the notice period until the Agreement is terminated.

**4.3 Termination for Convenience.** Customer may at any time terminate this Agreement upon providing a minimum of ninety (90) days advance written notice to ValueCentric specifying the date upon which such cancellation shall be effective. Upon receipt of such notice of cancellation, ValueCentric shall inform Customer of the extent to which performance has been completed through such date. In the event that Customer has prepaid ValueCentric for services and ValueCentric does not perform such services, ValueCentric shall refund to Customer the prepaid fees upon termination and no later than forty-five (45) days from the effective date of termination.

**4.4 Obligations upon Termination.** Upon termination or expiration of this Agreement, ValueCentric will ensure that all Customer and end user data are securely transferred to Customer, within thirty (30) calendar days of the effective date of termination or expiration of the Agreement, or as otherwise specified by Customer in writing. ValueCentric will ensure that such migration uses facilities and methods that are compatible with the relevant systems of Customer, and that Customer will have access to Customer and end user data during the transition. ValueCentric shall implement its contingency and/or exit plans and take all necessary actions to provide for an effective and efficient transition of Service with minimal disruption to Customer. After termination or expiration of the Agreement, ValueCentric shall not delete Customer's data without the express written approval of Customer.

## **5. WARRANTIES**

**5.1 Services.** ValueCentric warrants that (i) in performing the Services, ValueCentric will comply with all descriptions and representations as to the Services and the System set forth in this Agreement and the applicable Schedules attached hereto and with all laws, rules and regulations applicable to ValueCentric, (ii) the ValueTrak software will perform substantially in accordance with the functional description contained in the documentation therefore provided by ValueCentric to Customer from time-to-time and (iii) it has all intellectual property rights or licenses necessary to provide the Services or products to Customer in accordance with the terms of this Agreement; and (iv) the Services provided hereunder do not contain and Customer will not receive from ValueCentric any virus, worm, or other malicious, illicit or similar unrequested code, including surveillance software which may, or is designed to, permit access to any person, or on its own, to erase, or otherwise harm, modify or disable any Customer system or data (a "Disabling Code"). In the event a Disabling Code is identified, ValueCentric shall take all steps necessary, at no additional cost to Customer, to: (a) restore and/or reconstruct any and all Customer data lost as a result of a Disabling Code; (b) furnish to Customer a corrected version of the Services without the presence of Disabling Codes; and (c) as needed, re-implement the Services at no additional cost to Customer. Notwithstanding the foregoing, ValueCentric does not warrant or guaranty the accuracy of any information furnished to it by Customer or Trading Partners, and does not warrant or guaranty that the System or ValueTrak software will operate error free.

**5.2 Disclaimer.** EXCEPT AS EXPRESSLY PROVIDED HEREIN, VALUECENTRIC HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANT ABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

## **6. LIMITATIONS OF LIABILITY**

**6.1 Force Majeure.** Neither party shall be liable for failure to perform hereunder (except for nonpayment) if such failure is due to any reasonable cause or condition beyond such party's reasonable control. Such causes or conditions shall include but shall not be limited to: acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity; fires; flood, epidemics; severe weather, electrical power failures, telecommunication problems; third-party network connections, response or transmission quality problems; or other similar causes beyond such party's reasonable control. Such party shall have no liability for losses, expenses or damages, ordinary, special or consequential, to the extent resulting directly or indirectly from such causes.

**6.2 Error Correction.** ValueCentric shall use best efforts to timely and correctly process all work submitted to it by Customer or Trading Partners and agrees that it will, at its expense, after becoming aware of the same or being advised of the same by Customer, use commercially



reasonable best efforts to correct or provide a work-around for any errors to the extent such errors are due to malfunction of the System or the ValueTrak software, or errors by ValueCentric's employees. Correction shall be limited to rerunning of the job or jobs, recreating and reconstructing any erroneous, corrupted or damaged data or program files and correcting any errors which caused the malfunction.

**6.3 Limitation of Liability.** Neither ValueCentric or Customer shall be liable for any incidental, indirect, exemplary, punitive, or consequential damages including without limitation lost profits and loss of business hereunder, except ValueCentric shall remain liable for aforesaid damages if ValueCentric is advised of the possibility of such damages and fails to respond with reasonable efforts to such claims. The entire liability of either party to the other party for damages for any cause whatsoever shall not exceed the greater of, the amount of fees paid or payable to ValueCentric by Customer under this Agreement. Notwithstanding the foregoing, the limitations of liability in this Section 6.3, shall not apply to ValueCentric's 1) indemnification obligations specifically set forth herein; 2) breach of confidentiality, 3) gross negligence or willful misconduct; or 4) errors or omissions resulting on loss, corruption or breach of Customer's data.

**7. ESCROW OF DECRYPTED SOURCE CODE:** ValueCentric will deposit a copy of the source code and decryption password(s) for the Software (and any other information necessary for an engineer reasonably skilled in the art to work with the source code) with the escrow agent described in Schedule F ("*Code in Escrow*"). In the event ValueCentric becomes unwilling or unable to provide Maintenance and Support Services to Customer and such unwillingness or inability persists for more than 30 days, then at any time thereafter, Customer shall have the right to obtain the release of the Code in Escrow to the Customer by the escrow agent. Conditions that may give rise to such release events include, but are not limited to, the occurrence of the following: (i) ValueCentric becomes the subject of a voluntary petition for bankruptcy or receivership or an involuntary petition in bankruptcy or any proceeding relating to insolvency, receivership, liquidation, or composition for the benefit of creditors and such a proceeding has not been dismissed within 60 calendar days of its commencement; or (ii) ValueCentric dissolves its business, or ceases to operate in its regular course of business. The cost for all escrow fees and other costs related to initiation and execution of the escrow service shall be borne by ValueCentric for a standard two party escrow agreement. Should the Customer desire a three party escrow agreement, the cost of all fees shall be borne by the Customer. A copy of the escrow service agreement, containing the release events described in this Section 7 and other release events can be attached if desired as part of Schedule F.

## **8. INDEMNIFICATION**

**8.1 Indemnification by Customer.** Customer shall indemnify and hold ValueCentric, its officers, employees, and agents harmless against any losses, claims, damages, judgments, liabilities or expenses (including reasonable counsel fees and expenses) resulting from (i) any action taken or permitted by ValueCentric in good faith with due care and without negligence in reliance upon instructions or orders received from Customer, to the extent ValueCentric demonstrates such claim arises solely out of modifications to the System authorized in writing by Customer hereunder and a material breach by Customer of its obligations under this Agreement.

**8.2 Indemnification by ValueCentric.** ValueCentric shall indemnify, defend and hold Customer and its affiliates and their respective officers, employees, and agents harmless against any losses, claims, damages, judgments, liabilities or expenses (including reasonable counsel fees and expenses) resulting from the breach by ValueCentric of any of its obligations under this Agreement, or actions taken or omitted by ValueCentric pursuant to this Agreement, including any claims brought against Customer that the Services and/or products provided hereunder or the use of the Services by Customer constitute a misappropriation or infringement upon any patent, copyright, trademark or other

proprietary right or violates any trade secret or other contractual right of any third party. ValueCentric shall not agree to settle or otherwise resolve any claim, action or proceeding under this section without the written consent of Customer, which consent shall not be unreasonably withheld. ValueCentric shall have no obligation to indemnify Customer for a claim if ValueCentric demonstrates such claim, damages or losses arise solely out of modifications to the System authorized in writing by Customer.

## **9. CONFIDENTIALITY: OWNERSHIP**

**9.1 Confidentiality.** ValueCentric on behalf of itself and its employees, agrees to keep confidential any and all information in any form that is considered confidential in nature, a trade secret or proprietary about Customer and its affiliates and respective customers, including but not limited to finances, inventory, products, Customer Data and Trading Partners, ("Confidential Information"), which is disclosed by Customer to ValueCentric either in writing, orally or by observation throughout the initial term, any renewal term and an additional five (5) years thereafter. Customer on behalf of itself and its employees agrees to keep confidential all information with respect to the System and the ValueTrak software and associated documentation. If a party is required by an order of a court or a governmental agency of competent jurisdiction to disclose such information, such party shall give the other party prompt written notice of such required disclosure and shall use its best efforts to allow such other party the opportunity to intervene in the applicable proceedings. Notwithstanding the foregoing, the confidentiality obligations set forth in this Section will not apply to any information which (i) is publicly available without breach of this Section, (ii) is independently developed by the recipient party outside the scope of this Agreement and without reference to the confidential information received under this Agreement, or (iii) is rightfully obtained by the recipient party from third parties which are not obligated to protect its confidentiality.

**9.2. Ownership and Scope of Use - ValueTrak Software.** The ValueTrak software is owned by ValueCentric. In connection with the Services hereunder, Customer is granted limited use access rights to the ValueTrak software only by Customer's employees and Trading Partners which are connected to the System pursuant to this Agreement. Customer shall use the ValueTrak Software only for purposes described herein. Customer may not copy the ValueTrak Software or the documentation thereto or permit same to be copied. Customer shall reproduce ValueCentric's copyright and proprietary notices on all copies of the ValueTrak software and the documentation thereto.

**9.3. Ownership - Data.** Customer shall own the data, and all reports, information and materials generated or developed using the system or furnished to ValueCentric by the Customer or Trading Partners. Customer Data includes all means all information, whether in oral or written (including electronic ) form, created by or in any way originated from Customer and its end users, in the course of using the Services provided under this Agreement.

**9.4. Security.** ValueCentric shall maintain the Customer data in and secure locations which are approved by Customer, with access restricted only to persons whom ValueCentric authorizes or whom ValueCentric contracts with authorizes. ValueCentric will maintain commercially reasonable processes, procedures and technologies that meet current generally accepted standards in the industry to prevent the unauthorized use of or disclosure of Customer's Confidential Information, such as, but not limited to, firewalls, digital certificates, public key infrastructure, break-in monitoring and secure transmission and storage techniques.

ValueCentric will maintain controls necessary to prevent unauthorized access to Customer's Confidential Information that is maintained in ValueCentric's buildings, computer facilities or record storage facilities, including (but not limited to) appropriate controls for the destruction of or disposal of Customer's Confidential Information. ValueCentric will also maintain intrusion detection mechanisms

designed to detect physical and logical trespasses and unauthorized access to Customer's Confidential Information.

ValueCentric will maintain backup and recovery plans to assure no interruption, or more than a minimal interruption, to the Service in the event of problems at ValueCentric's primary facility. This includes physical facilities, computer hardware and software, backup files, and all other items required to immediately restore service to Customer.

Customer shall have the right to conduct, or have a third party conduct, periodic audits of ValueCentric and its subcontractors, during normal business hours, in order to confirm ValueCentric's compliance with this Section. Upon request, ValueCentric will provide to Customer all pertinent documentation for the purpose of determining the adequacy of system controls to safeguard Customer's Confidential Information. Such audits may be conducted no more than once per year during the Term and Customer will provide written notice at least fifteen (15) business days prior to date of any such audit.

## **10. GENERAL**

**10.1 Non-Solicitation.** During the term of this Agreement, and for a period of one year after termination, ValueCentric and Customer agree, with respect to each other, not to directly or indirectly solicit or hire any employee of the other who has been directly or indirectly involved in or is familiar with the operations and technical services performed hereunder.

**10.2 Publicity.** No publicity by ValueCentric of Customer is allowed.

**10.3 Notice Requests.** All notices and requests in connection with this Agreement shall be given or made upon the respective parties in writing and shall be deemed given (i) if by hand delivery, upon receipt hereof, (ii) if mailed, three (3) days after deposit in the U.S. mails, postage pre-paid, certified or registered, return receipt requested, or (iii) if sent via overnight courier with receipt. All notices shall be addressed to the addresses of the parties set forth above or to such other address as the party to receive the notice or request so designates by written notice to the other.

**10.4 Governing Law.** This Agreement and performance hereunder shall be governed by and construed in accordance with the laws of the State of New York and the parties consent to the exclusive jurisdiction and venue of the State and Federal Courts of and located in the County of Erie and State of New York. The New York State Courts or Federal Courts shall have the sole and exclusive jurisdiction for any disputes.

**10.5 Severability.** If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

**10.6 Waiver.** The waiver or failure of a party to exercise any right provided for herein shall not be deemed a waiver of any further rights hereunder.

**10.7 Remedies.** The rights and remedies of a party set forth in this Agreement are not exclusive and are in addition to any other rights and remedies available to it in law or in equity.

**10.8 Independent Contractor.** It is expressly understood that ValueCentric and Customer are independent contractors and nothing contained in this Agreement shall be construed to

make either ValueCentric or Customer partners, joint venture, principals, agents or employees of the other. Neither party has the authority to bind the other party to any third person or otherwise to act in any way as the representative of the other.

**10.9 Assignment.** This Agreement and the rights and duties hereunder shall not be assignable by either party without the prior written consent of the other party. Notwithstanding the foregoing, Customer may assign this Agreement without consent from ValueCentric to a Customer parent or affiliate, or in the event of a merger, acquisition or sale of all or substantially all of its assets.

**10.10 Entire Agreement.** Each party acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and further agrees that it is the complete and exclusive statement of the agreement between the parties, which supersedes and merges all prior proposals, understandings and all other agreements, oral and written between the parties relating to the subject matter of this Agreement. The Agreement may not be modified or altered except by written instrument duly executed by both parties.

**IN WITNESS WHEREOF**, the parties hereto have signed this Agreement as of the Effective Date by their duly authorized representatives.

**ValueCentric, LLC**

**Actavis LLC**

By: Scott C. Terhaar

By: Swatt Colclerman

Name: Scott C. Terhaar

Name: Swatt Colclerman

Title: CFO

Title: VP, Global Logistics

**SCHEDULE A**  
**HOSTED SERVICES**

**I. Services:**

**A. Contracted Service**

The contracted services for the US entities shall include the modules as selected below:

- a. ValueTrak SAP-Integrated Order Management System (and 852)
- b. Sales Detail (867) with Class of Trade (COT)
- c. Market Visibility
- d. Chargebacks

**B. System Access**

Includes Customer remote access to ValueCentric's internet location or locations.

The initial fees provide support for up to the following number of users from Customer location(s):

- a. US Entities – Twenty five (25)

Additional users may be added based on fees detailed in Schedule C.

**C. Software Access and Maintenance**

Includes Customer remote access to ValueCentric's ValueTrak software and all features, functions and reporting capabilities contracted for.

**D. System Usage Parameters**

The base service includes the following initial limited use parameters for the US entities:

Support for all Trading Partner EDI connections  
Support for an unlimited number SKUs from Customer (ValueTrak SAP-Integrated Order Management System and Sales Detail (867) with COT only)  
Support for two hundred and seven (207) SKUs for Market Visibility  
Support for all associated Customer Trading Partner distribution center locations  
Support for all Customer client/outlet locations (retail, institution, etc.)  
Support for twenty five (25) Customer personnel users

After the first eighteen (18) months from the Effective Date of the Agreement, System Usage Parameters will be defined to reflect the Customer's environment at no additional cost. This excludes any incremental parameters related to merger or acquisition activity, which shall be evaluated and addressed separately, through an amendment and/or Statement of Work (SOW) process.

**E. Telecommunications Links**

Customer shall be responsible for establishing and maintaining any hardware or software necessary for Customer personnel to connect to the Internet. ValueCentric will provide any relevant information to Customer as such information may relate to required software, software versions, codes for access, or other necessary data to facilitate connectivity to the ValueCentric ValueTrak software.



**F. Transaction Processing**

ValueCentric shall accept and update ValueTrak to allow for review, reporting and transactions for Customer ("Transactions") formatted in accordance with the Format Specifications (described in Schedule D) which may be of a proprietary format for which specifications shall be agreed to by the parties, and shall process Customer and Trading Partner information and provide report generation capabilities as described herein.

**G. Back-up**

ValueCentric will provide daily backup (during each weekday) of the ValueTrak software and customer data. ValueTrak will maintain during the term of this Agreement, a system backup of all Transactions and data passing through the ValueTrak System for routing from Customer or Customer Trading Partner.

ValueCentric's back-up cycle for ValueTrak is 14 days and all back-ups occur daily.

All Customer reporting data is available on line for five (5) years and then it is archived for a period of three (3) years. Customer's raw EDI data is available on line for two (2) years and then archived for a period of six (6) years.

ValueCentric also maintains a weekly off-site back-up and storage of system and data for use in disaster recovery.

**H. Hours of Access and Availability**

The hours of operation for Customer access to the ValueTrak system shall be 7 days, 24 hours per day and every day of the year.

**I. Customer Equipment and Software Requirements**

ValueCentric recommends that a secure internet connection be utilized to access the ValueTrak software. The software operates with all major web browsers. Certain ValueTrak features may be unsupported by older versions due to technical limitations of the applicable browser. ValueCentric maintains and publishes a list of supported browser versions within the Browser Requirements section in ValueTrak.

**J. Customer Support and Error Reporting**

ValueCentric shall provide, during business hours (that is 8:00 a.m. – 8:00 p.m Eastern) Monday through Friday, excluding ValueCentric's holidays (New Year's Day, Memorial Day, Independence Day (July 4<sup>th</sup>), Labor Day, Thanksgiving Day, day after Thanksgiving, Christmas Day), telephone contact support to Customer for: (i) reporting errors or defects in the System, and (ii) assistance in the use and operation of the system. Customer will be provided a copy of ValueCentric's holiday schedule annually. For Customer requests of their data which cannot be extracted directly from ValueTrak by the Customer, additional fees may apply and will be defined through a statement of work process.

## **SCHEDULE B**

### **IMPLEMENTATION SERVICES**

ValueCentric's ValueTrak software and online service will utilize a phased process to implement Customer and its selected Trading Partners on the ValueTrak software. Such phased process may be modified by mutual agreement of the parties to meet Customer's specific requirements, and many of the phases will run concurrently (e.g., testing and training).

The working implementation plan shall be developed with input from both parties during the initial planning session. Customer shall have five (5) days from the completion of the initial planning session and the development of the project timeline to review and accept or reject the project plan and terminate the Agreement.

In the event Customer, in its sole discretion rejects the project plan, Customer may terminate this Agreement without any further obligation to ValueCentric except that Customer shall pay for ValueCentric's participation in the initial planning session and development of the project timeline at the rates specified below.

The ValueCentric daily rate shall be \$1,500/person-day for implementation related services. This rate is for additional services required beyond the scope of the initial implementation plan and after completion of the initial implementation plan. Any services that would be charged based upon the daily rate will be defined separately through a Statement of Work process, mutually agreed by the parties prior to any services being performed.

ValueCentric charges one fee for implementation and training services and this fee and the payment terms are detailed in Schedule C.

## SCHEDULE C

### PRICING SCHEDULE

**If Customer decides to merge the Allergan ValueTrak environment with its own ValueTrak environment, Customer and ValueCentric shall develop a Statement of Work that defines the work effort and the associated one-time fees for combining the environments. In addition, both parties agree to review the modules and system parameters that will be in scope for the combined ValueTrak environment, identify any efficiencies that may be gained and their impact on monthly fees.**

The following fee schedules represent pricing for the ValueTrak System.

#### **Initiation Fee:**

This fee represents the set up of the service, loading of the Customer items and Trading Partners, set up of the Customer database on the service, integration of any Customer internal data from its ERP system or other internal systems in the formats that ValueCentric specifies, configuration of desired reports and alert notifications as well as training of Customer resources. The fee is a **one-time** fee for the initial targeted customers. Implementation also includes the EDI connections to Customer's initial Trading Partners.

Customer shall pay to ValueCentric an initial fee per module selected as outlined in Schedule A. The pricing of each module is defined in the Fee Payment Schedule below. Any additional modules beyond those defined in Schedule A shall be charged separately and remain payable upon acceptance of this Agreement or at such time that the Customer chooses to add one or more Additional Modules to the ValueTrak System.

#### **Implementation and Training Fees:**

The fees for implementation and training shall be included in the Initiation Fee for the initial modules selected. Any additional modules beyond the initial modules shall have their own implementation and training fees.

Any additional training beyond the initial training session shall be charged at a rate of \$1,200 per day plus travel related expenses. Travel expenses will be charged to the Customer and shall follow the guidelines assigned in Schedule G, Reimbursement Policy..

#### **Monthly Fees:**

The monthly service fee is a fee for the ongoing utilization of the service by Customer and work performed by ValueCentric. The work performed includes the regular (assumed daily or weekly) EDI transaction access from the Customer's Trading Partners, database updating, access of internal Customer data, report generation, systematic monitoring of the information and alert notification. Unless specified elsewhere, ValueCentric reserves the right to increase the service fee by the lower of CPI or 5% per year.

The monthly fees for each module selected by Customer are outlined in the Fee Payment Schedule below. Any additional modules beyond those defined in Schedule A shall be charged separately but shall be inclusive on monthly invoices. Customer shall be billed monthly in advance for the specific

fees to continue to use the ValueTrak software. Such fees shall be payable within forty-five (45) days after billing.

**New Trading Partner Fees:**

The System (and all additional modules) includes support for Trading Partners and their associated distribution center ship-to locations. After the first eighteen (18) months from the Effective Date of the Agreement, the one-time fee for adding new Trading Partners to the service shall be \$1,000 per connection point and would only come into effect should Customer wish to expand the ValueTrak Service beyond the initial Trading Partners that Customer shall identify. The fee would be assessed for one new EDI connection point at the Trading Partner account (e.g. if an account had multiple EDI connection points, the fee would be assessed for each connection established). The incremental Monthly Fee is \$200 for each additional Trading Partner beyond the initial group of Trading Partners after the eighteen (18) months from the Effective Date of the Agreement.

**New SKU Fees:**

Customer may add new SKUs to ValueTrak at any time. After the first eighteen (18) months from the Effective Date of the Agreement, an additional fee of \$100 per month for each additional group of twenty-five (25) SKUs added shall apply. This fee is assessed to cover the additional transaction load on the system and the integration to Trading Partners sending data to ValueTrak. In the event Customer adds a SKU or removes and replaces a SKU for the Market Visibility service, there is a one-time fee of \$300 per SKU and an increase in the monthly fee of \$100 per SKU added, provided it is incremental to the defined System Usage Parameter for Market Visibility SKUs.

**New User Fees:**

Additional ValueTrak users will be charged at the rate of \$90 per month for each additional Client Access sign-on. Customer may add ValueTrak Sales Professional users for an additional fee of \$25 per month per user.

**New Client/Outlet Location Fees:**

Customer shall have the ability to add additional Client/Outlet Locations in blocks of five-thousand (5,000). After the first eighteen (18) months from the Effective Date of the Agreement, the Monthly Fee for each block of five-thousand (5,000) incremental Locations shall be \$1,000. The invoicing for each additional block of Client Locations shall occur when the additional Locations are added.

**EDI Charges:**

Any EDI processing charges incurred by ValueCentric for the connection and access to EDI data through any Value Added Network (VAN) shall be passed along to Customer at actual cost.

ValueCentric will work with or on behalf of Customer, along with Customer's Trading Partners to implement EDI data transmission using AS2 or secure EDI over the Internet. ValueCentric cannot be held responsible if Customer's Trading Partners are unwilling to do so.

**Fee Payment Schedule for US Entities (in US Dollars):**

<b>Product or Service</b>	<b>Fee</b>	<b>Payment Due</b>
<b>Software Initiation Fee:</b>		
by Module:		Initiation Fee Payment for selected Modules is due with signed Agreement from Customer.
<u>Phase 1:</u>		
- VT SAP-Integrated OMS (and 852)	\$ 127,000	
- Sales Detail (867) with COT	\$ 50,000	
- Market Visibility	\$ 40,000	
Phase 1 Subtotal	\$ 217,000	
<u>Phase 2:</u>		
- Chargebacks	\$ 22,500	
Phase 2 Subtotal	\$ 22,500	
TOTAL	\$ 239,500	
<b>Implementation &amp; Training</b>	Included	Fee is included as part of the Software Initiation Fee above
<b>Monthly Fee:</b>		
by Module:		Billing for Phase 1 begins 45 days from the Effective Date of the signed Agreement. For the period of time commencing with the Effective Date, the Monthly Fee shall be reduced by 50% until the earlier of orders being processed in ValueTrak or six (6) months.  Billing for Phase 2 begins 45 days from Customer's written notification to ValueCentric to start the implementation of Chargebacks and is incremental to the Monthly Fee in effect at that time. For the period of time commencing with the written notification to implement Chargebacks, the Monthly Fee for Phase 2 shall be reduced by 50% until the earlier of Chargeback data being processed in ValueTrak or six (6) months.  Monthly Fees are billed in advance for the coming month and are payable within 45 days of billing. Monthly Fees will continue for the term of the Agreement.
<u>Phase 1:</u>		
- VT SAP-Integrated OMS (and 852)	\$ 24,500	
- Sales Detail (867) with COT	\$ 9,000	
- Market Visibility	\$ 8,000	
Phase 1 Subtotal	\$ 41,500	
<u>Phase 2:</u>		
- Chargebacks	\$ 5,000	



The table below provides pricing for other ValueTrak modules, should the Customer decide to implement any or all of them:

<b>Product or Service</b>	<b>Fee</b>	<b>Payment Due</b>
<b>Software Initiation Fee:</b> by Module: - Safe & Secure Supply Chain	\$ 25,000	Initiation Fee Payment for selected Module(s) is due with Customer decision to add Module(s).
<b>Monthly Fee:</b> by Module: - Safe & Secure Supply Chain	\$ 4,000	Billing begins 30 days from date module is added by Customer. These fees will be included with the monthly invoice and continue for the remainder of the term of the Agreement.

**Additional Services:** Upon request by the Customer, ValueCentric and Customer shall discuss additional tailoring of the Service, extracts and custom programming and shall, in good faith, negotiate a statement of work for the performance of these activities by ValueCentric. It is expected that the statement of work shall be guided by the following provisions and the relevant terms and conditions of this Agreement:

The Customer has identified a need for Suspicious Order Monitoring (SOM) capabilities. Upon Customer request, ValueCentric will integrate the SAP SOMs functionality that the Customer is currently using into the VT SAP-integrated Order Management System. ValueCentric and the Customer will work together to design and develop ValueTrak enhancements that incorporate the existing SAP SOMs functionality into the VT Order Management System at no additional charge. Any additional requirements outside of the scope of the existing SAP SOMs solution would be viewed as incremental work and potentially subject to additional fees.

**Service Tailoring or Custom Programming:**

When Customer identifies new features or enhancements they desire to implement in the ValueTrak service, ValueCentric will first consider whether the features should be added for all customers or whether it already exists on the product roadmap. The addition of new features provides more functionality for all customers without the problems associated with writing, supporting and updating customized enhancements when new service versions are released. ValueCentric shall provide a quote on any new feature as first being exclusive for Customer and then as part of a general release of the service offering.

**Reimbursable Travel and Living Expenses:**

ValueCentric shall be reimbursed for expenses incurred in connection with the performance of services under this Agreement at Customer's location based upon Schedule G, Reimbursement Policy.

## **SCHEDULE D**

### **BASIC DATA REQUIREMENTS**

ValueCentric has developed guidelines for the core X12 transaction sets (852, 867, 850, etc.) which identify the minimum data required for integration within the ValueTrak Software. Customer and Trading Partners shall deliver to ValueCentric its X12 transaction set or other specifications for the format in which Transactions are to be transmitted through to ValueCentric (the "format specifications"). The format specifications, if other than X12, shall include all information necessary for the reprogramming of the ValueCentric System to translate data to conform to such format specifications.

During the term of this Agreement, Customer shall have the right to modify the format specifications, and, in such event, the procedures stated in this Agreement shall apply to the implementation of any such modifications to the format specifications. In the event that Customer desires to modify the format specifications, ValueCentric reserves the right to charge Customer for such additional modifications as defined under Additional Services in the Payment Schedule in Schedule C to this Agreement.

All Customer Data will be available to Customer in computer-readable format. Associated documentation and initial help/support shall be available online only.

## SCHEDULE E

### VALUECENTRIC SERVICE STANDARDS

ValueCentric will be responsible for providing the availability of the ValueTrak software and associated Internet web locations or addresses except for down time resulting from any of the following events:

- a) Customer's failure to meet its obligations under the Agreement.
- b) Failure of equipment under Customer control.
- c) Failure of equipment outside of Customer and ValueCentric's reasonable control.
- d) A Force Majeure Event.

#### Availability

- a) Base Service will be available to Customer and its Affiliates and their employees, independent contractors and agents seven (7) days per week and twenty-four (24) hours per day. Exceptions may include planned backup activities that may preclude accessibility. Such backup activities occur daily but will be scheduled during overnight time periods.
- b) Normal weekday maintenance, backup and upgrades shall be performed between the hours of 11:00 p.m. and 5:00 a.m. (Eastern) as required. The below provides definitions for Issue Severities used by ValueCentric when providing support under this Agreement. It also provides a description of the types of problems which ValueCentric will be expected to resolve, and the escalation process for opening an issue ticket with ValueCentric.
- c) ValueCentric will commit the resources necessary to diagnose and resolve the issue, provide an appropriate workaround, or provide a resolution plan in accordance with the below-stated table. Problem escalation is determined by two major factors: (1) Elapsed time since the problem was reported and, (2) Severity of the problem.
- d) ValueCentric will provide Telephone and E-mail Support regarding Help Desk assistance during Customer's normal business hours.
- e) Severity Levels Definitions and Resolution Timetables: Issue Severity is determined by objective examination of the incident. The following outlines criteria for each category:

#### **Severity 1 Issue**

Routine Questions or Minimal Impact Problems that do not affect product operation, questions regarding the use of the product, or clarification of product features. E.g. An infrequently used utility occasionally gives misleading results; or a problem has occurred once but has not yet reoccurred and cannot be reproduced; or a problem occurs once but can be circumvented without undue difficulty. Severity 1 Issues include how-to-questions and help with functionality.

#### **Severity 2 Issue**

Limited Non-Critical Problems that occur with the product but the majority of functions are still usable; e.g., the production system is occasionally impacted (less than once per week); or a specific development area is impacted; or a problem occurs when a specific facility or function is invoked.

#### **Severity 3 Issue**

Limited Critical Problems that restrict functionality; e.g., the product operates but is severely restricted; the production system is regularly disrupted (i.e. 2 or 3 times a week); or the development system is seriously impacted

#### **Severity 4 Issue**

Critical Problems that require immediate attention and circumvention is not available; e.g., the production system is down and cannot be brought up; or a problem seriously impacts the business.

### **Response/Resolution Time**

Below indicates the response/resolution times goals for each Severity Issue (All times indicated are worst case).

Severity	Response or Action Plan	Resolution	Higher Level Escalation
1	24 hr	Next major release	NA
2	2 hr	20 days or next patch	NA
3	1 hr	3 days	8 hours
4	30 min	24 hrs	4 hours

- a) If special maintenance is required, ValueCentric will communicate this requirement in writing to the Customer seven (7) days prior to the event.
- b) Customer Trading Partner transactions received by ValueCentric shall be processed, cleansed and transmitted to Customer within three (3) hours of receipt by ValueCentric.

### **Outages**

If the Services are unavailable to Customer for more than .50% of each calendar month, calculated based on the ratio of total minutes of unavailability during the month to the total available minutes during the month, excluding those time periods of normal weekday maintenance and planned back-up activities, then Customer's remedies shall be as follows:

- a) If the Services are unavailable for greater than .50% but less than 1.0% in a given calendar month, then Customer shall receive a 1.0% credit on that calendar month's invoice
- b) If the Services are unavailable for greater than 1.0% but less than 1.5% in a given calendar month, then Customer shall receive a 3.0% credit on that calendar month's invoice
- c) If the Services are unavailable for greater than 1.5% in a given calendar month, then Customer shall receive a 5.0% credit on that calendar month's invoice

### **Disaster Recovery**

ValueCentric will provide disaster recovery for restoration as required.

- a) Hot live backup site to continue processing should primary server(s) be unavailable. This switch shall appear seamless to the Customer.
- b) Offsite storage or back-up, with internal disaster recovery procedures.
- c) Annual testing of back-up mechanisms.
- d) Network connectivity for ValueCentric maintained lines.
- e) Recovery equipment and procedures.

Disaster Declaration, will be made by ValueCentric, with examples to follow.

- a) Loss of the building due to fire.
- b) Loss of power to the facility.
- c) Inability to access the facility due to chemical spill, etc.

In the event of disruption to processing capability, ValueCentric will alert Customer immediately, to assist Customer in making alternate arrangements to not lose daily activity or order review. ValueCentric will convene immediately and include Customer representative(s) on recovery activity updates every two hours.

ValueCentric will guarantee that all files and data are or have been backed-up in support of normal security procedures, so as to not impact ongoing business or Customer relationships.

ValueCentric will do everything possible to be available within 48 hours of disaster declaration.

**Recoverability** - The prior workday files, programs, and data will be available for restoration purposes in the event of a problem of any source of nature. Further, the files and databases that contain historical information on customer movement will be able to be restored on a specific customer basis within twenty-four hours.

ValueCentric will backup Customer Data and programs, and all supporting tables and control information in addition to hot site data replication to assure that not more than one day will be lost in a situation. The back-ups will be retained for one week. Incoming EDI information will be archived within ValueTrak for two years to assure availability to recovery.

**Security** - ValueCentric and Customer will work jointly to identify Customer's security functions and responsibilities. ValueCentric will provide security by assigning the appropriate levels of protection to the service files, data, and programs.

To protect customer data, ValueCentric utilizes a thorough and multi-layered security infrastructure to prevent unauthorized access to key resources. All inbound traffic (i.e. user access) destined for ValueTrak is first analyzed by a dual firewall configuration to ensure only valid ports are used, and that no known IDS signatures are present. For traffic allowed through the firewalls, a redundant set of managed switches duplicates the port-based protection provided by the firewalls. Traffic that is allowed through the switch layer can access Application-layer resources on ValueTrak's Application Server Cluster. No customer data resides on the Application Servers. All data is stored behind another set of managed switches, which allows inbound requests on one port and from one source – the Application Server cluster. Requests made directly from the Internet are not allowed. All servers used within the ValueTrak architecture are protected using real-time virus scanning with daily Virus Definition updates.

User access to ValueTrak is limited to authorized, registered users only. Users must login in order to access any resources made available through ValueTrak. ValueTrak forces strong passwords to prevent brute force attacks, and will lock-out users that fail to successfully login after three consecutive attempts. Users will not be able to access ValueTrak until their account is unlocked by ValueTrak Member Services or their Corporate Administrator (as assigned by the Customer).

To validate our security infrastructure, ValueCentric has contracted with industry-leading Qualys™ to perform daily penetration testing and vulnerability analysis on the ValueTrak architecture. ValueTrak management reviews these test results daily to ensure that ValueTrak's servers are protected from the latest threats and vulnerabilities.

ValueCentric will allow Customer to access information for only those Trading Partners that are engaged with Customer.

ValueCentric will guarantee that no other participant will be allowed access to either Customer, its Affiliates or Trading Partner information or data.

**Documentation** - All documentation will be available online only and will be updated as changes are made.



## **SCHEDULE F**

### **ESCROW SERVICES**

ValueCentric has a two-party escrow agreement with InnovaSafe, Inc., 28502 Constellation Road, Valencia, CA 91355- for the escrow of the ValueTrak Software for Hosted Service Agreements. Hosted Service Customers are eligible to access source code according to the provisions of Section 7 of this Agreement. A copy of the referenced escrow agreement is available upon request and shall be forwarded to Customer within 20 days of any request to enable Customer to be listed under said escrow.

## **SCHEDULE G**

### **REIMBURSEMENT POLICY**

Customer shall reimburse ValueCentric for actual, reasonable, necessary and travel-related expenses (including air fare, lodging, ground transportation, car rental and meals) (for pre-authorized travel by Customer), in accordance with Customer's travel and reimbursement policy as provided to ValueCentric in writing, incurred and paid by ValueCentric in the performance of the Services contemplated hereunder. ValueCentric shall submit receipts (for those in excess of \$25 USD) evidencing such expenses to Customer for reimbursement.

If relevant and applicable, ValueCentric shall travel coach (economy) when traveling via air or rail domestically and business class for international travel. E-tickets must be used wherever practical and commonly available. Meals, if necessary, shall be reasonable and customary and shall not exceed \$75 per day per person. ValueCentric shall utilize lodging where Customer has company-negotiated rates, or lower cost alternatives as notified by Customer. Hotel health-club, mini-bar, in-room movie charges or any entertainment-related expenses are not reimbursable. Customer will provide reimbursement for all travel related items, but requires a receipt for those in excess of twenty five dollars (\$25.00). Any expense in excess of or outside the scope of Customer's guidelines as provided to ValueCentric in writing will be the ValueCentric's sole obligation, and will not be reimbursed.