
From: Elaine M Burke
To: Jennifer Altier
Sent: 2/12/2013 12:59:16 PM
Subject: QUESTION: Kadian RepOn Call PO total
Attachments: Kadian RepOnCall001.pdf

Hi Jennifer,

I have a vendor number for Tecknekes. Please confirm the total dollar amount for the Kadian RepOnCall purchase order. The document is attached. Should it be \$347,764 or \$297,982.20.

Thanks.

Elaine

224,127.20
73,855.00

297,982.20

49,781.80
224,127.20
73,855.00

347,764.00



Addendum I to PO# 106517

Kadian RepOnCall Program

WORK ORDER NO. _____

Actavis Inc. ("Actavis") and Tecknekes, LLC ("Contractor") have entered into that certain Master Services Agreement (the "Agreement"), dated June 6, 2012, the terms of which are incorporated herein by reference. Pursuant to the terms of the Agreement, this Work Order No. ____ ("Work Order") is made between Watson Pharma, Inc. ("Company") (which the parties acknowledge and agree is an affiliate of Actavis and which will now be the signatory hereto. In the event of any conflict between the terms of this Work Order and the Agreement, the terms of this Work Order shall govern but solely with respect to the Services to be provided by Contractor pursuant to this Work Order and shall not affect the provisions of the Agreement as they apply to other services provided by Contractor pursuant to such agreement or any other work order. Capitalized terms used in this Work Order without definition shall have the meanings given such terms in the Agreement.

1. Substitution of Parties

Watson Pharma, Inc., with an address at Morris Corporate Center III, 400 Interpace Parkway, Parsippany, New Jersey 07054, shall be substituted for Actavis Inc. as a party to the Agreement with the same force and effect as if originally named therein. All references to "Actavis" in the Agreement (and this Work Order), as amended, shall hereafter be deemed to refer to Watson Pharma, Inc.

2. Services to be provided.

Contractor will continue to deploy at least 4 outbound pharmaceutical representatives with experience in Pain Management/CNS, to call upon an established list of 3,600 healthcare providers. The goal is to (1) build awareness of Kadian as a treatment option for chronic pain and (2) detail product efficacy and safety. In addition to outbound calling, the sales representatives will also fulfill requests for copay savings cards, while managing all database reporting and communication notes.

Any and all information, materials, documents, advertisements, images and other copy used by Contractor shall have, prior to its use, been approved and provided by Company.

All services provided by Contractor hereunder shall be provided at and in accordance with Company's instruction and direction. Sales representatives will go through extensive internal on-boarding, as well as Company product training. Contractor shall through its sales trainer, currently Liz Reese, continuously monitor call activity and provide ongoing coaching. Contractor shall immediately advise Company of any violations of any such Company instruction or direction.

Further, any services provided shall be consistent and in compliance with applicable laws, rules and regulations applicable to the marketing and promotion of products pursuant to the Food Drug and Cosmetics Act.

In addition to the real-time program dashboard, Company shall hold bi-monthly meetings with the Contractor program management team.

The Kadian program will run January 1, 2013 through May 31, 2013.

2. Fees. Shall be as set forth on Schedule A & Schedule B attached to this Work Order (Fees all coincide with deliverables and timetable). Contractor shall invoice Company monthly which invoices shall be paid in accordance with Section I(e) of the Agreement (45 days after receipt of invoice).

Pricing is as follows.

Schedule A – RepOnCall Program Schedule

| Technekes RepOnCall Program 5 Months | Pricing Per Rep (600 Targets/Rep) (1) | Total Program Fee (4 Reps) (1,2) |
|--|--|---|
| Technical Program Planning & Implementation (One-time only) (3) | | n/a |
| Target Address/Phone Verification/Append and Target Segmentation | | |
| Outbound Call Planning, Configuration, Testing and Deployment | | |
| Real-Time Program Dashboard Reporting (xls format) | | |
| RepOnCall Web Portal | | |
| Account Management (\$1,880/month) (6,8) | | \$9,400.00 |
| Monthly Reporting | | |
| Vendor Management | | |
| Status Calls | | |
| Program Onboarding (One-time only) (4) | | n/a |
| Program Training (Role Play, CRM, Phone, Product Reinforcement) | | |
| Sales Management & Quality Assurance (\$3,120/Month) | | \$15,600.00 |
| Ongoing Sales Operations and Quality Assurance | | |
| Sales Coaching and Quality Management | | |
| Sales Planning | | |
| Sales Representative Staffing (5) | \$36,845.60 | \$147,382.40 |
| Wages & Taxes | | |
| Benefits Package | | |
| Paid Time Off (PTO) | | |
| Sales Representative Variable Compensation* (10) | \$12,311.20 | \$49,244.80 |
| Variable Incentive/Bonus Plan for Reaching Sales Goals | | |
| Estimated Pass Through Operational Budget (3,7) | \$625.00 | \$2,500.00 |
| Dedicated Phone Line | | |
| Dedicated Fax Line | | |
| CRM System | | |
| Program Budget (1-8) | \$49,781.80 | \$224,127.20 |

**Based upon Sales Reps meeting agreed upon goals*

| | |
|--|----------------|
| Additional Expenses: | |
| Target Phone Number Research [9] | \$3/per Target |
| Travel Fees (7) | As billed |
| Third Party Agreement Fees (3,7) | TBD |
| Fulfillment: Examples include Welcome Kit - follow up letter, etc. [6] | TBD |
| Ad Hoc IT Requests (8) | \$175 per hour |
| Ad Hoc Account Management and Training requests (8) | \$125 per hour |

| | |
|---------------------|---|
| Assumptions: | |
| 1 | Each Sales Representative can effectively support 600 targets. |
| 2 | 5 Month program. 1 Product Detail. 3,600 Targets requires four (4) Sales Representatives (Professional Sales Reps). |
| 3 | Target demographic information and any supporting information will be provided by Actavis (Rx data, TPA, etc). |
| 4 | Onboarding fees are not included in pricing. |
| 5 | The Sales Representatives hired will have the appropriate level of background in education and experience to represent the product legally and to its best advantage. |
| 6 | Additional target communications have not been estimated beyond those assumptions specifically outlined in this estimate. Efforts such as a survey, newsletter series or any other communications direct mail fulfillment and/or email would vary based on chosen strategy and communication design. Fulfillment not included in pricing. |
| 7 | Any out of pocket costs such as travel for training or other travel directly necessary to the performance of this program, call application seat usage, call equipment and related supplies, phone bills incurred by the program for outbound calling, and other administrative expenses incurred in direct association with the implementation of this initiative have been estimated above. All such expenses will be billed at cost to Actavis. |
| 8 | Technekes has taken every reasonable caution to ensure that this estimate reflects the desired outcomes stated by Actavis for this initiative. Technekes reserves the right to consider any requests beyond this current scope to understand if the desired request can be included in the above budget or provided as an additional Change Management estimate. |
| 9 | During the Target Address/Phone Verification/Append and Target Segmentation Process, about 5-10% of targets will be returned to Technekes without a valid contact phone number. Dependent upon Actavis preference, Technekes extends the offer to conduct online research, along with a follow-up validation phone call, to those targets with no phone number for an additional \$3.00/target fee. This offer can also be extended for those targets that have a call disposition of 'Wrong Number' or 'Disconnected'. |
| 10 | Sales rep variable compensation plans will be based on operational metrics and Rx Data. The metrics to evaluate performance and variable compensation will be agreed upon by Actavis and Technekes. |

Schedule B – RepOnCall Fulfillment Schedule

| 2012-2013 Printed Material Budget | Budget |
|---|--------------------|
| Mailing #1 - Kadian RoC Introductory Letter (Optional) | |
| (4,000) #10 Window 2-Color Outer Envelopes | |
| (4,000) Variable Introductory Letters | |
| (4,000) Sales Representative Business Card Magnets (4 versions) Glued to Letter | |
| Lettershop Assembly, Printing and Setup | |
| One-Time Mailing | |
| Estimated Kadian Introductory Letter Pricing | \$11,800.00 |
| Estimated Kadian Introductory Letter Print Pricing per Piece (Based on 4,000 pieces @ \$2.95/piece) | |
| Estimated Kadian Introductory Letter Postage (USPS - OOP Expense)* | \$1,800.00 |
| Estimated Kadian Introductory Letter Pricing (Based on \$.45/piece) | |
| Total Estimated Kadian Introductory Kit | \$13,600.00 |
| Mailing #2 - Kadian Non-Sample Fulfillment | |
| Based on 6,500 Total Pieces Fulfilled | |
| (6,500) 9x12 2-Color Outer Envelopes | |
| (6,500) Non-Sample Outer Envelope Labels | |
| (6,500) Variable Non-Sample Fulfillment Letters | |
| Fulfillment package to include: (one or all of the following) | |
| (1) 30-page spiral bound conversion guide (client to provide) | |
| (1) 12- Dosing guide (client to provide) | |
| (5) Copay Cards (client to provide) | |
| (1) Variable Letter Print to HCP | |
| Estimated Technekes Creative Services, Data Processing, Vendor Management and QA | |
| Printing Shells & Setup | |
| Weekly or Daily Fulfillment - Duration 9 (Starting September 2012) | |
| Estimate Kadian Fulfillment | \$34,255.00 |
| Estimated Kadian Non-Sample Fulfillment Vendor Management & QA | |
| Estimated Kadian Non-Sample Fulfillment Print Pricing (Based on 6,500 pieces at \$5.27/piece) | |
| Estimated Kadian Non-Sample Fulfillment Postage (USPS - OOP Expense)** | \$26,000.00 |
| Total Estimated Kadian Non-Sample Fulfillment Pricing | \$60,255.00 |
| Estimated Print Fulfillment Budget (Mailing #1 + Mailing #2) | \$73,855.00 |

* Postage is pass through expense. USPS rate is .45 per first class mailing. All postage is passed through at cost to Technekes.

**Postage is pass through expense. USPS rate is \$3.30/piece up to 13 ounces. Anything heavier than 13 ounces is a flat rate envelope fee of \$5.50. The above estimate is based on \$4/piece. All postage is passed through at cost to Technekes.

3. Other Terms and Conditions Respecting Services.

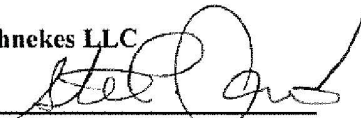
To the extent Contractor, directly or through its representatives become aware of an adverse event, it must immediately (but in no even no later than 1 business day after receipt) report same to the Company's drug safety department by reporting same to the Company at (951)493-4399 Fax: (951)493-5825 or (951)493-5815 or dsaeintake@watson.com

IN WITNESS WHEREOF each of the parties named below have had this Work Order executed on its behalf and such Work Order shall be effective as between the parties as of the later date of execution set forth below. **Each hereby further acknowledges that this Addendum will not become effective until countersigned and returned by Company.**

Watson Pharma, Inc.

By: _____
Name: Lynne Amato
Title: VP, Brand Marketing
Date:

Technekes LLC

By: 
Name: Steve Amedio
Title: President and COO
Date: 2/1/13