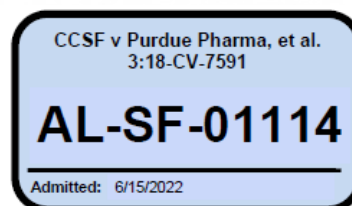


CONTRACT SALES FORCE AGREEMENT  
BY AND BETWEEN  
VENTIV COMMERCIAL SERVICES, LLC  
AND  
ACTAVIS KADIAN LLC

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Dated: May 1, 2009



## CONTRACT SALES FORCE AGREEMENT

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

### PRELIMINARY STATEMENTS

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

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

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

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

### ARTICLE 1 DEFINITIONS

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

- (p) **"GDEA"** shall have the meaning set forth in 4.1(g).
- (q) **"Governmental Authority"** shall mean any federal, state, local or foreign governmental authority, agency or other body.
- (r) **"Hiring Profiles"** shall mean those profiles set forth in **Exhibit D**.
- (s) **"Indemnified Party"** shall have the meaning set forth in Section 11.3(a).
- (t) **"Indemnifying Party"** shall have the meaning set forth in Section 11.3(a).
- (u) **"KADIAN®"** shall mean morphine sulfate extended-release capsules indicated for once or twice daily administration for the relief of moderate to severe pain, pursuant to Actavis' New Drug Application Number 020616 and any supplements thereto.
- (v) **"PDMA"** shall mean the Prescription Drug Marketing Act of 1987, as amended, and the regulations promulgated thereunder from time to time.
- (w) **"Prescribers"** or **"Targeted Prescribers"** shall mean, as identified by Actavis, (i) medical doctors and doctors of osteopathy that are primary care physicians (i.e., internal medicine practitioners, family practitioners and general practitioners), pain specialists, podiatrists, orthopedic specialists, physical medicine and rehabilitation specialists, neurologists and anesthesiologists, and (ii) other health care professionals, or para-professionals as indicated by Actavis from time to time that are legally authorized to write prescriptions for the Product located in the Territory pursuant to Applicable Laws.
- (x) **"Product"** shall mean KADIAN® in the formulations listed in this Section 1.1(x).

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

- (y) **"Product Labeling"** shall mean all labels and other written, printed or graphic matter upon (i) any container or wrapper utilized with the Products or (ii) any written material accompanying the Products, including, without limitation, Product package inserts, each of which have been provided by Actavis to Ventiv.
- (z) **"Product Promotional Materials"** shall mean all written, printed or graphic material, other than Product Labeling, provided by Actavis to Ventiv and intended for use by Ventiv Representatives in connection with Sales Calls, including visual aids, file cards, premium items, clinical studies, reprints, business cards, identification tags and any other promotional support items that Actavis deems necessary or desirable to conduct the Program.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## ARTICLE 2

### **APPOINTMENT OF COMPANY: RESPONSIBILITIES**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

### **ARTICLE 3** **COMPENSATION**

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

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

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



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

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

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

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

#### **ARTICLE 4**

#### **REPRESENTATIONS, WARRANTIES AND COVENANTS**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## **ARTICLE 5**

### **STATUS OF VENTIV AND COMPANY REPRESENTATIVES**

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

#### **5.2 No Actavis Benefits.**

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

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

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

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

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

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

**ARTICLE 6**  
**TRAINING AND SALES MEETINGS**

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

6.2 **Training Program.**

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

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

- (i) May 6<sup>th</sup>-May 8<sup>th</sup>, 2009;
- (ii) May 13<sup>th</sup>-15<sup>th</sup>, 2009; and
- (iii) May 19<sup>th</sup>-May 22<sup>nd</sup>, 2009.

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

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

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



**ARTICLE 7**  
**TRADEMARKS; INTELLECTUAL PROPERTY RIGHTS**

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

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

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

7.4 **Work Product.**

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

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

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

## **ARTICLE 8**

### **COMMUNICATIONS: MONITORING THE PROGRAM**

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

8.2 **Governmental Authorities.**

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

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

8.3 **Compliance with Applicable Laws.**

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

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

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

Notifications of the foregoing should be sent to:

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

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

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

## **ARTICLE 9 CONFIDENTIALITY**

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

## **ARTICLE 10 TERM; TERMINATION**

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



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

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

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

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

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

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

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

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

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

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

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

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

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

10.6 Consequences of Termination.

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

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

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

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

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

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

10.7 Accrued Rights, Surviving Obligations.

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

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

**ARTICLE 11**  
**INDEMNIFICATION**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### 11.3 Claim Procedures.

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

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

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

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

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

## **ARTICLE 12** **INSURANCE**

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

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

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

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

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

**ARTICLE 13**  
**MISCELLANEOUS PROVISIONS**

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

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

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

with a copy to:

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

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



with a copy to:

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

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

13.4 **Entire Agreement; Modification.**

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

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

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

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

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

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

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

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

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

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

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



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

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

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

\* \* \*

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

ACTAVIS KADIAN LLC

By: [Signature]  
Name: DURHAM S. BROTHER  
Title: CEO, Actavis Inc.  
Date: 8/25/09



VENTIV COMMERCIAL SERVICES, LLC

By: [Signature]  
Name: PAUL MIGNON  
Title: President - in Ventiv Selling  
Date: 8-28-09 Solutions

Exhibit A

ACTAVIS TRAVEL AND EXPENSE POLICY

To be provided



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## ACTAVIS TRAVEL & ENTERTAINMENT POLICY

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Travel Policy Mars 2009

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## 1) INTRODUCTION

### INTRODUCTION

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

### PURPOSE & SCOPE

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

### MANAGEMENT IS RESPONSIBLE FOR:

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

### EMPLOYEES ARE RESPONSIBLE FOR:

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

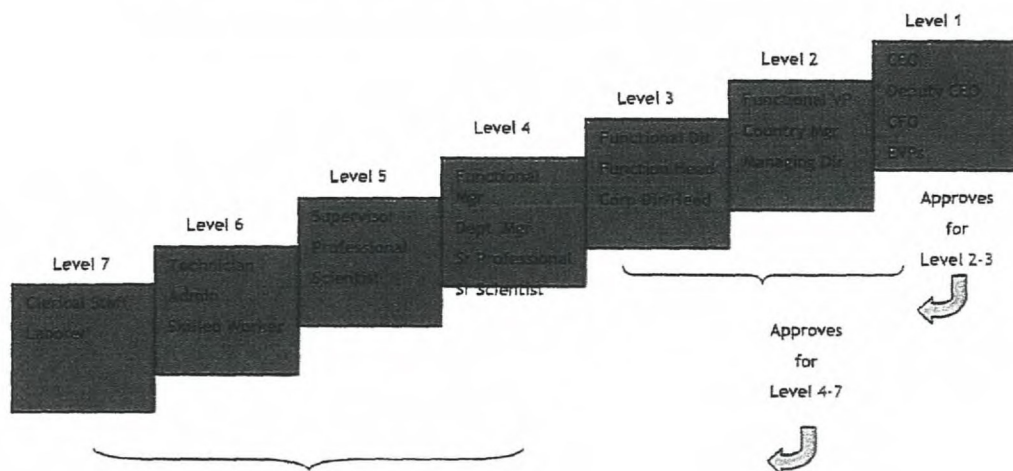
## 2) POLICY

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

## 3) AUTHORITY TO TRAVEL

### GLOBAL TRAVEL AUTHORIZATION POLICY

1. All travel arrangements need to be done within the budget, where EVPs are ultimately responsible for their respective organizations.
2. Any Employee who travels on business for Actavis needs to get an approval based on the following structure (also shown in picture below):
  - EVPs (level 1) needs to approve travel for employees in level 2 (Country/General Manager and Functional VPs) and level 3 (the business/functional Directors/Heads) who report into level 2 and 1.
  - General Managers and Business/Functional Directors/Heads (levels 2 and 3) need to approve travels for all other employees in levels 4 to 7.



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

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

#### **BOOKINGS/RESERVATIONS FOLLOWING APPROVAL**

When travel is approved the following criteria should apply:

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

#### **4) ACCOMMODATION**

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

#### **5) AIR TRAVEL**

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

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

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

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

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

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

#### **ELECTRONIC TICKETING**

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



#### **LOWEST FARE**

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

#### **CANCELLATION OF TRIPS & REFUNDS OF TICKETS**

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

#### **PAPER TICKETS**

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

#### **LOST / STOLEN TICKETS**

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

### **6) BAGGAGE**

#### **LOST / DAMAGED BAGGAGE**

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

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

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

#### **EXCESS BAGGAGE**

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

### **7) DENIED BOARDING COMPENSATION**

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

### **8) OWNERSHIP OF BENEFITS / UPGRADES**

#### **OWNERSHIP OF BENEFITS AIRLINE FREQUENT FLYER PROGRAMS / CLUB MEMBERSHIPS**

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

#### **AIR TRAVEL UPGRADES**

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

#### **9) INTERNATIONAL TRAVEL**

##### **PASSPORTS AND VISAS**

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

##### **PERSONAL SAFETY / SECURITY**

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

#### **10)CONSULTANT / CONTRACTOR TRAVEL**

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

##### **PREFERRED SUPPLIER PROGRAMS AND DISCOUNTS**

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

#### **11)RAIL TRAVEL**

Rail travel should be booked through the Actavis designated travel agent. Rail reservations should be made as early as possible to take advantage of advance purchase discounts, e.g. day return, saver fares.

Tickets should be purchased at least 3 days in advance to ensure tickets arrive in time for the travel date.

#### **12)CAR RENTAL**

The Actavis preferred Car hire company is Avis.([www.avis.com](http://www.avis.com))

A mid-size car or smaller should be requested, except when additional space is necessary. In most circumstances additional insurance is not required, but sometimes it may be required for example if you are going to be driving in a foreign country.

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

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

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

#### **REFUELING / TOLLS / PARKING / FINES**

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

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

#### **ACCIDENT REPORTING AND THEFT**

If a rental car is stolen or involved in an accident, the traveler must do the following:

- Report accident or theft to the car rental company immediately.
- File an accident or theft report with the local police department.

### **13) OTHER TRANSPORTATION**

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

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

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

### **14) PERSONAL AUTOMOBILE**

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

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

## 15) MEALS

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

### PERSONAL MEALS

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

## 16) ENTERTAINMENT / HOSPITALITY

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

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

## 17) DAILY ALLOWANCES

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

## 18) TELEPHONE USAGE

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

## 19) GRATUITIES

Reasonable and customary tipping is acceptable and reimbursable for staff who provide exceptional service.

Gratuities vary from country to country. Local practices should be determined and respected.

## 20) REIMBURSABLE / NON-REIMBURSABLE EXPENSES

### REIMBURSABLE EXPENSES

Travelers will be reimbursed for the following miscellaneous expenses:

- Overnight delivery or air freight for business purposes.



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

#### **NON-REIMBURSABLE EXPENSES**

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

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

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

#### **21) TRAVELLER HEALTH AND SAFETY**

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

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

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

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

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

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

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

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

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

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

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

## 22)EXPENSE REPORTING

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

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

For all expense claims employees must submit the following:

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

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



Addendum A  
Corporate Travel and Entertainment Policy  
Travel Authorisation Form

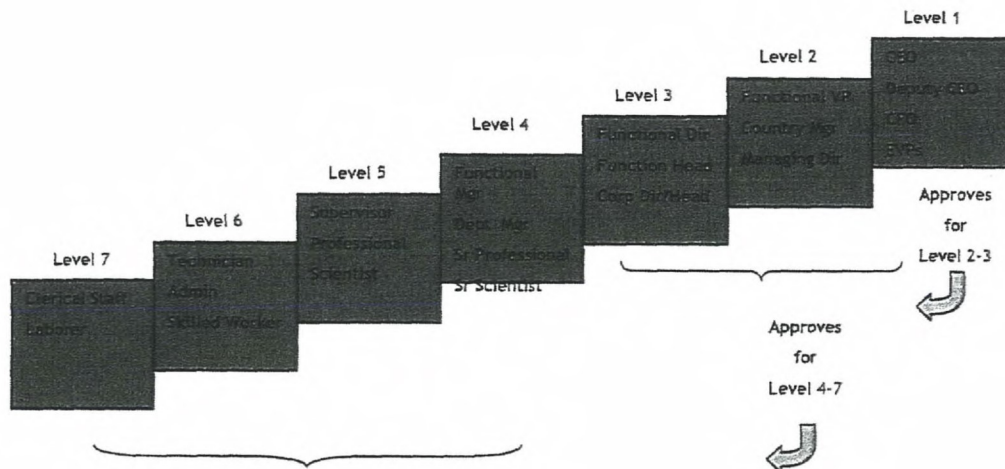
This document **MUST** be approved by your Leader **BEFORE** the travel can take place  
This document **MUST** be filled in by **ALL** employees, including those who travel frequently.

Please complete only the white sections on the form.

Information on the Traveller	
Name of Traveller:	
Title:	
Telephone Number:	
Department:	
Name of the person who replace you in the absence:	
Information on the proposed Travel	
Travel Destination: (Please mention all destinations incl. connection points as in the flight itinerary)	
Reason for Travel: (Please give details why this travel is necessary)	
Departure Date:	
Return Date:	
Flight Costs	
Currency Type: (for example EUR)	
Total Flight Cost: (Costs <b>MUST</b> be shown in local currency)	
Accommodation Costs	
Currency Type: (for example EUR)	
Total Accommodation Cost:	
Authorisation to Travel	
Travel will not be permitted if the following is not confirmed	
Approved by next manager	
Date Approved:	

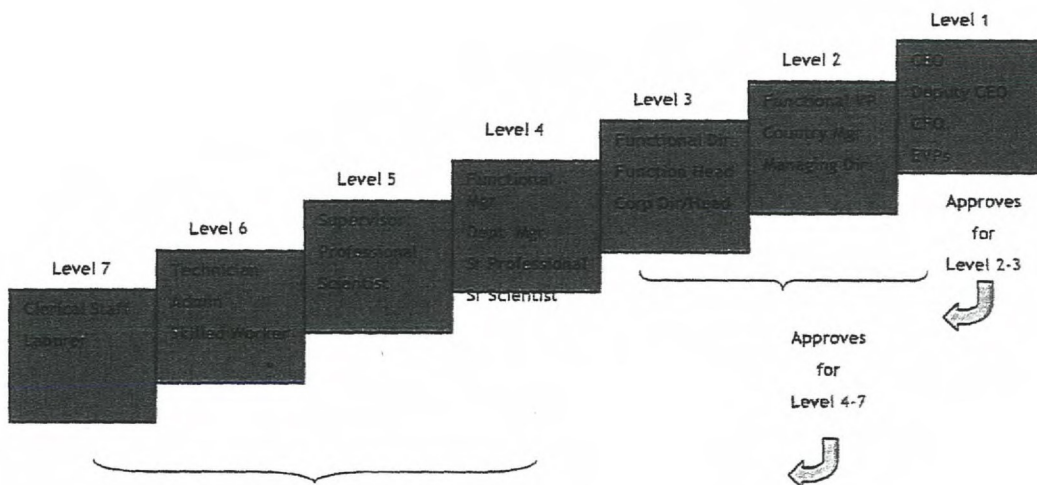
### Global Travel Authorization Policy

1. All travel arrangements need to be done within the budget, where EVPs are ultimately responsible for their respective organizations.
2. Any Employee who travels on business for Actavis needs to get an approval based on the following structure (also shown in picture below):
  - EVPs (level 1) needs to approve travel for employees in level 2 (Country/General Manager and Functional VPs) and level 3 (the business/functional Directors/Heads) who report into level 2 and 1.
  - General Managers and Business/Functional Directors/Heads (levels 2 and 3) need to approve travels for all other employees in levels 4 to 7.



## Global Travel Authorization Policy

1. All travel arrangements need to be done within the budget, where EVPs are ultimately responsible for their respective organizations.
2. Any Employee who travels on business for Actavis needs to get an approval based on the following structure (also shown in picture below):
  - EVPs (level 1) needs to approve travel for employees in level 2 (Country/General Manager and Functional VPs) and level 3 (the business/functional Directors/Heads) who report into level 2 and 1.
  - General Managers and Business/Functional Directors/Heads (levels 2 and 3) need to approve travels for all other employees in levels 4 to 7.



## Addendum A Corporate Travel and Entertainment Policy

### Travel Authorisation Form

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

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

Please complete only the white sections on the form.

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

### Authorisation to Travel

Travel will not be permitted if the following is not confirmed

Approved by next manager	
Date Approved:	



**Exhibit B**

**CONFIDENTIAL DISCLOSURE AGREEMENT**

To be provided

## Confidentiality and Proprietary Agreement

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

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

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

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

### WITNESSETH

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

#### I. EXCHANGE OF INFORMATION

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

#### II. DEFINITION OF CONFIDENTIAL INFORMATION

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



### III. CONFIDENTIALITY

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

### IV. DISCLOSURE

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

### V. EXCEPTIONS

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

- (a) At the time of disclosure is within the public domain.
- (b) After disclosure becomes a part of the public domain through no fault, act or failure to act, error, effort or breach of this Agreement by the recipient.
- (c) Is known to the recipient at the time of disclosure.
- (d) Is discovered or developed by the recipient independently of any disclosure by the disclosing Party.
- (e) Is obtained from a third party who has acquired a legal right to possess and disclose such Confidential Information.

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

## **VI. RESTRICTION OF USE**

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

## **VII. TERM OF AGREEMENT**

- A. The Agreement protecting the exchange of Confidential Information shall begin on the date on which the last signature is affixed hereto and shall continue for a period of five (5) years thereafter.
- B. The Parties' confidentiality duties and restrictions on use pursuant to this Agreement shall continue through and after the expiration of the term of this Agreement for information that the disclosing Party, prior to expiration of the term, has identified to the recipient in writing as remaining Confidential Information after the expiration of the term.

## **VIII. REMEDIES**

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

## **IX. RETURN OF DOCUMENTS AND PROPERTY**

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

## **X. ENTIRE AGREEMENT**

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

## **XI. MODIFICATION**

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

## **XII. COUNTERPARTS/TELEFAX SIGNATURES**

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

## **XIII. AUTHORITY OF PARTIES**

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

## **XIV. INTELLECTUAL PROPERTIES**

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

## **XV. GOVERNING LAW**

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

## **XVI. DOCUMENT PREPARATION**

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

(THE REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK.)

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

ACTAVIS INC.

By: 

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

VENTIV COMMERCIAL SERVICES, LLC

By: 

Name: PAUL MIGNON  
Title: President - in Ventiv Selling Solutions  
Date: 4/3/09



Exhibit C

**PROGRAM FEE SCHEDULE**

**I. FIXED FEES**

(a) Implementation Fee

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

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

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

(b) Fixed Monthly Fee

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

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

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

$$((\text{Total \# Ventiv Area Business Managers} \times \text{Assumed Average Base Salary}/12) - (\text{Total \# Ventiv Area Business Managers} \times \text{Actual Average Base Salary})) + (\text{applicable employer portion of taxes})$$

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

$$((\text{Total \# Ventiv Area Business Managers} \times \text{Actual Average Base Salary}) - (\text{Total \# Ventiv Area Business Managers} \times \text{Assumed Average Base Salary}/12)) + (\text{applicable employer portion of taxes})$$

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

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

$$((\text{Total \# Ventiv Regional Business Directors} \times \text{Assumed RBD Average Base Salary}/12) - (\text{Total \# Ventiv Regional Business Directors} \times \text{Actual RBD Average Base Salary})) + (\text{applicable employer portion of taxes})$$

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

$$((\text{Total \# Ventiv Regional Business Directors} \times \text{Actual RBD Average Base Salary}) - (\text{Total \# Ventiv Regional Business Directors} \times \text{Assumed RBD Average Base Salary}/12)) + (\text{applicable employer portion of taxes})$$

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

## II. PASS-THROUGH COSTS

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

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

## III. VENTIV PERFORMANCE COMPENSATION PLAN

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



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

#### **IV. BILLING TERMS**

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

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

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

**Exhibit C-1**

**PERFORMANCE COMPENSATION PLAN**

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

Exhibit C-1

PERFORMANCE COMPENSATION PLAN

**2009 KADIAN® Area Business Manager Incentive Compensation Program**

**1. Program Objectives**

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

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

**2. Program Description**

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

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

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

Table 1 describes payouts relative to quota achievement in detail.

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

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

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

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

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

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

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

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

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

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

### **A. Eligibility Criteria**

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

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

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

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

### **3. Basis for Payment**

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

### **4. Payout Schedule**

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

<b>Bonus Period 1</b>	May-August 2009 (4 months)
<b>Bonus Period 2</b>	September – December 2009 (4 months)

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

Bonus period target payouts are shown in table 2 below:

**Table 2. Payout Schedule**

	<b><u>Bonus Period 1</u></b>	<b><u>Bonus Period 2</u></b>
<b>% of Annual Bonus</b>	35%	65%
<b>Target \$ payout at 100%</b>	\$7,000	\$13,000

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

## 5. Payout

**BP = Bonus Period**

### Example 1

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



BP = Bonus Period

### Example 2

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

### Example 3

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

### Example 4

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

## 6. General Terms and Conditions

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

- ii. **Termination / Resignations** – Area Business Managers must be an employee of Ventiv on the last day of the Bonus Period to be eligible to receive the incentive compensation payout that was earned for that Bonus Period.
- iii. **Out of Territory** – If an Area Business Manager is out of the territory during the year due to reasons other than company approved time off, the sales incentive payout will be prorated based on the number of days worked year to date.
- iv. **Adjustments** – Management reserves the right to modify or adjust the Sales Incentive Program at any time.

## 2009 KADIAN® Regional Business Director Incentive Compensation Program

### 7. Program Objectives

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

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

### 8. Program Description

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

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

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

Table 1 describes payouts relative to quota achievement in detail.

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

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

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

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

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

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

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

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

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

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

#### **A. Eligibility Criteria**

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

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

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

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

#### **9. Basis for Payment**

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

#### **10. Payout Schedule**

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



<b>Bonus Period 1</b>	May-August 2009 (4 months)
<b>Bonus Period 2</b>	September – December 2009 (4 months)

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

Bonus period target payouts are shown in table 2 below:

**Table 2. Payout Schedule**

	<b><u>Bonus Period 1</u></b>	<b><u>Bonus Period 2</u></b>
<b>% of Annual Bonus</b>	35%	65%
<b>Target \$ payout at 100%</b>	\$11,200	\$20,800

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

#### **11. Payout**

**BP = Bonus Period**

#### **Example 1**

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

BP = Bonus Period

### Example 2

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

### Example 3

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

### Example 4

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

## **12. General Terms and Conditions**

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

- ii. **Termination / Resignations** – Regional Business Directors must be an employee of Ventiv on the last day of the Bonus Period to be eligible to receive the incentive compensation payout that was earned for that Bonus Period.
- iii. **Out of Territory** – If a Regional Business Director is out of the territory during the year due to reasons other than company approved time off, the sales incentive payout will be prorated based on the number of days worked year to date.
- iv. **Adjustments** – Management reserves the right to modify or adjust the Sales Incentive Program at any time.

**Exhibit D**

**HIRING PROFILES**

**1. AREA BUSINESS MANAGER JOB DESCRIPTION**

**Summary:**

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

**Essential Duties and Responsibilities:**

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

**Qualifications and/or Experience:**

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

## **2. REGIONAL BUSINESS DIRECTOR JOB DESCRIPTION**

### **Summary:**

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

### **Essential Duties and Responsibilities:**

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

### **Qualifications and/or Experience:**

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



## **FIRST AMENDMENT TO SERVICE AGREEMENT**

This First Amendment (the "Amendment") is made effective as of May 1, 2010 (the "Effective Date"), by and between ACTAVIS KADIAN LLC, a limited liability company duly organized and existing under the applicable laws of the State of Delaware, having offices at 60 Columbia Rd., Bldg. B, Morristown, NJ 07960 ("Actavis") and VENTIV COMMERCIAL SERVICES, LLC, a limited liability company duly organized and existing under the applicable laws of the State of New Jersey, and having a principal place of business at 200 Cottontail Lane, Somerset, NJ 08873 ("Ventiv") who together may be referred to collectively as the "Parties", or individually as a "Party"..

### **WITNESSETH:**

WHEREAS, Ventiv and Actavis are parties to a Service Agreement dated May 1, 2009 (the "Agreement").

WHEREAS, Ventiv and Actavis desire to supplement and amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed as follows:

1. Except as provided in this Amendment, the terms and conditions set forth in the Agreement shall remain unaffected by execution of this Amendment. To the extent any provisions or terms set forth in this Amendment conflict with the terms set forth in the Agreement, the terms set forth in this Amendment shall govern and control. Terms not otherwise defined herein, shall have the meanings set forth in the Agreement.
2. Section 10.1 is hereby amended to provide that the Agreement shall be extended from the Effective Date through April 30, 2011 (the "Extended Term").

3. The following is added as Section 10.3 (f): "For any reason, with or without cause, by providing Ventiv with at least thirty (30) days prior written notice; provided, however, the actual termination date pursuant to this Section 10.3 (f) shall not be prior to July 31, 2010 unless it is for the reasons specified in 10.3(a) through 10.3(e) above."

4. Section 1 (b) ("Fixed Monthly Fee") of Exhibit C is amended to provide that commencing on the Effective Date and during the Extended Term, Actavis shall pay Ventiv a Fixed Monthly Fee as follows:

PERIOD	FIXED MONTHLY FEE
May 1, 2010 through July 31, 2010	\$256,281
August 1, 2010 – April 30, 2011	\$266,532

5. For purposes of determining the monthly salary reconciliations (as set forth in Section 1(c) of Exhibit C), the Parties agree that commencing August 1, 2010, the "Assumed Average Base Salary" for the Ventiv Area Business Managers is \$88,400 and the "Assumed RBD Average Base Salary" is \$145,600.

6. Actavis and Ventiv shall work together to determine final bonus amounts to be paid by Ventiv to the Ventiv Sales Force (for services rendered June 1, 2009 through April 30, 2010). The Parties shall agree on such bonus payments within sixty (60) days of the Effective Date.

7. This Amendment may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Execution and delivery of this Amendment by exchange of facsimile copies bearing the facsimile signature of a party hereto shall constitute a valid and binding execution and

delivery of this Amendment by such party. Such facsimile copies shall constitute enforceable original documents.

8. The terms of this Amendment are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous agreement. The Parties further intend that this Amendment constitute the complete and exclusive statement of its terms and shall supersede any prior agreement with respect to the subject matter hereof.

WHEREFORE, the Parties hereto have caused this Amendment to be executed by their duly authorized representatives.

**VENTIV COMMERCIAL SERVICES, LLC**

By: 

Name: 

Title: 

**ACTAVIS KADIAN LLC**

By: 

Name: 

Title: 

**SECOND AMENDMENT TO  
SERVICE AGREEMENT**

This Second Amendment (the "Amendment") is made effective as of June 14, 2010 (the "Effective Date"), by and between ACTAVIS KADIAN LLC, a limited liability company duly organized and existing under the applicable laws of the State of Delaware, having offices at 60 Columbia Rd., Bldg. B, Morristown, NJ 07960 ("Actavis") and VENTIV COMMERCIAL SERVICES, LLC, a limited liability company duly organized and existing under the applicable laws of the State of New Jersey, and having a principal place of business at 500 Atrium Drive, Somerset, NJ 08873 ("Ventiv") who together may be referred to collectively as the "Parties", or individually as a "Party".

WITNESSETH:

WHEREAS, Ventiv and Actavis are parties to a Contract Sales Force Agreement dated May 1, 2009 (the "Service Agreement"), and a First Amendment to Service Agreement with an effective date of May 1, 2010 (the "First Amendment") (the First Amendment collectively with the Service Agreement, the "Agreement").

WHEREAS, Ventiv and Actavis desire to supplement and amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed as follows:

1. Except as provided in this Amendment, the terms and conditions set forth in the Agreement shall remain unaffected by execution of this Amendment. To the extent any provisions or terms set forth in this Amendment conflict with the terms set forth in the Agreement, the terms set forth in this Amendment shall govern and control. Terms not otherwise defined herein, shall have the meanings set forth in the Agreement.

2. The Agreement is supplemented as of the Effective Date to reflect that in addition to the Services set forth therein, Ventiv shall recruit and hire an additional four (4) Ventiv Representatives (the "Additional Representatives") to expand the Ventiv Sales Force providing services in furtherance of Actavis' program. The Additional Representatives will be hired on or about June 14, 2010, and shall be deployed to commence provision of the services on July 1, 2010. The Training Program for the Additional Representatives shall consist of five (5) days of home study to occur from June 21, 2010 to June 25, 2010, and training from June 28, 2010 through June 30, 2010.

3. The definition of "Ventiv Sales Force" found in Section 1.1 (nn) is deleted in its entirety and replaced with the following definition:

(nn) "**Ventiv Sales Force**" shall mean the Ventiv Representatives designated and used by Ventiv to conduct the Program, which, as of the Effective Date, totals no less than twenty-two (22) full-time sales representatives (the "**Ventiv Area Business Managers**") who shall be managed and supported by two (2) full-time district managers (the "**Ventiv Regional Business Directors**").

4. Actavis shall pay Ventiv an implementation fee associated with the Additional Representatives of \$23,604.

5. As of the Effective Date, paragraph (b) ("Fixed Monthly Fee") of Section I ("Fixed Fees") of Exhibit C ("Program Fee Schedule") is amended to provide that Actavis shall pay Ventiv an additional incremental Fixed Monthly Fee for the Services provided by the Additional Representatives as follows:

PERIOD	INCREMENTAL FIXED MONTHLY FEE
Date of hire of the Additional Representatives through April 30, 2011	\$48,143 <sup>x</sup>

<sup>x</sup> The incremental Fixed Monthly Fee shall be subject to the annual increases as set forth in the Agreement that are applicable to the Fixed Monthly Fee for the existing Representatives.

6. Section 13.2 of the Agreement is amended to reflect that notices sent to Ventiv shall be directed to Paul Mignon, President inVentiv Selling Solutions.

7. This Amendment may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Execution and delivery of this Amendment by electronic means or exchange of facsimile copies bearing the signature of each of the Parties hereto shall constitute a valid and binding execution and delivery of this Amendment by the Parties. Such electronic or facsimile copies shall constitute enforceable original documents.

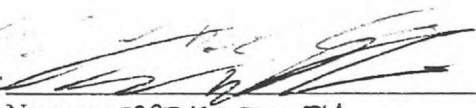
8. The terms of this Amendment are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous agreement. The Parties further intend that this Amendment constitute the complete and exclusive statement of its terms and shall supersede any prior agreement with respect to the subject matter hereof.

WHEREFORE, the Parties hereto have caused this Amendment to be executed by their duly authorized representatives.

VENTIV COMMERCIAL SERVICES, LLC

By:   
Name: Paul Mignon  
Title: President, Selling Solutions

ACTAVIS KADIAN LLC

By:   
Name: TERRENCE FULLEM  
Title: VICE PRESIDENT, COMMERCIAL DVP.



36474

## Contract Administration Policy

Policy No. LGL-003  
 Reviewed by: Legal, Finance and Business  
 Territory: Global  
 Effective Date:

Responsibility: Legal  
 Approved by: General Counsel  
 Page 1 of 1

Americas Nov 1, 2006	WEEMEA Nov 1, 2006	CEE & Asia TBA	Other: _____
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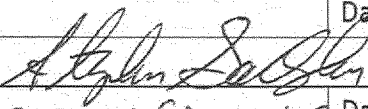

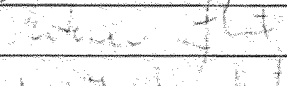
## ATTACHMENT B: EVIDENCE OF REVIEWS AND APPROVALS

Evidence of all approvals must be submitted to the Contract Database Author, either in a form similar to that provided here, or as an e-mail stating a unique identification of the contract in question (and what version, if potential doubt), or be made in the electronic approval cycle included in the Contract Database.

Short Description or Title of Contract: Third Amendment to Contract Sales Force Service Agreement between Actavis Kadian LLC and Ventiv Commercial Services, LLC

Amend contract to add MMCD Services (Kadain)

## Subject Matter reviews, if any

Insert Department	Signature:			
	Print:		Date:	
Insert Department	Signature:			
	Print:		Date:	
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Insert Department	Signature:			
	Print:		Date:	
FINANCE	Signature:			
	Print:	STEPHEN GALLAGHER	Date:	7/26/10
LEGAL	Signature:			
	Print:	Legal Representative	Date:	7/26/2010
BUSINESS APPROVAL REQUIRED BEFORE EXECUTION				
BUSINESS	Signature:			
	Print:	Business Representative	Date:	7/26/2010

### **THIRD AMENDMENT TO SERVICE AGREEMENT**

This Third Amendment (the "Amendment") is made effective as of June 21, 2010 (the "Third Amendment Effective Date"), by and among ACTAVIS KADIAN LLC, a limited liability company duly organized and existing under the applicable laws of the State of Delaware, having offices at 60 Columbia Rd., Bldg. B, Morristown, NJ 07960 ("Actavis"), VENTIV COMMERCIAL SERVICES, LLC, a limited liability company duly organized and existing under the applicable laws of the State of New Jersey, and having a principal place of business at 500 Atrium Drive, Somerset, NJ 08873 ("Ventiv"), and INVENTIV ADVANCE INSIGHTS, INC., a corporation duly organized and existing under the applicable laws of the State of New Jersey, and having a principal place of business at 500 Atrium Drive, Somerset, NJ 08873 ("Advance Insights"), who together may be referred to collectively as the "Parties", or individually as a "Party".

#### **WITNESSETH:**

WHEREAS, Ventiv and Actavis are parties to a Contract Sales Force Service Agreement dated May 1, 2009 (the "Service Agreement"), a First Amendment to Service Agreement with an effective date of May 1, 2010 (the "First Amendment"), and a Second Amendment to Service Agreement with an effective date of June 14, 2010 (the "Second Amendment") (the Second Amendment collectively with the First Amendment and Service Agreement, the "Agreement").

WHEREAS, Actavis desires for Advance Insights, an affiliate of Ventiv, to provide services directly to Actavis pursuant to the terms of the Agreement, and Advance Insights agrees to provide such services to Actavis.

WHEREAS, Ventiv and Actavis desire to supplement and amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed as follows:

1. Except as provided in this Amendment, the terms and conditions set forth in the Agreement shall remain unaffected by execution of this Amendment. To the extent any provisions or terms set forth in this Amendment conflict with the terms set forth in the Agreement, the terms set forth in this Amendment shall govern and control. Terms not otherwise defined herein, shall have the meanings set forth in the Agreement.

2. Actavis acknowledges and agrees that Advance Insights shall provide services directly to Actavis pursuant to the terms of the Agreement. Advance Insights acknowledges and agrees that its performance of the MMCD Services (as defined below) shall be governed by the terms and conditions set forth in the Agreement. Actavis agrees that Advance Insights acts solely on its own behalf and that Ventiv shall not be liable, or otherwise responsible, for the acts and/or omissions of Advance Insights under any circumstances in connection with any services provided by Advance Insights. Further, Advance Insights shall not be liable, or otherwise responsible, for the acts and/or omissions of Ventiv under any circumstances in connection with any services that are provided by Ventiv and not Advance Insights.

3. The Agreement is supplemented to reflect that in addition to the Services provided by Ventiv and set forth therein, Advance Insights shall provide temporary staffing of one Managed Markets Contracting Director (the "MMCD") to provide the services set forth on Schedule A attached hereto (the "MMCD Services"). Advance Insights shall provide the MMCD Services commencing on or about the Third Amendment Effective Date and continuing for a six (6) month period. From the Third Amendment Effective Date through the two (2) month anniversary thereof, the MMCD shall provide the MMCD Services twenty-four (24) hours per

week. From and after the two (2) month anniversary of the Third Amendment Effective Date, Actavis may adjust the number of hours per week that the MMCD shall provide the MMCD Services; provided, however, that Actavis shall provide at least twenty-one (21) days' prior written notice of any such increase to Advance Insights. The total hours per week that the MMCD may provide MMCD Services to Actavis shall not exceed forty (40) hours.

4. Paragraph (b) ("Fixed Monthly Fee") of Section I ("Fixed Fees") of Exhibit C ("Program Fee Schedule") of the Agreement is supplemented to provide that in addition to the compensation set forth in the Agreement, commencing on the Third Amendment Effective Date, Actavis shall pay Advance Insights the following compensation for its provision of the MMCD Services:

PERIOD	FIXED MONTHLY FEE FOR MMCD SERVICES
The Third Amendment Effective Date through the six (6) month anniversary thereof	<b>\$19,200 Per Month</b>

In the event Actavis adjusts the number of hours worked by the MMCD per Paragraph 3 of this Amendment, the Fixed Monthly Fee shall be increased or decreased by an amount equal to the number of hours above or below twenty-four (24) (per week) multiplied by \$200.

5. The Agreement is further supplemented to reflect that during the period of time that the MMCD provides the MMCD Services and for a one year period thereafter, Actavis shall not solicit, employ or retain the MMCD.

6. Section 10.3 ("Termination by Actavis") of the Agreement is amended to reflect that, notwithstanding 10.3(f), Actavis may terminate the MMCD Services by providing Advance Insights with at least thirty (30) days prior written notice.

7. This Amendment may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Execution and delivery of this Amendment by exchange of facsimile copies bearing the facsimile signature of a party hereto shall constitute a valid and binding execution and delivery of this Amendment by such party. Such facsimile copies shall constitute enforceable original documents.

8. The terms of this Amendment are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous agreement. The Parties further intend that this Amendment constitute the complete and exclusive statement of its terms and shall supersede any prior agreement with respect to the subject matter hereof.

WHEREFORE, the Parties hereto have caused this Amendment to be executed by their duly authorized representatives.

VENTIV COMMERCIAL SERVICES, LLC

By: 

Name: Mike Ryan

Title: CEO

INVENTIV ADVANCE INSIGHTS, INC.

By: 

Name: Sam Malik

Title: Ex. Vice President

ACTAVIS KADIAN LLC

By: 

Name: Terrence Fullen

Title: VP, Commercial Development



## **SCHEDULE A**

### **Services of the Managed Markets Contracting Director**

The Managed Markets Contracting Director shall provide the following services to Actavis:

- Act as the primary customer contact for all Managed Care related issues (i.e., Trade, Commercial, Part D, Tricare)
- Track all contracts to ensure they are up to date (prepare a Contract Status Report)
- Coordinate with legal and business to renew/extend agreements
- Participate in Kadian weekly calls (scheduled to occur each Friday at 9am)
- Notify upper management of all pertinent matters (i.e., Health Care Reform) by working with outside counsel to stay in touch with current laws.
- Act as liaison with Advance Insights to guide Healthcare Reform Strategic projects as needed to support the Kadian business

#### FOURTH AMENDMENT TO SERVICE AGREEMENT

This Fourth Amendment (the "Amendment") is made effective as of August 23, 2010 (the "Fourth Amendment Effective Date"), by and among ACTAVIS KADIAN LLC, a limited liability company duly organized and existing under the applicable laws of the State of Delaware, having offices at 60 Columbia Rd., Bldg. B, Morristown, NJ 07960 ("Actavis"), and VENTIV COMMERCIAL SERVICES, LLC, a limited liability company duly organized and existing under the applicable laws of the State of New Jersey, and having a principal place of business at 500 Atrium Drive, Somerset, NJ 08873 ("Ventiv"). Actavis and Ventiv may be referred to collectively as the "Parties", or individually as a "Party".

#### WITNESSETH:

WHEREAS, Ventiv and Actavis are parties to a Contract Sales Force Agreement dated May 1, 2009 (the "Service Agreement"), a First Amendment to Service Agreement with an effective date of May 1, 2010 (the "First Amendment"), a Second Amendment to Service Agreement with an effective date of June 14, 2010 (the "Second Amendment"), and a Third Amendment to Service Agreement with an effective date of June 21, 2010 (the "Third Amendment") (the Third Amendment collectively with the Second Amendment, First Amendment and Service Agreement, the "Agreement").

WHEREAS, Ventiv and Actavis desire to supplement and amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed as follows:

1. Except as provided in this Amendment, the terms and conditions set forth in the Agreement shall remain unaffected by execution of this Amendment. To the extent any provisions

or terms set forth in this Amendment conflict with the terms set forth in the Agreement, the terms set forth in this Amendment shall govern and control. Terms not otherwise defined herein, shall have the meanings set forth in the Agreement.

2. The Agreement is supplemented to reflect that in addition to the Services provided by Ventiv and set forth therein, Ventiv shall provide the Services set forth on Exhibit A, attached hereto and made a part hereof (the "Fourth Amendment Services").

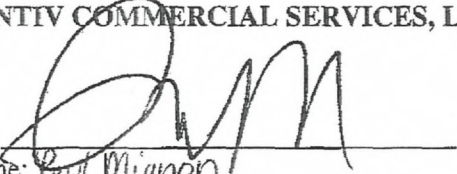
3. Actavis shall pay Ventiv for the Fourth Amendment Services the fees as set forth on Exhibit B attached hereto and made a part hereof.

4. This Amendment may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Execution and delivery of this Amendment by exchange of facsimile copies bearing the facsimile signature of a party hereto shall constitute a valid and binding execution and delivery of this Amendment by such party. Such facsimile copies shall constitute enforceable original documents.


5. The terms of this Amendment are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous agreement. The Parties further intend that this Amendment constitute the complete and exclusive statement of its terms and shall supersede any prior agreement with respect to the subject matter hereof.

WHEREFORE, the Parties hereto have caused this Amendment to be executed by their  
duly authorized representatives.

VENTIV COMMERCIAL SERVICES, LLC

By:   
Name: Paul Mignon  
Title: President, Selling Solutions

ACTAVIS KADIAN LLC

By:   
Name: Terrence D. Fuller  
Title: VP Commercial Development



**EXHIBIT A**  
**THE FOURTH AMENDMENT SERVICES**

Ventiv will provide Actavis with a corrective message field force that shall consist of one hundred sixty five (165) part-time or full-time sales representatives (each a "Sales Representative" and collectively, the "Sales Representatives") who shall deliver a corrective message concerning Actavis' Product Promotional Material (the "Corrective Message") by making Calls, as defined below, pursuant to a call plan (developed and maintained by Actavis) on Targets (identified and validated (as applicable) by Actavis). Ventiv shall further provide the services of a shared Project Manager to provide overall program management.

In connection with delivering the Corrective Message, Ventiv shall provide Actavis with the services set forth in this Exhibit A (the "Fourth Amendment Services"). The Fourth Amendment Services include (i) recruiting, screening, hiring and provision of the Sales Representatives; (ii) training (as set forth in Article II below), (iii) alignment, address scrubbing and territory mapping; and (iv) program management and administration.

**I. DEFINITIONS**

- (a) "Call" means the activity undertaken by a Sales Representative to present the Corrective Message, further described as a face-to-face presentation by a Sales Representative to a Target and will include providing the Target with the Corrective Message (prepared and provided by Actavis). At no time shall the Sales Representatives receive or distribute Product samples.
- (b) "Corrective Message" shall mean the message and other information concerning Actavis' Product Promotional Material. The Corrective Message shall be prepared and provided by Actavis. The Sales Representatives shall utilize the Corrective Message when making Calls.
- (c) "Corrective Message Deployment Date" means the date of the first Call. The Parties agree that the Deployment Date shall be August 23, 2010.
- (d) "Product" shall mean Kadian®.
- (e) "Corrective Message Product Promotional Material" shall mean promotional, informative and other information concerning the Product.
- (f) "Corrective Message Targets" means the offices of targeted practitioners, as identified by Actavis.

**II. HIRE STATUS, TRAINING AND MEETINGS**

- (a) Ventiv will recruit and retain the Sales Representatives. Actavis understands and agrees that Ventiv may utilize independent contractor personnel as Sales Representatives.

- (b) Corrective Message Training - The training responsibilities of the Parties are as follows:
- (i) Ventiv shall be responsible for training the Sales Representatives concerning: Ventiv human resource policies, procedures and administration and other applicable Ventiv internal human resource and general compliance policies and procedures.
  - (ii) Actavis shall be responsible for training the Sales Representatives concerning all Product specific information including the Corrective Message, applicable specific Actavis health care compliance policies and Actavis customer service policies and procedures, orientation to Actavis' business, and compliance with Applicable Law. The Parties agree to work together to mutually determine if, when, and at what cost additional training shall be provided to the Sales Representatives.
- (c) Corrective Message Meetings. All expenses reasonably associated with POA meetings and training shall be paid for by Actavis as a pass-through expense.

### III. PERFORMANCE

If Actavis believes in good faith that the performance of any Sales Representative is unsatisfactory or is not in compliance with the provisions of this Amendment, Actavis shall notify Ventiv and Ventiv shall promptly address the performance or conduct of such person in accordance with its internal human resource policies. In the event that Actavis determines in good faith that a Sales Representative has violated any applicable law, Actavis shall notify Ventiv (in writing). Ventiv shall promptly address the issue and take all reasonable and appropriate action (including but not limited to termination of such employee). No such action shall be contrary to Ventiv's internal human resource policies and procedures.

### IV. CALLS, TARGETS, CALL PLAN AND TERRITORY

- (a) General. The Sales Representatives shall provide the Corrective Message when making Calls as directed by Actavis. Actavis is solely responsible for the content, production and distribution of the Corrective Message to the Sales Representatives. Actavis is further responsible and shall ensure that the Corrective Message complies with all federal and state law, regulations and administrative guidance with respect thereto. The Parties understand that Ventiv shall not review or revise the Corrective Message and that Actavis is solely responsible for the content contained therein.
- (b) Corrective Message Targets. Actavis shall provide the Corrective Message Target list to Ventiv. Ventiv shall prepare the initial and final analysis, mapping, alignment, scrubbing and appending of data sets (SLN, DEA, phone) to the Corrective Message Target list provided by Actavis. The maximum number of Corrective Message Targets shall be eight thousand (8,000) licensed practitioners and five hundred thirty five (535) pharmacies.
- (c) Call plan. Actavis shall design and maintain the Call plan to be utilized by the Sales Representatives.



- (d) Corrective Message Territory. The territories are located within the continental United States, Puerto Rico, Hawaii and Alaska.
- (e) Design and Printing of the Corrective Message Call cards. Ventiv shall design and print call cards, prepaid remittance envelopes, regulatory materials, training materials and expense/mileage reimbursement forms for use by the Sales Representatives. Actavis shall be solely responsible for approving such materials, including the content and presentation thereof.

## **V. ACTIVITY REPORTING**

Ventiv and Actavis shall agree on the nature and extent of the reports to be provided by Ventiv to Actavis in connection with the Fourth Amendment Services.

## **VI. ACTAVIS RESPONSIBILITIES**

In connection with the Fourth Amendment Services, Actavis is responsible for:

- (a) Informing Ventiv promptly of any changes which Actavis believes are necessary or appropriate in the Corrective Message in order to be in compliance with all applicable federal and state law, regulations and administrative guidance.
- (b) Responding appropriately and in a timely manner to any inquiry concerning a Product communicated to Ventiv from any Corrective Message Target and communicated by Ventiv to Actavis.
- (c) The preparation and provision of the Corrective Message in strict compliance with all applicable laws and regulations.
- (d) All manufacturing and regulatory matters regarding the Product and the Corrective Message. Without limiting the generality of the foregoing, Actavis has the sole responsibility, at its cost and expense: (i) to deliver the Corrective Message to the Sales Representatives; and (ii) to comply with adverse event reporting requirements, and to respond to Product and related medical complaints from any third party (including but not limited to any governmental or regulatory authority).
- (e) Providing training to the Sales Representatives as set forth in Section II (b) hereof.
- (f) Establishment and maintenance of a Call plan to be utilized by the Sales Representatives.
- (g) State license validation of Corrective Message Targets (as applicable).

## **VII. TERM**

The term for the provision of the Fourth Amendment Services is eight (8) weeks from the Corrective Message Deployment Date (the "Term").

**EXHIBIT B**  
**COMPENSATION - FIXED FEES, PASS-THROUGH COSTS,**  
**PERFORMANCE FEES AND MISCELLANEOUS FEES**

**I. FIXED FEES**

Actavis shall pay Ventiv for the Fourth Amendment Services the following fees:

(a) Set Up Cost	27,250	one time	1		27,250
(b) Recruiting - level one	500	per rep	95		47,500
(c) Recruiting - level two	2,200	per rep	70		154,000
(d) Corrective Message Training	90	per Rep	165		14,850
(e) Alignment and Territory Mapping	175	per territory	165		28,875
(f) Weekly Management Fee	13,125	per week	8		105,000
(g) Weekly Reporting & Logistics	3,750	per week	8		30,000
(h) Physician Scrub	6,000	one time	1		6,000
(i) Per Call - 7920 calls	55	per call	7,920		435,600
(j) Per Day- 25/each	500	per day	72	days	36,000
total:					885,075

**II. PASS-THROUGH COSTS**

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

- Printing, postage and shipping/delivery costs.
- Sales Representative/Manager overnight stay, airfare and meals.
- Tolls, parking and Sales Representative/Manager mileage reimbursement.
- Costs for all meetings and training; including but not limited to web based Meetings, interview expense and telecommunication expense.
- Licensing and/or credentialing required for the Sales Representatives to provide the Services.

### III INVOICES; BILLING TERMS

Actavis shall pay sixty percent (60%) of Ventiv's fees under Section I upon the Corrective Message Deployment Date. Actavis shall pay the remaining forty percent (40%) of Ventiv's fees under Section I upon the end of the Term (the "Second Payment").

Invoices are due within thirty (30) days of Actavis' receipt of invoice from Ventiv. If an invoice is not paid within thirty (30) days of the date of invoice, Ventiv may notify Actavis in writing. Ten (10) days after such notification from Ventiv, interest shall be due and payable on the unpaid balance at the rate of one and one-half percent (1.5%) per month.

At the end of the Term, the Parties shall determine the total number of Calls completed by Ventiv. In the event that the total number of Calls completed by Ventiv does not equal 7,920, the Parties shall reconcile the portion of the Fixed Fees set forth in Section I(i) ("Per Call") by adjusting the Second Payment amount attributable to Section I(i) ("Per Call") to accommodate for either a credit due to an overpayment by Actavis or an increase to the amount payable by Actavis.

364711

# Contract Administration Policy

Policy No. LGL-003  
 Reviewed by: Legal, Finance and Business  
 Territory: Global  
 Effective Date:

Responsibility: Legal  
 Approved by: General Counsel  
 Page 1 of 1

Americas Nov 1, 2006	WEEMEA Nov 1, 2006	CEE & Asia TBA	Other:
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## ATTACHMENT B: EVIDENCE OF REVIEWS AND APPROVALS

Evidence of all approvals must be submitted to the Contract Database Author, either in a form similar to that provided here, or as an e-mail stating a unique identification of the contract in question (and what version, if potential doubt), or be made in the electronic approval cycle included in the Contract Database.

Short Description or Title of Contract: Fifth Amendment to Service Agreement

- Covers Kadian Sales Force Expansion with incentive

### Subject Matter reviews, if any

Insert Department	Signature:		
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FINANCE	Signature:		
	Print:	STEPHEN GARDNER	Date: 10/15/10
LEGAL	Signature:		
	Print:	Seth Zelnick	Date: 10/15/2010
BUSINESS APPROVAL REQUIRED BEFORE EXECUTION			
BUSINESS	Signature:		
	Print:	2111111111111111	Date: 10/15/10

Stephen S. 10/15/10



## **FIFTH AMENDMENT TO SERVICE AGREEMENT**

This Fifth Amendment (the "Amendment") is made effective as of September \_\_, 2010 (the "Fifth Amendment Effective Date"), by and among ACTAVIS KADIAN LLC, a limited liability company duly organized and existing under the applicable laws of the State of Delaware, having offices at 60 Columbia Rd., Bldg. B, Morristown, NJ 07960 ("Actavis"), and VENTIV COMMERCIAL SERVICES, LLC, a limited liability company duly organized and existing under the applicable laws of the State of New Jersey, and having a principal place of business at 500 Atrium Drive, Somerset, NJ 08873 ("Ventiv"). Actavis and Ventiv may be referred to collectively as the "Parties", or individually as a "Party".

### **WITNESSETH:**

WHEREAS, Ventiv and Actavis are parties to a Contract Sales Force Agreement dated May 1, 2009 (the "Service Agreement"), a First Amendment to Service Agreement with an effective date of May 1, 2010 (the "First Amendment"), a Second Amendment to Service Agreement with an effective date of June 14, 2010 (the "Second Amendment"), a Third Amendment to Service Agreement with an effective date of June 21, 2010 (the "Third Amendment"), and a Fourth Amendment to Service Agreement with an effective date of August 23, 2010 (the "Fourth Amendment") (the Fourth Amendment collectively with the Third Amendment, Second Amendment, First Amendment and Service Agreement, the "Agreement").

WHEREAS, Ventiv and Actavis desire to supplement and amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed as follows:



36471

## Contract Administration Policy

Policy No. LGL-003  
 Reviewed by: Legal, Finance and Business  
 Territory: Global  
 Effective Date:

Responsibility: Legal  
 Approved by: General Counsel  
 Page 1 of 1

Americas Nov 1, 2006	WEEMEA Nov 1, 2006	CEE & Asia TBA	Other: _____
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## ATTACHMENT B: EVIDENCE OF REVIEWS AND APPROVALS

Evidence of all approvals must be submitted to the Contract Database Author, either in a form similar to that provided here, or as an e-mail stating a unique identification of the contract in question (and what version, if potential doubt), or be made in the electronic approval cycle included in the Contract Database.

Short Description or Title of Contract

Fifth Amendment to Service Agreement

- Covers Kadian Sales Force Expansion with incentive

## Subject Matter reviews, if any

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Insert Department	Signature:		
	Print:		Date:
FINANCE	Signature:		
	Print:	STEPHEN GORDON	Date: 10/15/10
LEGAL	Signature:		
	Print:	Seth Zelnick-Kau	Date: 10/15/2010
BUSINESS APPROVAL REQUIRED BEFORE EXECUTION			
BUSINESS	Signature:		
	Print:	William J. F. Smith	Date: 10/15/10

Demetrius S. Smith 10/15/10

## **FIFTH AMENDMENT TO SERVICE AGREEMENT**

This Fifth Amendment (the "Amendment") is made effective as of September \_\_, 2010 (the "Fifth Amendment Effective Date"), by and among ACTAVIS KADIAN LLC, a limited liability company duly organized and existing under the applicable laws of the State of Delaware, having offices at 60 Columbia Rd., Bldg. B, Morristown, NJ 07960 ("Actavis"), and VENTIV COMMERCIAL SERVICES, LLC, a limited liability company duly organized and existing under the applicable laws of the State of New Jersey, and having a principal place of business at 500 Atrium Drive, Somerset, NJ 08873 ("Ventiv"). Actavis and Ventiv may be referred to collectively as the "Parties", or individually as a "Party".

### **WITNESSETH:**

WHEREAS, Ventiv and Actavis are parties to a Contract Sales Force Agreement dated May 1, 2009 (the "Service Agreement"), a First Amendment to Service Agreement with an effective date of May 1, 2010 (the "First Amendment"), a Second Amendment to Service Agreement with an effective date of June 14, 2010 (the "Second Amendment"), a Third Amendment to Service Agreement with an effective date of June 21, 2010 (the "Third Amendment"), and a Fourth Amendment to Service Agreement with an effective date of August 23, 2010 (the "Fourth Amendment") (the Fourth Amendment collectively with the Third Amendment, Second Amendment, First Amendment and Service Agreement, the "Agreement").

WHEREAS, Ventiv and Actavis desire to supplement and amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed as follows:

1. Except as provided in this Amendment, the terms and conditions set forth in the Agreement shall remain unaffected by execution of this Amendment. To the extent any provisions or terms set forth in this Amendment conflict with the terms set forth in the Agreement, the terms set forth in this Amendment shall govern and control. Terms not otherwise defined herein, shall have the meanings set forth in the Agreement.

2. The Agreement is supplemented as of the Fifth Amendment Effective Date to reflect that in addition to the Services set forth therein, Ventiv shall recruit and hire up to an additional twenty six (26) Ventiv Representatives (the "Expansion Representatives") and two additional District Managers (the "Expansion DMs") to expand the Ventiv Sales Force providing the Services in furtherance of Actavis' Program (the Expansion Representatives and the Expansion DMs, collectively, the "Expansion Team"). For clarification purposes, the Expansion Team shall not perform the Fourth Amendment Services.

3. The Expansion Team will be hired in two waves, the first wave to be hired on or about September 8, 2010, and the second wave to be hired on or about September 15, 2010. The Expansion Team shall be deployed to commence provision of the Services on or about September 15, 2010. The Training Program for the Expansion Representatives shall consist of two (2) days of home study and two (2) days of in-house training.

4. The definition of "Ventiv Sales Force" found in Section 1.1 (nn) is deleted in its entirety and replaced with the following definition:

(nn) **"Ventiv Sales Force"** shall mean the Ventiv Representatives designated and used by Ventiv to conduct the Program, which, as of the Effective Date, totals up to forty eight (48) full-time sales representatives (the **"Ventiv Area Business Managers"**) who shall be managed and supported by four (4) full-time district managers (the **"Ventiv Regional Business Directors"**).

5. Section 10.1 of the Agreement is hereby amended to provide that the term of the Agreement shall be extended through December 31, 2011.

6. Section 10.1 of the Agreement is further amended to reflect that the limitation on compensation increases set forth in the Agreement and reproduced below shall have no applicability or effect after July 31, 2011:

“(compensation for same shall increase (once) by four percent (4%) following the initial three (3) month Additional Term).”

For clarification purposes, from August 1, 2011, the compensation that Actavis is paying Ventiv for the Services provided by Ventiv shall be subject to a four percent (4%) annual increase.

7. Actavis shall pay Ventiv an implementation fee associated with the Expansion Team of \$229,231 for twenty (20) Expansion Representatives and two (2) Expansion DMs.

8. Paragraph (b) (“Fixed Monthly Fee”) of Section I (“Fixed Fees”) of Exhibit C (“Program Fee Schedule”) is amended to provide that commencing on the Effective Date, Actavis shall pay Ventiv an additional incremental Fixed Monthly Fee of \$276,756 for the Services provided by twenty (20) Expansion Representatives and two (2) Expansion DMs

For each Expansion Representative above the initial twenty (20) Expansion Representatives providing the Services to Actavis, Actavis shall pay Ventiv an additional implementation fee of \$5,901 payable on the date of hire of such Expansion Representative, and a fixed monthly fee of \$12,036 from the date of hire of such Expansion Representative payable in advance.

9. The Territory for each Expansion Representative shall be determined by the Parties. Actavis shall determine the Territory Alignment for the Expansion Representatives.

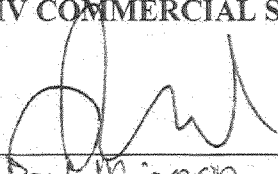
10. This Amendment may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Execution and delivery of this Amendment by exchange of facsimile copies

bearing the facsimile signature of a Party hereto shall constitute a valid and binding execution and delivery of this Amendment by such Party. Such facsimile copies shall constitute enforceable original documents.

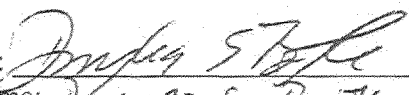
11. The terms of this Amendment are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous agreement. The Parties further intend that this Amendment constitute the complete and exclusive statement of its terms and shall supersede any prior agreement with respect to the subject matter hereof.

WHEREFORE, the Parties hereto have caused this Amendment to be executed by their duly authorized representatives.

**VENTIV COMMERCIAL SERVICES, LLC**

By:   
Name: Paul Mignon  
Title: President, Selling Solutions

**ACTAVIS KADIAN LLC**

By:   
Name: Deborah S. Ben-Hor  
Title: CEO, Actavis Inc.

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# Contract Administration Policy

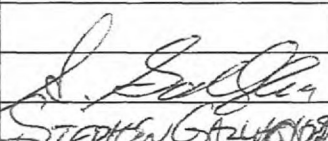
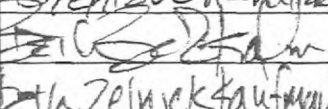
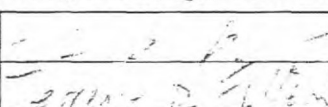
Policy No. LGL-003  
Reviewed by: Legal, Finance and Business  
Territory: Global  
Effective Date:

Responsibility: Legal  
Approved by: General Counsel  
Page 1 of 1

Americas	WEEMEA	CEE & Asia	Other:
Nov 1, 2006	Nov 1, 2006	TBA	

## ATTACHMENT B: EVIDENCE OF REVIEWS AND APPROVALS

Evidence of all approvals must be submitted to the Contract Database Author, either in a form similar to that provided here, or as an e-mail stating a unique identification of the contract in question (and what version, if potential doubt), or be made in the electronic approval cycle included in the Contract Database.

Short Description or Title of Contract		Sixth Amendment to Service Agreement.	
Phase Two of Corrective Action Implementation (Telesales flw and <del>Part</del> Promotional Fulfillment Services).			
Subject Matter reviews, if any			
Insert Department	Signature:		
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	Print:		Date:
FINANCE	Signature:		
	Print:	STEPHEN G. L. 10/15/10	Date: 10/15/10
LEGAL	Signature:		
	Print:	John Zelnick Kaufman	Date: 10/15/10
BUSINESS APPROVAL REQUIRED BEFORE EXECUTION			
BUSINESS	Signature:		
	Print:	[illegible]	Date: 10/15/10



## **SIXTH AMENDMENT TO SERVICE AGREEMENT**

This Sixth Amendment (the "Amendment") is made effective as of September \_\_, 2010 (the "Sixth Amendment Effective Date"), by and among ACTAVIS KADIAN LLC, a limited liability company duly organized and existing under the applicable laws of the State of Delaware, having offices at 60 Columbia Rd., Bldg. B, Morristown, NJ 07960 ("Actavis"), and VENTIV COMMERCIAL SERVICES, LLC, a limited liability company duly organized and existing under the applicable laws of the State of New Jersey, and having a principal place of business at 500 Atrium Drive, Somerset, NJ 08873 ("Ventiv"), and PROMOTECH RESEARCH ASSOCIATES, INC., a corporation duly organized and existing under the applicable laws of the State of Colorado, and having a principal place of business at 1480 Arthur Avenue, Suite D, Louisville, CO 80027 ("Promotech"), who together may be referred to collectively as the "Parties", or individually as a "Party"

### **WITNESSETH:**

WHEREAS, Ventiv and Actavis are parties to a Contract Sales Force Agreement dated May 1, 2009 (the "Service Agreement"), a First Amendment to Service Agreement with an effective date of May 1, 2010 (the "First Amendment"), a Second Amendment to Service Agreement with an effective date of June 14, 2010 (the "Second Amendment"), a Third Amendment to Service Agreement with an effective date of June 21, 2010 (the "Third Amendment"), a Fourth Amendment to Service Agreement with an effective date of August 23, 2010 (the "Fourth Amendment"), and a Fifth Amendment to Service Agreement with an effective date of September \_\_, 2010 [open issue] (the "Fifth Amendment") (the Fifth Amendment collectively with the Fourth Amendment, Third Amendment, Second Amendment, First Amendment and Service Agreement, the "Agreement").

WHEREAS, Actavis has engaged Ventiv to provide the Fourth Amendment Services to Actavis pursuant to the terms of the Agreement and the Fourth Amendment;

WHEREAS, subsequent to the provision of the Fourth Amendment Services by Ventiv, Actavis desires for Promotech, an affiliate of Ventiv, to provide services directly to Actavis pursuant to the terms of the Agreement, and Promotech agrees to provide such services to Actavis.

WHEREAS, Ventiv and Actavis desire to supplement and amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed as follows:

1. Except as provided in this Amendment, the terms and conditions set forth in the Agreement shall remain unaffected by execution of this Amendment. To the extent any provisions or terms set forth in this Amendment conflict with the terms set forth in the Agreement, the terms set forth in this Amendment shall govern and control. Terms not otherwise defined herein, shall have the meanings set forth in the Agreement.

2. Actavis acknowledges and agrees that Promotech shall provide services directly to Actavis pursuant to the terms of the Agreement. Promotech acknowledges and agrees that its performance of the Telesales and Promotional Fulfillment Services (as defined below) shall be governed by the terms and conditions set forth in the Agreement. Actavis agrees that Promotech acts solely on its own behalf and that Ventiv shall not be liable, or otherwise responsible, for the acts and/or omissions of Promotech under any circumstances in connection with any services provided by Promotech. Further, Promotech shall not be liable, or otherwise responsible, for the

acts and/or omissions of Ventiv under any circumstances in connection with the Services that are provided by Ventiv and not Promotech.

3. The Agreement is supplemented to reflect that in addition to the Services provided by Ventiv and set forth therein, Promotech shall provide the telesales and promotional fulfillment services set forth on Schedule A attached hereto (the "Telesales and Promotional Fulfillment Services").

4. Actavis shall pay Promotech the fees as set forth on Schedule B attached hereto and made a part hereof for Promotech's performance of the Telesales and Promotional Fulfillment Services.

5. This Amendment may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Execution and delivery of this Amendment by exchange of facsimile copies bearing the facsimile signature of a party hereto shall constitute a valid and binding execution and delivery of this Amendment by such party. Such facsimile copies shall constitute enforceable original documents.


6. The terms of this Amendment are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous agreement. The Parties further intend that this Amendment constitute the complete and exclusive statement of its terms and shall supersede any prior agreement with respect to the subject matter hereof.

WHEREFORE, the Parties hereto have caused this Amendment to be executed by their  
duly authorized representatives.

**VENTIV COMMERCIAL SERVICES, LLC**

By:   
Name: Paul Mignon  
Title: President, Selling Solutions

**PROMOTECH RESEARCH  
ASSOCIATES, INC.**

By:   
Name: Michael W. Ryan  
Title: CFO, Ventiv Commercial Services, LLC

**ACTAVIS KADIAN LLC**

By:   
Name: TERRENCE FULLEM  
Title: VP COMMERCIAL DVP.



## SCHEDULE A

### TELESALES AND PROMOTIONAL FULFILLMENT SERVICES

#### **I. THE PROGRAM:**

The Telesales and Promotional Fulfillment Services shall include the following:

1. Promotech will support Actavis through an outbound telesales project (the "Program") that will offer to restock the Corrective Message promotional material for those Corrective Message Targets who request it. The Program will focus on those targets that have been identified by Actavis as Corrective Message Targets and have agreed to be contacted by Promotech staff.
2. The key objective of the Program is for Promotech to reengage with each Corrective Message Target at 30, 60 and 90 day periods-after a Corrective Message Call was made to such Corrective Message Target to see if such Corrective Message Target requires additional Corrective Message promotional materials to be sent to their location. Each 30 day interval will be referred to as a "wave" and there will be a total of 3 waves. Promotech will be responsible for making up to 2 Corrective Message Call attempts to each Corrective Message Target for each of the 3 waves. If a Corrective Message Target confirms that they require additional Corrective Message promotional materials, then Promotech will send that material to the Corrective Message Target.
3. If a Corrective Message Target requests that they do not want or need to be contacted anymore, Promotech will capture that information and the Corrective Message Target file will be updated to exclude that Corrective Message Target from any further contact in future waves.
4. Promotech will provide a report of the Corrective Message Call activity and success rate to Actavis on a weekly basis.

For purposes of the Program, the following definitions apply:

- (a) "Corrective Message" shall mean the message and other information provided to a Corrective Message Target during a Corrective Message Call.
- (b) "Corrective Message Target" shall mean the offices of targeted practitioners, as identified by Actavis, to whom a Corrective Message Call was made.
- (c) "Corrective Message Call" shall mean a Call (as that term is defined in the Fourth Amendment) by a Ventiv Sales Representative in connection with Ventiv's provision of the Fourth Amendment Services to Actavis.

## **II. THE TERM; PROJECT DATES**

(a) The term for the provision of the Telesales and Promotional Fulfillment Services to be provided hereunder shall begin on or about October 18, 2010 and shall end ninety (90) days thereafter (the "Term").

(b) The Project is anticipated to "go live" with the first wave commencing on as early as October 18th. Actual start date for wave 1 is dependent on completion of a Corrective Message Call. Wave 2 will commence 30 days after the start of wave 1, and wave 3 will commence 30 days after wave 2. Project implementation will begin early enough to allow training and set up to adhere to the "go live" date for wave 1.

## **III. KEY DELIVERABLES**

- Weekly activity-related reporting to include date/time of call, Health Care Provider Name, Unique ID, address, phone number, and outcome of call (e.g., wants more Corrective Message promotional material, declined more Corrective Message promotional material, does not want to be contacted again, etc.).
- Monthly summary -related reporting.
- Weekly meeting agendas, conference calls and meeting notes with Promotech Account Management who is assigned to the Project; includes reporting and analysis of Program towards success metrics (as defined during implementation), recommendations for improvement, stock levels of Corrective Message promotional material.
- Up to 2 outbound Corrective Message Call attempts per Corrective Message Target each month.
- Corrective Message Call duration to last up to 4 minutes.
- Packaging and shipping of Corrective Message promotional material to identified Corrective Message Targets.
- Corrective Message promotional material will be bundled and packaged in quantities of 25 and will be referred to as a unit.
- Provide print services to replenish Corrective Message promotional material if Actavis-provided stock should run out.



**SCHEDULE B**  
**COMPENSATION - FIXED FEES, PASS-THROUGH COSTS,**  
**INVOICES AND BILLING TERMS**

**I. FIXED FEES AND KNOWN PASS-THROUGH COSTS**

Actavis shall pay Promotech the following fees for the Telesales and Promotional Fulfillment Services:

<b>PROMOTECH SERVICES</b>			
<i>A. Implementation</i>	<b>Quantity</b>	<b>Price</b>	<b>Total Price</b>
1. Project Startup Fee	1	5,000.00	5,000.00
<b>Total Implementation</b>			<b>\$5,000.00</b>
<i>B. Operations and Account Management</i>	<b>Quantity</b>	<b>Price</b>	<b>Total Price</b>
1. Project Management Fee, monthly	3	2,000.00	6,000.00
2. Database Management/Maintenance Fee, monthly	3	250.00	750.00
3. Additional Computer Programming, due to client requests, hourly		175.00	N/A
4. Ad Hoc Reporting, due to client request, hourly		100.00	N/A
<b>Total Operations and Account Management</b>			<b>\$6,750.00</b>
<i>C. Tele-Services</i>	<b>Quantity</b>	<b>Price</b>	<b>Total Price</b>
1. Toll Free Phone Line, monthly	3	150.00	450.00
2. Outbound Calls, each (assumes 3 minute script)	31,500	4.50	141,750.00
3. Tele-Sales Specialist training, due to client changes, hourly		48.00	N/A
4. Script Writing, due to client changes, hourly		75.00	N/A
<b>Total Tele-Services</b>			<b>\$142,200.00</b>
<i>D. Print Services</i>	<b>Quantity</b>	<b>Price</b>	<b>Total Price</b>
1. Address Labels, each	1,750	0.30	525.00
2. Order Fulfillment, includes 1 <sup>st</sup> Pick, per order	1,750	1.55	2,712.50
3. Order Fulfillment, each additional pick		0.15	N/A
4. Letters, print & shrink wrap, per 10,000	3	800.00	2,400.00
<b>Total Print Services</b>			<b>\$5,637.50</b>
<b>TOTAL PROMOTECH SERVICES</b>			<b>\$159,587.50</b>
<i>E. Shipping, Postage and Materials</i>	<b>Quantity</b>	<b>Price</b>	<b>Total Price</b>
1. Packaging Materials, Each	1,750	110.00	1,925.00
2. Shipping, per box	1,750		
<b>Total Shipping, Postage and Materials</b>			<b>\$1,925.00</b>
<b>TOTAL PROGRAM FEES</b>			<b>\$161,512.50</b>
Shipping will be billed based on actual activity and usage.			

## **II. ADDITIONAL PASS-THROUGH COSTS**

In addition to the Fixed Fees and Known Pass-Through Costs set forth in Section I above, certain additional expenses may arise during the provision of the Telesales and Promotional Fulfillment Services that Promotech will charge to Actavis on a pass-through basis. These expenses will be billed to Actavis at actual cost.

## **III INVOICES; BILLING TERMS**

Actavis shall pay Promotech the implementation fee set forth under Section I.A.1 of this Schedule B on the Effective Date. Promotech shall bill Actavis monthly in advance for all other Fixed Fees set forth in Section I. Pass-Through Costs set forth in Section I and Section II shall be paid by Actavis on a monthly basis, as incurred.

Invoices are due within thirty (30) days of Actavis' receipt of an invoice from Promotech. If an invoice is not paid within thirty (30) days of the date of invoice, Promotech may notify Actavis in writing. Ten (10) days after such notification from Promotech, interest shall be due and payable on the unpaid balance at the rate of one and one-half percent (1.5%) per month.

At the end of the Term, the Parties shall determine the total number of Calls completed by Promotech. In the event that the total number of outbound calls completed by Promotech does not equal 31,500, the Parties shall reconcile the portion of the Fixed Fees set forth in Section C.2 ("Tele-Services", "Outbound Calls") by adjusting the amount attributable to Section C.2 ("Tele-Services", "Outbound Calls") to accommodate for either a credit due to an overpayment by Actavis or an increase to the amount payable by Actavis. Similarly, the Parties shall reconcile the portion of the Fixed Fees set forth in Section E ("Shipping, Postage and Materials") of this Schedule B by adjusting the amount attributable to Section E ("Shipping, Postage and Materials") to accommodate for either a credit due to an overpayment by Actavis or an increase to the amount payable by Actavis.



February 10, 2011

Nathalie Leitch, Director, Specialty Rx Products  
Actavis  
60 Columbia Rd, Bldg B  
Morristown, NJ 07960

Dear Ms. Leitch,

Enclosed please find a fully executed original of the Actavis / Ventiv Seventh Amendment for your files.

On behalf of the entire Ventiv Commercial Services team, we look forward to a continued successful partnership.

Thank you for your cooperation with this matter, and please do not hesitate to contact me should any questions or concerns arise.

Best Regards,

A handwritten signature in cursive script, reading "Agnes Squillaro".

Agnes Squillaro  
Senior Manager, Contracting  
Ventiv Commercial Services  
500 Atrium Drive  
Somerset, NJ 08873  
P: (732) 537-4810  
F: (732) 537-4912  
[asquillaro@inventivhealth.com](mailto:asquillaro@inventivhealth.com)

500 Atrium Drive  
Somerset, NJ 08873  
1.800.416.0555

PLEASE RECYCLE

## **SEVENTH AMENDMENT TO SERVICE AGREEMENT**

This Seventh Amendment (the "Amendment") is made effective as of December 8, 2010 (the "Seventh Amendment Effective Date"), by and among ACTAVIS KADIAN LLC, a limited liability company duly organized and existing under the applicable laws of the State of Delaware, having offices at 60 Columbia Rd., Bldg. B, Morristown, NJ 07960 ("Actavis"), VENTIV COMMERCIAL SERVICES, LLC, a limited liability company duly organized and existing under the applicable laws of the State of New Jersey, and having a principal place of business at 500 Atrium Drive, Somerset, NJ 08873 ("Ventiv"), and INVENTIV ADVANCE INSIGHTS, INC., a corporation duly organized and existing under the applicable laws of the State of New Jersey, and having a principal place of business at 500 Atrium Drive, Somerset, NJ 08873 ("Advance Insights"), who together may be referred to collectively as the "Parties", or individually as a "Party".

### **WITNESSETH:**

WHEREAS, Ventiv and Actavis are parties to a Contract Sales Force Agreement dated May 1, 2009 (the "Service Agreement"), a First Amendment to Service Agreement with an effective date of May 1, 2010 (the "First Amendment"), a Second Amendment to Service Agreement with an effective date of June 14, 2010 (the "Second Amendment"), a Third Amendment to Service Agreement with an effective date of June 21, 2010 (the "Third Amendment"), a Fourth Amendment to Service Agreement with an effective date of August 23, 2010 (the "Fourth Amendment"), and a Fifth Amendment to Service Agreement with an effective date of September 2010 (the "Fifth Amendment") and a Sixth Amendment to Service Agreement with an effective date of September 2010 (the "Sixth Amendment" (the Sixth Amendment collectively with the Fourth Amendment, Third Amendment, Second Amendment,

First Amendment and Service Agreement, the "Agreement").

WHEREAS, Actavis and Advance Insights desire to extend the term pursuant to which Advance Insights shall provide Actavis with the MMCD Services.

WHEREAS, Ventiv and Actavis desire to supplement and amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed as follows:

1. Except as provided in this Amendment, the terms and conditions set forth in the Agreement shall remain unaffected by execution of this Amendment. To the extent any provisions or terms set forth in this Amendment conflict with the terms set forth in the Agreement, the terms set forth in this Amendment shall govern and control. Terms not otherwise defined herein, shall have the meanings set forth in the Agreement.

2. Actavis and Advance Insights agree that the MMCD Services shall continue through June 30, 2011 (the "MMCD Extended Term"). The fees to be paid by Actavis to Advance Insights during the MMCD Extended Term are as set forth in paragraph 4 of the Third Amendment.

3. Schedule A to the Third Amendment is supplemented to provide that the MMCD shall seek to identify new business opportunities and lead in the development of corresponding proposals, strategy and tactical plans.

4. This Amendment may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Execution and delivery of this Amendment by exchange of facsimile copies bearing the facsimile signature of a party hereto shall constitute a valid and binding execution and



delivery of this Amendment by such party. Such facsimile copies shall constitute enforceable original documents.

5. The terms of this Amendment are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous agreement. The Parties further intend that this Amendment constitute the complete and exclusive statement of its terms and shall supersede any prior agreement with respect to the subject matter hereof.

WHEREFORE, the Parties hereto have caused this Amendment to be executed by their duly authorized representatives.

**VENTIV COMMERCIAL SERVICES, LLC**

By: [Signature]  
Name: Michael P. Ryan  
Title: CEO, Ventiv Commercial Services, LLC

**INVENTIV ADVANCE INSIGHTS, INC.**

By: [Signature]  
Name: Michael P. Ryan  
Title: CEO, Ventiv Commercial Services, LLC

**ACTAVIS KADIAN LLC**

By: [Signature]  
Name: NATHAN LUTCH  
Title: DIRECTOR, SPECIALTY RX PRODUCTS



36174

## EIGHTH AMENDMENT TO SERVICE AGREEMENT

This Eighth Amendment (the "Amendment") effective October 14, 2011 (the "Eighth Amendment Effective Date") by and between VENTIV COMMERCIAL SERVICES, LLC, a New Jersey limited liability company ("Ventiv") and ACTAVIS KADIAN LLC, (referred to herein as the "Client"). Ventiv and Client may each be referred to herein as a "Party" and, collectively, as the "Parties."

### WITNESSETH:

WHEREAS, Ventiv and Client are parties to a Contract Sales Force Agreement made as of May 1, 2009, as amended (the Contract Sales Force Agreement, as amended may be referred to herein as the "Agreement").

WHEREAS, Ventiv and Client desire to amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed as follows:

1. Except as provided in this Amendment, the terms and conditions set forth in the Agreement shall remain unaffected by execution of this Amendment. To the extent any provisions or terms set forth in this Amendment conflict with the terms set forth in the Agreement, the terms set forth in this Amendment shall govern and control. Terms not otherwise defined herein, shall have the meanings set forth in the Agreement.

2. The Agreement is supplemented as of the Eighth Amendment Effective Date to provide that Ventiv shall source, recruit and hire an additional five (5) Ventiv Representatives (the "Additional Expansion Representatives") to expand the Ventiv Sales Force providing the Services in furtherance of Actavis' Program. For clarification purposes, the Additional Expansion Representatives shall not perform the Fourth Amendment Services that pertain to the corrective message concerning Actavis' product promotional material which such Services are completed.

3. The Additional Expansion Representatives were hired by Ventiv on or about October 14, 2011. The Additional Expansion Representatives was deployed to commence provision of the Services, as defined in the Agreement, on or about October 24, 2011. The Training Program for the Additional Expansion Representatives shall consist of two (2) days of home study and two (2) days of in-house training.

4. The definition of "Ventiv Sales Force" found in Section 1.1 (nn), as amended, is deleted in its entirety and replaced with the following definition:

(nn) **"Ventiv Sales Force"** shall mean the Ventiv Representatives designated and used by Ventiv to conduct the Program, which as of the Eighth Amendment Effective Date totals up to fifty-three (53) full time sales representatives (the "Ventiv Area Business Managers") who shall be managed and supported by four (4) full time district managers (the "Ventiv Regional Business Directors").

5. Section 10.1 of the Agreement is hereby amended to provide that the Term of the Agreement is extended through December 31, 2012 (the period from January 1, 2012 through December 31, 2012 shall be referred to here as the "Extension Period").

6. During the Extension Period, the compensation that Actavis is paying Ventiv for Services provided (as set forth in Exhibit C of the Agreement), shall be increased by four percent (4%).

7. Paragraph (b) (Fixed Monthly Fee") of Section I ("Fixed Fees") of Exhibit C ("Program Fee Schedule") of the Agreement is hereby supplemented to provide that in addition to the compensation set forth therein, Actavis shall also pay Ventiv: (a) an additional implementation fee of \$5,901 for each Additional Expansion Representative retained by Ventiv to provide the Services (said amount payable on the date of hire of such Expansion Representative), and (b) an additional Fixed Monthly Fee of \$12,517 for each Additional Expansion Representative providing the Services.

8. The Territory for each Expansion Representative shall be determined by the Parties. Actavis shall determine the Territory Alignment for the Additional Expansion Representatives.

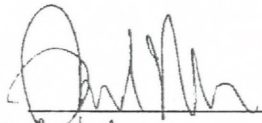
9. This Amendment may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Execution and delivery of this Amendment by exchange of facsimile copies or via pdf file bearing the facsimile signature of a party hereto shall constitute a valid and binding execution and delivery of this Amendment by such party. Such facsimile copies and/or pdf versions shall constitute enforceable original documents.

10. The terms of this Amendment are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous agreement. The Parties further intend that this Amendment constitute the complete and exclusive statement of its terms and shall supersede any prior agreement with respect to the subject matter hereof.


**(SIGNATURE PAGE FOLLOWS)**

WHEREFORE, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

**VENTIV COMMERCIAL SERVICES, LLC**

By:   
Name: David Mignone  
Title: President, Selling Solutions  
Dated: 1-13-12

**ACTAVIS KADIAN LLC**

By:   
Name: TERRENCE PULLEN  
Title: VP COMMERCIAL DVP  
Dated: 1-13-12

### NINTH AMENDMENT TO SERVICE AGREEMENT

This Ninth Amendment (the "Amendment") effective March 1, 2012 (the "Ninth Amendment Effective Date") by and between VENTIV COMMERCIAL SERVICES, LLC, a New Jersey limited liability company ("Ventiv") and ACTAVIS KADIAN LLC, (referred to herein as the "Client"). Ventiv and Client may each be referred to herein as a "Party" and, collectively, as the "Parties."

WITNES SETH:

WHEREAS, Ventiv and Client are parties to a Contract Sales Force Agreement made as of May 1, 2009, as amended (the Contract Sales Force Agreement, as amended may be referred to herein as the "Agreement").

WHEREAS, Ventiv and Client desire to amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed as follows:

1. Except as provided in this Amendment, the terms and conditions set forth in the Agreement shall remain unaffected by execution of this Amendment. To the extent any provisions or terms set forth in this Amendment conflict with the terms set forth in the Agreement, the terms set forth in this Amendment shall govern and control. Terms not otherwise defined herein, shall have the meanings set forth in the Agreement.
2. The parties Agree to the following personnel changes:
  - a. As of the Ninth Amendment Effective Date, Ventiv shall promote the four (4) existing Ventiv Regional Business Directors to become three (2) Ventiv Regional Sales Directors, (1) Director of Training and one (1) National Sales Director (collectively, the "Ventiv Sales Force Executives").
  - b. As of March 30, 2012, Ventiv shall promote three (3) Ventiv Area Business Managers to become Ventiv District Managers. Ventiv shall not backfill for the resulting Area Business Manager vacancies.
  - c. As of March 30, 2012, Ventiv may add up to eight (8) additional new Ventiv District Managers.

The definition of Ventiv Sales Force as set forth in Section 1.1(nn) of the Agreement shall be amended to match the changes set forth in this paragraph 2 of the Amendment.

3. The parties agree to the following fee changes to Paragraph (b) "(Fixed Monthly Fee") of Section I ("Fixed Fees") of Exhibit C ("Program Fee Schedule") of the Agreement:

- a. Retroactive to March 1, 2012, the Fixed Monthly Fee set forth in I(b) of Exhibit C to the Agreement shall be increased by an additional \$12,760 per month to account for the promotion of the Ventiv Regional Business Directors to Ventiv Sales Force Executives.
- b. As of March 30, 2012, the Fixed Monthly Fees set forth in I(b) of Exhibit C to the Agreement shall be increased by an additional \$20,502 per month to account for the promotion of the Ventiv Area Business Managers to Ventiv District Managers.
- c. As of March 30, 2012, the Fixed Monthly Fees set forth in I(b) of Exhibit C to the Agreement shall be increased by an additional \$19,351 per month for each new Ventiv District Manager added under the Agreement up to a maximum of eight (8) new Ventiv District Managers.
- d. As of March 30, 2012 new Section I(f) is added to Exhibit C to the Agreement: "The Ventiv Sales Force Executives each may have access to a one-time short-term incentive payment of up to \$5,000 to recognize their individual achievement of pre-launch goals for sales and professional development, as applicable. The final determination of whether such goals have been achieved will be in the sole discretion of Actavis. To the extent chooses to Actavis makes such incentive payments the parties will agree a process for such."

4. This Amendment may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Execution and delivery of this Amendment by exchange of facsimile copies or via pdf file bearing the facsimile signature of a party hereto shall constitute a valid and binding execution and delivery of this Amendment by such party. Such facsimile copies and/or pdf versions shall constitute enforceable original documents.

5. The terms of this Amendment are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous agreement. The Parties further intend that this Amendment constitute the complete and exclusive statement of its terms and shall supersede any prior agreement with respect to the subject matter hereof.

*Signature page to follow*



WHEREFORE, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

ACTAVIS KADIAN LLC

VENTIV COMMERCIAL SERVICES, LLC

By: 

Name:

Title:

Dated:

By: 

Name: Michael P. Ryan

Title: CFO

Dated: April 13, 2012



## TENTH AMENDMENT TO SERVICE AGREEMENT

This Tenth Amendment ("***Amendment***") is made effective as of August 8, 2012 (the "***Tenth Amendment Effective Date***"), by and between Actavis Kadian LLC, a Delaware limited liability company, having offices at 60 Columbia Rd., Bldg. B, Morristown, NJ 07960 ("***Actavis***") and Ventiv Commercial Services, LLC, a New Jersey limited liability company, having a principal place of business at 500 Atrium Drive, Somerset, NJ 08873 ("***Ventiv***"). Actavis and Ventiv may be referred to collectively as the "***Parties***," or individually as a "***Party***."

### WITNESSETH:

**WHEREAS**, Actavis and Ventiv are parties to that Contract Sales Force Agreement made as of May 1, 2009, as amended (the Contract Sales Force Agreement, as amended may be referred to herein as the "***Service Agreement***").

**WHEREAS**, Actavis and Ventiv desire to amend the Service Agreement as set forth herein.

**NOW THEREFORE**, in consideration of the mutual promises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. Except as provided in this Amendment, the terms and conditions set forth in the Service Agreement shall remain unaffected by execution of this Amendment. To the extent any provisions or terms set forth in this Amendment conflict with the terms set forth in the Service Agreement, the terms set forth in this Amendment shall govern and control. Terms not otherwise defined herein shall have the meanings ascribed to them in the Services Agreement.
2. Services. The Service Agreement is supplemented to reflect that Ventiv shall provide staffing of one consultant, Terence R. Hoffman ("***Consultant***") to provide the services set forth on Schedule A attached hereto (the "***Consultant Services***").
3. Term. Ventiv shall provide the Consultant Services commencing on or about the Tenth Amendment Effective Date and continuing on a month-to-month basis until terminated pursuant to the Service Agreement and/or this Amendment.
4. Termination.
  - a. Section 10.3 of the Service Agreement is amended to reflect that, notwithstanding Section 10.3(f), Actavis may terminate the Consultant Services with or without cause, by providing Ventiv ten (10) business days' written notice. Upon receipt of written notice of such termination, Ventiv will immediately cease provision of

- the Consultant Services and inform all third-party vendors or other engaged in the Consultant Services to cease their activities in relation to the Consultant Services.
- b. In the event of termination of this Amendment prior to the last day of the month, Ventiv shall refund, on a pro-rata basis, the unearned portion of the Fixed Monthly Fee (as such term is defined below). For the avoidance of doubt and by way of example only, if the fixed monthly fee was thirty dollars (\$30) and the Amendment was terminated as of the twentieth (20<sup>th</sup>) day of the month, Ventiv would be obligated to return the total amount of ten dollars (\$10) to Actavis.

5. Compensation.

- a. Paragraph B ("**Fixed Monthly Fee**") of Section I ("**Fixed Fees**") of Exhibit C ("**Program Fee Schedule**") of the Service Agreement is supplemented to provide that in addition to the compensation set forth in the Service Agreement, commencing on the Tenth Amendment Effective Date, Actavis shall pay Ventiv the following for its provision of the Consultant Services:

PERIOD	FIXED MONTHLY FEE FOR CONSULTANT SERVICES
The Tenth Amendment Effective Date through termination of the Tenth Amendment	\$19,555 Per Month

- b. Expenses for the Consultant Services are estimated at \$3,495 per month ("**Estimated Expenses**"). The Estimated Expense amount includes certain necessary and reasonable expenses that will be charged to Actavis by Ventiv on a pass-through basis, at actual cost, and include:
- i. training, POA and regional meetings;
  - ii. travel expenses (airfare, lodging, meals, etc.);
  - iii. lunch and learn / marketing expenses; and
  - iv. licensing and credentialing expenses.
- c. The Fixed Monthly Fee for Consultant Services and Estimated Expenses shall be invoiced and paid in accordance with the terms of the Service Agreement, unless otherwise agreed to in writing by the Parties.
6. Counterparts. This Amendment may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute

one and the same instrument. Execution and delivery of this Amendment by exchange of facsimile copies or via pdf file bearing the facsimile signature of a party hereto shall constitute a valid and binding execution and delivery of third Amendment by such party. Such facsimile copies and/or pdf versions shall constitute enforceable original documents.

7. Entire Agreement. The terms of this Amendment are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior contemporaneous agreement. The Parties further intend that this Amendment constitute the complete and exclusive statement of its terms and shall supersede any prior agreement with respect to the subject matter hereof.

**IN WITNESS WHEREOF**, Actavis and Ventiv have executed this Amendment as of the Tenth Amendment Effective Date.

**ACTAVIS KADIAN LLC**

**VENTIV COMMERCIAL SERVICES, LLC**

By: 

Name: Robert Reid

Title: Director, Managed Markets

Date: AUGUST 8, 2012

By: 

Name: Lana Smolyanetsky

Title: Vice President

Date: August 8, 2012

## **SCHEDULE A**

### **Consultant Services**

Ventiv shall render to Actavis such managed markets account management services, pricing services, contracting and access services and such other services as may be requested by Actavis' Director of Managed Markets for Actavis' KADIAN® products.

The Consultant Services shall be performed on a full-time basis by Consultant under the guidance of Actavis' Director of Managed Markets, and shall include, but not be limited to, the following:

1. Assist with the commercialization of the KADIAN® products.
  - a. Advise and assist with health plan contracting. Establish access to and promote the position of Actavis' KADIAN® products with respect to the health plans identified on Exhibit I attached hereto, and such other health plans as may be identified by Actavis from time to time.
  - b. Provide on-site advice and support of managed market services and tactics.
  - c. Develop and assist with the execution of managed market initiatives and pull through strategies.
2. Assist with such other activities as agreed upon by the parties.

## **EXHIBIT I**

### **Health Plans**

The targeted health plans shall include, but not be limited to the following:

#### **Commercial:**

Humana, Express Scripts, Medco, WellCare, Kaiser, Select Health, BCBS Massachusetts, BCBS Louisiana, United Health, MAMSI and CIGNA and such other health plans identified by Actavis from time to time.

#### **Medicare Part D**

Aetna, Health Spring, United Health, Kaiser and Humana and such other health plans as identified by Actavis from time to time.

## ELEVENTH AMENDMENT TO SERVICE AGREEMENT

This Eleventh Amendment ("**Amendment**") is made effective as of October 12, 2012 (the "**Eleventh Amendment Effective Date**"), by and between **Actavis Kadian LLC**, a Delaware limited liability company, having offices at 60 Columbia Rd., Bldg. B, Morristown, NJ 07960 ("**Actavis**") and **Ventiv Commercial Services, LLC**, a New Jersey limited liability company, having a principal place of business at 500 Atrium Drive, Somerset, NJ 08873 ("**Ventiv**"). Actavis and Ventiv may be referred to collectively as the "**Parties**," or individually as a "**Party**."

### WITNESSETH:

**WHEREAS**, Actavis and Ventiv are parties to that Contract Sales Force Agreement made as of May 1, 2009, as amended (the Contract Sales Force Agreement, as amended may be referred to herein as the "**Service Agreement**").

**WHEREAS**, Actavis and Ventiv desire to clarify and confirm certain key terms of the Service Agreement and amending the Service Agreement.

**NOW THEREFORE**, in consideration of the mutual promises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. Except as provided in this Amendment, the terms and conditions set forth in the Service Agreement shall remain unaffected by execution of this Amendment. To the extent any provisions or terms set forth in this Amendment conflict with the terms set forth in the Service Agreement, the terms set forth in this Amendment shall govern and control. Terms not otherwise defined herein shall have the meanings ascribed to them in the Services Agreement.
2. Term and Termination. Unless extended upon the mutual written agreement of the Parties, the Service Agreement shall expire on December 31, 2012 (the "Expiration Date"). In the event the Service Agreement is not extended beyond the Expiration Date, the provisions of Sections 10.6 and 10.7 of the Service Agreement shall apply.
3. Obligations Through Expiration.
  - a. Actavis will continue to administer the bonus compensation plan for the Ventiv Sales Force, in a manner that is consistent with historical administration practices, through the later of : (i) the Expiration Date or (ii) in the event the Service Agreement is extended beyond the Expiration Date, the date the Service Agreement expires or is terminated.
  - b. In the event Actavis requires that any or all of Michael Shepherd, Chris Hepp, Mark Killion and Patrick McClanahan (collectively the "Individuals"), be



removed from providing services under the Service Agreement at any time before December 31, 2013, through no fault of the affected individual(s), including by termination of the Services in total, Ventiv will provide to the applicable Individual(s), 6 months' compensation, bonus and health and medical benefits continuation which shall not include any pass through expenses or expenses including but not limited to, mobile phones, cars, laptops, home office etc., to the Individual(s).

- c. Bonus for the applicable Individual(s) under section 3(b) above shall be the same as the performance compensation provided for under the Service Agreement, amended, with the assumption that the goals have been achieved at 100% of the predetermined target for the applicable six months. All monies awarded as Performance Compensation and related costs incurred shall be (a) pass-through cost billed to Actavis by Ventiv and (b) paid by Actavis by Ventiv within 30 days of the confirmation of the amount of Performance Compensation to be paid.
4. Ventiv Sales Force Composition. The Ventiv Sales Forces is currently comprised of one (1) National Business Director, five (5) Regional Business Directors, fifty two (52) Area Business Managers and one (1) Flex or Part-time Area Business Manager.
5. Fees. The Fixed Monthly Fee payable by Actavis to Ventiv for Services provided by the Ventiv Sales Force is \$821,807.
6. Pass-Through Costs. In addition to the Fixed Monthly Fees, certain expenses are charged to Actavis on a pass-through basis. These expenses are billed to Actavis at actual cost. Pass-through costs include:
  - Interview expenses, including inVentiv and candidate travel
  - Ventiv Sales Force travel expenses
  - Ventiv Sales Force bonus and other bonuses and applicable taxes (incentive bonus plan and any other bonuses administered by Actavis)
  - Costs for all meetings, including but not limited to initial training and POA Meetings
  - Marketing and entertainment costs
  - Licensing & credentialing
  - 3rd Party Data Acquisition
  - Reconciliation of fuel charges to the extent the national average for a gallon of gasoline varies by greater or less than twenty percent (20%) from the assumed price per gallon of \$3.00
  - Severance pay for Regional Business Directors
7. Salary Reconciliation. (a) inVentiv performs monthly (part months shall be prorated) salary reconciliations of the Area Business Managers. A portion of the Fixed Monthly Fee set forth in Section 5, above, assumes an average annual salary for the Area Business Managers of \$91,936 (the "Assumed Average Base Salary"). In the event the actual average base salary in any given month (the "Actual Average Base Salary"), for all of the

Area Business Managers is less than the Assumed Average Base Salary (for such month), Actavis receives a credit (reflected on the following month's invoice) in an amount equal to the following:

$$((\text{Total \# Area Business Managers} \times \text{Assumed Average Base Salary}/12) - (\text{Total \# Area Business Managers} \times \text{Actual Average Base Salary})) + (\text{applicable employer portion of taxes})$$

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

$$((\text{Total \# Area Business Managers} \times \text{Actual Average Base Salary}) - (\text{Total \# Area Business Managers} \times \text{Assumed Average Base Salary}/12)) + (\text{applicable employer portion of taxes})$$

(b) Ventiv performs monthly salary reconciliations of the Regional Business Directors. A portion of the Fixed Monthly Fee set forth in Section 5, above, assumes an average annual salary for the Regional Business Directors of \$157,481 (the "Assumed RBD Average Base Salary"). In the event the actual average base salary in any given month (the "Actual RBD Average Base Salary"), for all of the Regional Business Directors is less than the Assumed RBD Average Base Salary (for such month), Actavis receives a credit (reflected on the following month's invoice) in an amount equal to the following:

$$((\text{Total \# Regional Business Directors} \times \text{Assumed RBD Average Base Salary}/12) - (\text{Total \# Regional Business Directors} \times \text{Actual RBD Average Base Salary})) + (\text{applicable employer portion of taxes})$$

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

$$((\text{Total \# Regional Business Directors} \times \text{Actual RBD Average Base Salary}) - (\text{Total \# Regional Business Directors} \times \text{Assumed RBD Average Base Salary}/12)) + (\text{applicable employer portion of taxes})$$


8. Managed Markets Account Management Services. Ventiv provides the sub-contracted services of a Managed Markets Account Manager to Actavis on a month-to-month basis in accordance with the Tenth Amendment to Service Agreement dated August 8, 2012 and will continue to do so until Ventiv receives notice to terminate from Actavis.
9. Counterparts. This Amendment may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Execution and delivery of this Amendment by exchange of facsimile copies or via pdf file bearing the facsimile signature of a party hereto shall constitute a valid and binding execution and delivery of third Amendment by such party.

Such facsimile copies and/or pdf versions shall constitute enforceable original documents.

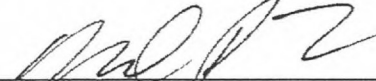
10. Entire Agreement. The terms of this Amendment are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior contemporaneous agreement. The Parties further intend that this Amendment constitute the complete and exclusive statement of its terms and shall supersede any prior agreement with respect to the subject matter hereof.

**IN WITNESS WHEREOF**, Actavis and Ventiv have executed this Amendment as of the Eleventh Amendment Effective Date.

**ACTAVIS KADIAN LLC**

By:   
Name: Terry Fullem  
Title: Vice President Commercial  
Development  
Date: 10/22/12

**VENTIV COMMERCIAL SERVICES, LLC**

By:   
Name: Michael P. Ryan  
Title: CFO  
Date: 10/26/12

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