

TASK ORDER FORM FOR 2018 JANUVIA & NEXPLANON MARKETING MIX

This TASK ORDER is issued pursuant to the terms and conditions of the Agreement by and between **MERCK SHARP & DOHME CORP. ("MERCK")** and **ZS Associates, Inc. ("SUPPLIER")** dated as of **June 28, 2018**.

This TASK ORDER is subject to the terms and conditions of the Agreement. To the extent that there is any conflict between this Task Order and the Agreement, the terms and conditions of the Agreement shall prevail.

WHEREAS, MERCK wishes SUPPLIER to provide the SERVICES (as hereinafter defined) in accordance with the terms and conditions set forth in the Agreement and this TASK ORDER and SUPPLIER is willing to provide the SERVICES in accordance with the terms and conditions set forth in the Agreement and this TASK ORDER;

NOW, THEREFORE in consideration of the mutual covenants and promises herein contained, the parties hereto agree to the terms below as follows:

All other terms and conditions for this TASK ORDER not covered below are contained in the Agreement.

1.0 PROJECT SCOPE OF SERVICES

A. Project/Service Description

This task order will focus on conducting marketing mix assessment for JANUVIA and NEXPLANON with the objective of measuring digital and print third-party vendor level impacts. The key deliverables will be ROIs, %age Impactable Sales, \$ Impact, Response Curves and Response Curve Coefficients at vendor level. ZS will share deliverables primarily in Excel and with supporting PowerPoint presentation if required. Deliverables will be in the similar format as we previous marketing mix model workstreams with Merck.

B. Statement of Work

The objective of this exercise will be to measure impact and ROI of each third-party vendor for digital and print promotion. The scope of this exercise will include the following for both JANUVIA and NEXPLANON.

- Assessing impact of HCC Media Channels at National Level, while controlling for other promotional channels and market factors such as market growth, carryover sales, SF promotion, HCP Digital promotion, etc.

- Run model with 24 months (Nov'16 – Oct'17) data
- Model specification
 - Geo – Month level regression models
 - Ad-stock transformation, as needed
 - Model structure: OLS for exploration and repeated measures/GLM for estimation
- Run pathway models to identify impact of an upstream channels driving impact through utilization of downstream channels. Estimate indirect impact of channels with pathway adjustments

C. Deliverables

The output of the project will be as follows:

- Marketing mix output with 24 months promotional activity incorporated as an input to the model for JANUVIA and NEXPLANON
- The output of this work will be documented primarily in Excel workbooks.

D. Metrics: Not Applicable

E. Surveys: Not Applicable

F. Service Delivery Standards: Not Applicable

G. Deliverable Acceptance

1. Prior to initiating any deliverable, SUPPLIER will review all analysis plans and deliverable templates with MERCK to ensure the content and format has been mutually agreed between SUPPLIER and MERCK. When a deliverable is completed, SUPPLIER will submit the deliverable to MERCK for final review and approval. After submission of a deliverable, MERCK will review and evaluate it in a timely manner, not to exceed 5 business days (the "Acceptance Period").
 - i. If the deliverable satisfies its acceptance criteria in all material respects, Client will furnish a written acceptance confirmation to SUPPLIER prior to the end of the Acceptance Period.
 - ii. If the deliverable is found to be defective in some material respect, Client will notify SUPPLIER in writing of the rejected Deliverable(s), along with a description of the defect, within the Acceptance Period. Upon receipt of a Rejection Notice, SUPPLIER will promptly correct any defects or non-conformities to the extent required at no additional cost to MERCK. Thereafter, SUPPLIER will resubmit a modified Deliverable to MERCK and the process set forth above will be repeated.

iii. If the timelines for review are not met, SUPPLIER will escalate the issue via the project management office (PMO).

2. MERCK will approve all documents against the following criteria, as applicable.

- i. Compliance with agreed upon analysis plans and deliverable templates
- ii. Completeness
- iii. Readability
- iv. Accuracy

H. Timing (Including Start Date and Final Completion Date)

- Approximate Start Date: Week commencing July 2nd, 2018
- Approximate End Date: Week commencing July 30th, 2018

I. Milestone Dates

N/A

J. Company Responsibilities and Assumptions

1. Costs outlined in this document are based on the project scope and timeline included and will not change unless project scope or timeline changes. Merck may at some point during the project ask ZS to perform additional work that would expand the scope or timeline of the project. If such an increase in project scope/ timeline is requested, ZS will provide Merck with an estimate of additional fees before proceeding. Merck can also at any time (with sufficient notice to ZS) choose to reduce the scope (and future costs) of the project.
2. Merck and ZS personnel will be able to make it to all key meetings and decisions and approvals will be made in a timely fashion with appropriate change governance. Changes to approach, design and other aspects of the project after specified deadlines can result in delayed timelines.
3. Meetings will be held primarily over the phone
4. Cost and timeline as stated assumed data being made available to ZS on time. At least one brand data is expected before ZS can commence the work.

2.0 TERM OF TASK ORDER

This TASK ORDER shall commence on **July 2nd, 2018** and shall continue in full force and effect, unless otherwise terminated in accordance with the terms and conditions herein and of the Agreement, through and including **August 3rd, 2018**.

3.0 FEES OF SERVICES

As per Section 10.3 of the Agreement, Merck has the right to halt work on the project. If it does so, Merck will pay only the professional fees and expenses incurred or irrevocably committed to prior to the date of termination.

A. Total Estimated Fees

Task	Professional Fees	Discount (6.5%)	Total Professional Fees after Discount
Total Professional Fees	\$109,773	\$7,135	\$102,638
Expenses (2.5%)			\$2,750
Total Professional Fees & Expenses			\$105,388

MERCK shall be responsible for certain of SUPPLIER'S costs or expenses in addition to the FEES in accordance with Section 3 of the Agreement. The total reimbursable expenses shall not exceed 2.5% of the total professional fees as set forth in this ORDER. The total cost (professional fees and direct expenses) for the SERVICES are **\$105,388**.

Fees and expenses will be billed based on the below deliverable schedule. Professional fees will be billed according to the following deliverable schedule, as shown in below:

Invoice Date	Associated Deliverables	Invoice Amount (Professional Fees)	Merck Discount (6.5%)	Final Invoice Amount
13-Aug	Refreshed Marketing Mix Model Output	\$109,773	\$7,135	\$102,638 (excluding expenses)
Total		\$109,773	\$7,135	\$102,638 (excluding expenses)

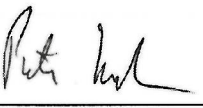
Project expenses will be invoiced at the end of the project based on actuals.

The parties have caused this Statement of Work to be executed by the signatures of their respective authorized representatives. The parties' signatures below acknowledge understanding and acceptance of project objectives, scope, deliverables, resources and fees. The Merck Project Sponsor will be responsible for generating the purchase order once all parties below have signed this document.

IN WITNESS WHEREOF, the parties have executed this CHANGE ORDER as of June 28, 2018.

ZS ASSOCIATES, INC.

MERCK SHARP & DOHME CORP.

By: 

By: 

Name: Pete Mehr

Name: Senthil Murugan

Title: Principal

Director, Promotion Optimization,
Investment Analytics & Decision
Sciences