



Returned Goods Policy

Effective April 1, 2017

TERMS OF RETURNED GOODS POLICY

The following terms apply to be eligible for reimbursement:

- All returns must be made through the Direct Purchasing Customer or approved Third-Party Processor.
- All returns are subject to approval based on complete compliance with Impax Specialty Pharma returns procedure.
- No deductions from any invoice can be made. Credit memos will be issued. Unauthorized deductions for returned goods will not be accepted.
- Impax Specialty Pharma reserves the sole right to determine whether items qualify for return, credit or refund.
- Impax Specialty Pharma determination of acceptable returns, quantities, etc. will be final.
- Impax Specialty Pharma reserves the right to refuse returns shipped collect.
- Impax Specialty Pharma will NOT reimburse any service fees to the customer or processing agent, including, but not limited to handling, processing, shipping, etc.

RECALLED PRODUCT

Product associated with an Impax Specialty Pharma initiated recall are eligible for return subject to specific terms of the recall notification and requested return actions. If a product recall occurs, only Impax Specialty Pharma authorized recalls will be honored for return of product for credit. Specific instructions for each recall shall be disseminated to the appropriate entities. To qualify for a credit or product replacement, the returned product must meet the criteria noted in the recall notification issued by Impax Specialty Pharma. The issuance credit or product replacement is at the discretion of Impax Specialty Pharma.

RETURNED GOODS ELIGIBLE FOR REIMBURSEMENT

- Product purchased directly from Impax Specialty Pharma.
 - Products sealed in original containers.
 - Concealed damage claims made within thirty (30) days of receipt.
 - Products received in error (product not ordered by customer).
 - Products damaged in shipping (accompanied by a signed bill of lading noting the damage) if reported to customer service within ninety six (96) hours of receipt and returned within thirty (30) days.
 - Impax Specialty Pharma reserves the right to request proof of purchase documentation at any time
- Expired product must be within six (6) months of expiration, but cannot be out of date by more than one (1) year. Products that are outside of this eighteen (18) month window will not be credited.

RETURN GOODS NOT ELIGIBLE FOR REIMBURSEMENT

All products other than listed above shall be deemed not returnable. Non-returnable products include, without limitation:

- In-date product (i.e., product with more than six (6) months expiration dating remaining).
- Product that is not in its original container and/or not bearing its original label or with illegible lot number.
- Repackaged product.
- Distressed product damaged by fire, smoke water or other perils or acts of God. Products damaged by improper storage, handling or any other procedure not in compliance with the stated "proper storage requirements" as outlined on the product information sheet or package insert.
- Product sold on a "Non-Returnable" basis.
- Products dated more than 12 months beyond the expiration date noted on the package or otherwise not out-of-date.
- Merchandise purchased or otherwise obtained in violation of any Federal, State, or local law or regulation.
- Merchandise destroyed or damaged from causes such as fire, water, tornado, catastrophe etc., and merchandise that has otherwise deteriorated due to conditions occurring after shipment and beyond the control of Impax Specialty Pharma, such as improper storage or handling, heat, cold, smoke, etc.
- Products not distributed by Impax Specialty Pharma.
- Professional samples, product labeled "free goods", "clinical trials" or otherwise distributed at no charge.
- Overages: containers over packed for return (i.e., 40 tablets in a 30-tablet container).
- Products purchased on the secondary or "gray" market or any other channels outside the normal course of business (Counterfeit, re-imported, diverted or product obtained illegally), or from a distributor who is not an Impax Pharmaceuticals Authorized Distributor of Record.
- Product containing prescription or patient labels.
- Any product manufactured to customer specs.
- Products labeled, marked, coded, dated, damaged, soiled, or adulterated in any way.
- Products purchased through a bankruptcy sale or sold as a part of the sale or transfer of the business.
- Products purchased outside of the United States of America.
- Product not labeled under the Impax Specialty Pharma labeler code.

PROCEDURE FOR RETURNING ITEMS

See attached [Returns Processing Procedure](#) and [Product Return Form](#).

All returns shall be made in compliance with all applicable Federal and State laws and regulations. Proof of purchase may be requested by IMPAX Pharmaceuticals. All charges (i.e., transportation, processing fees) charged by any third party shall be the responsibility of the Customer and shall not be reimbursed by Impax Specialty Pharma. Product returned outside this Return Goods Policy will not be returned to the Customer and no credit will be issued.

CREDIT

Credit will be issued at the IMPAX Pharmaceutical's discretion based on one of the following:

- Credits will be issued as provided below based on the current wholesale acquisition cost (WAC) less five percent (5%) of the merchandise returned. With respect to direct/indirect contracted buyer, credit will be issued based on current contract price of the merchandise returned, unless otherwise required by applicable law.
- Credit will be provided through credit memos only.
- No credit will be issued for "paper only returns." Product must be returned for credit.
- Returned quantities will be audited by Return Goods Processor, and final credit will be based on Return Goods Processor's count.
- Credit will be issued to wholesalers and/or other direct accounts. For indirect customers, credit will be issued through their wholesaler or direct account.
- Returned goods may not be exchanged for replacement merchandise.
- Products unacceptable for credit will not be returned. Those products will be destroyed and buyer will receive notification for non-credited items.
- Impax Specialty Pharma reserves the right to destroy without notification, credit, exchange or return to the customer, any merchandise that does not conform to this Policy.

Credit or reimbursement will not be issued for product destroyed by Customers or third parties. Credit will not be extended when the intent of the Customer is to temporarily reduce inventory.

NON-DIRECT CUSTOMERS

For non-direct Customers, the following additional terms will also apply:

Hospitals, clinics, government facilities, and other contract-price entities: All returns shall be made in accordance with the Prescription Drug Marketing Act of 1987, and any amendments thereto or regulations promulgated there under ("PDMA"). Impax Specialty Pharma's determination as to the salvage, credit or exchange values of merchandise returned shall be final. Impax Specialty Pharma reserves the right to destroy returned merchandise without payment or liability.

OBSOLESCENCE AND RATE OF RETURN LIMITS

Impax Specialty Pharma reserves the right to limit or restrict Customer purchase activity for Customers with product obsolescence and/or return rates higher than five percent (5%) on any given product per year.

GENERAL STATEMENTS

Product must have been purchased from an Impax Specialty Pharma Authorized Distributor. Impax Specialty Pharma will not be responsible for product destroyed by any returns good processor, proof of destruction will not be accepted in lieu thereof. Impax Specialty Pharma reserves the right to deduct costs incurred for the processing/destruction of ineligible returned product from the total credit of the return. Ineligible products should NOT be sent back to Impax Specialty Pharma. Reimbursement for return goods is subject to verification by Impax Specialty Pharma or its agent to determine if product is within Impax Specialty Pharma's return goods policy guidelines.

This policy shall supersede and/or serve as notice of termination of any previous agreement or policy, whether written, oral, or established through course of dealing between Impax Specialty Pharma and Customer with respect to the subject matter thereof.

Impax Specialty Pharma reserves the right to change this policy at any time with written notice without prior notice to other parties.

Impax Specialty Pharma Customer Service
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