



TERMS AND CONDITIONS OF SALE TO DIRECT CUSTOMERS

Effective April 1, 2017

ALL PRICES, PRODUCTS, TERMS AND CONDITIONS OF SALE ARE SUBJECT TO CHANGE WITHOUT NOTICE.

1. DISTRIBUTOR SERVICES AGREEMENT

As agreed to in the Manufacturer's Distribution Services Agreement; Distributor agrees to purchase Seller's entire Product line (unless mutually agreed upon by Manufacturer and Distributor) in accordance with Manufacturer's terms and conditions of sale covered in this document.

2. TERMS OF SALE

All sales of products sold by Impax Specialty Pharma, a Division of Impax Laboratories, Inc. ("Seller") to direct purchasers ("Customer") are expressly subject to the following terms and conditions. Any additional or inconsistent terms and conditions contained in any purchase order or other writing submitted by Customer are hereby not binding on Seller and shall be of no force and effect unless expressly accepted in writing by Seller. Submission of a purchase order will be deemed to constitute Customer's consent to all terms and conditions herein. In transactions involving a formal purchase contract, the following terms and conditions of sale apply unless the parties expressly agree in writing otherwise in such contract.

3. CREDITWORTHINES

Trade credit may be extended only to those accounts whose credit standing has been approved by Seller. Credit levels will be determined by customers' ability to pay based on financial information, credit history, credit references, and customers' previous purchase patterns. If approved, credit will be extended to a level adequate to meet the Customer's expected purchase patterns under stated terms of sale provided that the customer can demonstrate ability to pay. Customers must furnish information requested by Seller for review to verify its ability to pay sums due, including but not limited to Customer's audited financial statements. Seller reserves the right to require payment in advance of shipment or delivery in cash, or to suspend or cancel any further shipments until payment has been received, if in Seller's sole judgment Customer's financial condition or creditworthiness has become impaired. Failure to furnish payment within 10 days of demand by Seller shall constitute a repudiation of the contract, and in such event Seller shall be entitled to receive reimbursement for its costs related to cancellation.

4. ORDERS

Minimum order size is \$1,000.

4.1 Order Method

The preferred method of order receipt is via EDI. Customer may e-mail or fax orders for products sold by Seller. All orders are subject to acceptance and credit approval by Seller. Any cumulative account payable balance maintained at any time by Customer shall not exceed Seller's approved credit limit. Seller reserves the right to adjust Customer's credit limit.

- Email orders to: CustomerServiceGroup@impaxlabs.com
- Fax orders to: (215) 558-4353
- For EDI orders: Contact Customer Service to inquire about EDI communications from order to invoice"

All pertinent correspondence should be sent to:

CustomerServiceGroup@impaxlabs.com
Customer Service at (215) 558-4300

4.2 Order Frequency and Quantity

Customer must order each line item (NDC level) in the minimum order quantity of inner shipper or full case multiples as published in the Seller's price list.

4.3 Buying Limit

Seller agrees to fairly enforce the Seller's buying limit policy by monitoring the amount of Seller's products that can be purchased by any one Customer in any given month to ensure that Seller can meet the needs of all of its customers when demand for products is particularly high. Therefore, Seller reserves the right to limit the number of orders, restrict or limit the quantities to be shipped under any order, to ship orders in installments, to allocate backordered inventory, or to refuse any order prior to shipment from Customer in any given calendar month.

4.4 Cancellation

Upon notice to Customer, Seller may cancel any order or any part thereof for any reason (including Customer's purchase or sale of products in a manner inconsistent with local, state or federal laws or regulations). Upon cancellation, Customer agrees to waive all claims for damages, including, but not limited to, any loss of anticipated profits, and to accept as its sole remedy for cancellation the return of any payment made by Customer to Seller prior to such cancellation for products covered under such cancelled order.

5. SHIPMENT, DELIVERY AND TITLE

Seller shall, to the best of its ability, ship product with expiration dating greater than 6 months unless otherwise agreed in advance by Seller and Customer. Seller shall not be liable for delay or non-delivery of any accepted orders.

5.1 Shipment

Shortages, overages, damages (concealed or otherwise) and/or other discrepancies must be reported promptly in writing to Customer Service, Impax Specialty Pharma, a Division of Impax Laboratories, Inc., within ten 96 hours of receipt. In the event of such claims, Customer must hold the products pending the receipt of Seller's instructions concerning disposition and permit Seller's representatives to inspect them upon request. Products damaged in shipping (accompanied by a signed bill of lading noting the damage) must be reported to Seller's Customer Service within 96 hours of receipt. Any overage or damaged returns and adjustments made by Customer require prior authorization in writing by Seller and must be returned within thirty (30) days. No deductions may be taken within this period without the express written consent of the Seller. In the event of damages to product shipments, Seller agrees to either provide credit or replacement product upon receipt and verification of claim from Customer.

5.2 Delivery

Seller will select the carrier for delivery of product to Customer. If special handling or routing is requested and is approved in advance by Seller, the Customer shall pay all additional associated transportation and handling costs.

5.3 Title

Shipments are strictly FOB Destination with ownership passing to the customer once delivered to their dock

6. PRICING AND PAYMENT TERMS

6.1 Pricing

All prices by Seller are subject to change without notice. Buyer shall be responsible for all taxes, excises or other charges levied by any government (federal, state or local) upon the sale, consumption or use of Impax Specialty Pharma products. Product will be sold to Customer at Seller's published Wholesale Acquisition Cost (WAC) or contract price at time of customer's order. Direct Customer orders with shipment to their customer (drop shipments) will be sold at WAC or contract price. Seller does not extend price protection at the time of a price increase.

6.2 Payment Terms and Setoff Rights

All payments shall be submitted to:

Impax Specialty Pharma
P.O. Box 8500-54553
Philadelphia, PA 19178-453

Payment terms are 2% 30, net 31 days from invoice date for check and 2% 35, net 36 for EFT Payments unless otherwise allowed by Seller. Payment terms taken without authorization or when payments are late will be disallowed and re-billed. A service charge of the greater of one and a half (1.5) percent per month or the highest amount allowed by law will be charged on all accounts past due. Payments are

deemed received when physically present in Seller's lock box (cash/check) or upon confirmed EFT. If the net payment due date falls on a weekend or bank holiday, the cash discount will be earned if payment is received on the next business day. If payment is not received within the terms specified, no discount will be earned and the account will be considered past due. Any unauthorized discount taken will be charged back, and subject to repayment within 15 days. The earning of cash discount is a stand-alone transaction and not subject to any offset or counterclaim by Customer. If Customer does not pay in accordance with these payment terms, without limitation to any additional rights and remedies under law or equity, Seller may, at its option, setoff any credits due from Seller to Customer or any debts or obligations to Customer that Seller may have.

If shipments are delayed upon request of the Customer, payment shall become due according to payment terms based on the date Seller is prepared to make shipment.

For payment questions, please contact: AR Group Email Box:ar@impaxlabs.com

7. LIMITED WARRANTY

Seller guarantees to Customer that all Sellers' products meet appropriate standards of identity, strength, quality and purity in their manufacture.

8. COVENANTS

Customer hereby agrees, and shall cause its affiliates, agents, customers and subcontractors, to not sell, offer to sell, distribute or transfer any product outside the fifty (50) states of the United States of America, the District of Columbia and the Commonwealth of Puerto Rico. Customer represents and warrants that it will abide by all applicable laws, government standards, regulations and guidelines. Customer shall indemnify Seller, its Affiliates and its respective directors, officers, employees, and agents, and defend and save each of them harmless, from and against any and all losses, damages, liabilities, costs, and expenses from Customer's breach of the obligations contained herein. Customer hereby agrees it will not, and shall cause its affiliates, agents, customer and subcontractors to not: (i) attack, dispute, or contest the validity of or ownership of Seller's Corporate Name or Product Trademarks or any registrations issued or issuing with respect thereto; (ii) do anything to dilute or otherwise adversely affect Seller's rights in the Product Trademarks or Corporate Name; or (iii) use or authorize the use of any trademark, trade name or other designation confusingly similar to any Product Trademark. Customer also agrees that it will not use the Product Trademarks or Seller's Corporate Name for any purpose other than as provided herein, and that no other Trademark, other than Sellers' Corporate Name or Product Trademarks, shall be used by Customer or any of its affiliates, agents, customers or subcontractors in connection with Seller's Products. In the event of any such non-compliance by Customer or its affiliates, agents, customers or subcontractors, Seller reserves the right to terminate such Customer's right to distribute Licensed Products, and to terminate such Customer's sublicense or right of reference, as applicable.