



AkaRx Return Goods Procedure

Effective Date: January 1, 2019

RETURNED GOODS

The AkaRx Return Goods Procedure (Procedure) governs the return of AkaRx pharmaceutical product (Product) purchased from an AkaRx Authorized Distributor by entities licensed to dispense or administer Product (Customer) and third party returns processors (Returns Processor(s)) processing returns on behalf of ADRs and Customers.

AkaRx accepts returns and evaluates for applicable reimbursement in accordance with the Procedure in effect at the time of return. AkaRx has sole discretion on final determination of reimbursement for all Product returns.

1. Product Eligible for Reimbursement. The following criteria define Product eligible for return reimbursement consideration:
 - 1.1 Product purchased from AkaRx or from an AkaRx authorized distributor; with proof-of-purchase supplied upon request by AkaRx and/or Distributor Returns; and in the original AkaRx container with label intact; containing fully readable NDC, bar code, lot number, and expiration date.
 - 1.2 Product that is returned on or after the expiration date of the Product and no later than six (6) months past expiration date of the Product. Products expire on the last day of the month indicated on the packaging.
 - 1.3 Product that is unusable due to reasons related to Product quality arising out of the manufacturing of the Product (i.e. the physical characteristics of the Product deviate from the physical characteristics of the Product described in the prescribing information for the Product).
 - 1.4 Product that is shipped directly from AkaRx that is damaged in transit from AkaRx shall be processed only by AkaRx.

2. Product Not Eligible for Reimbursement. Unless the Product meets the criteria specified above, it is not eligible for reimbursement. The following are conditions where no reimbursement will be issued for Product return:
 - 2.1 Product received by AkaRx's distributor more than six (6) months past the expiration date.
 - 2.2 Product where proof of purchase from authorized distributor cannot be verified, either by Proof of Purchase (invoice) or EDI 867 Data
 - 2.3 Product with unknown or unidentifiable lot numbers.
 - 2.4 Product containing prescription labels.
 - 2.5 Product not in original AkaRx manufactured container.
 - 2.6 Product stored out of compliance with specifications or handled improperly.
 - 2.7 Product marked "Professional Sample," "Professional Package," "Private Label" and "Clinical Trial Package," and/or with similar markings or special labels.
 - 2.8 Product obtained illegally or via diverted means including, without limitation, products imported from countries outside the United States or acquired for the sole purpose of returning to AkaRx for credit.
 - 2.9 Product determined by AkaRx to be counterfeit, diverted or obtained from suspected counterfeit distributors.
 - 2.10 Product samples or Product that was donated or part of any AkaRx indigent care programs.
 - 2.11 Product in opened packages.

3. Basis of Credit. All eligible Product returned in accordance with and subject to the terms and conditions set forth herein, are subject to valuation by AkaRx in its sole discretion and reimbursed per the following:

- 3.1 Return Product will be valued at ninety percent (90%) of the lower of the wholesale acquisition cost (WAC)* at date of expiration or applicable contract price as determined by AkaRx.
- 3.2 AkaRx is not responsible for and will not reimburse any processing fees or transportation expenses.
- 3.3 Eligible returns for reimbursement are exchangeable for either a check from AkaRx or a credit issued to an authorized distributor specified on return documentation. No checks or credit will be issued to a Returns Processor.
- 3.4 AkaRx reserves the right to make the final determination on the valuation of the return.

AkaRx reserves the right to change, modify, amend, rescind, revoke, or terminate this Procedure at any time, for any reasons, including without limitation, to comply with any applicable, laws, rules, regulations, or guidance, with or without notice.