

Returns Policy: Derma Products/OTC

This shall serve as notification of the revised policy of Rosedale Therapeutics, LLC (the "Company"), effective July 28, 2004, for the return of goods from direct customers (the "Policy").

Returned Goods

This Policy applies to products purchased directly or indirectly from the Company. Company will only accept returned goods and authorize returned goods credit when customer has obtained authorization from Company's Returns Department in accord with the Returned Goods Procedure set forth below.

- I. There will be no cash refunds. Returned goods credit will be exchanged for replacement product or new product only.
- II. Credit memorandum for returned goods may only be applied when new or replacement product is ordered and invoiced. Credit will only be issued to the direct purchaser.
- III. Subject to the rights of the Company regarding requests for returns or credits, purchaser retains title to all returned goods until the Company issues a corresponding credit memorandum.
- IV. Any right of set-off for returned goods may only be exercised following receipt of a properly issued credit memorandum.
- V. Product value will be based upon 90% of current WAC (Wholesale Acquisitions Cost).
- VI. Generally, 100% credit for product value (defined in V above) will be issued for products up to twelve (12) months beyond their expiration, with the exception of those items described below including, but not limited to, VII and VIII or for products which otherwise fail to satisfy conditions set forth in this Policy.
- VII. EXCEPT AS OTHERWISE REQUIRED BY LAW, RETURN OF PARTIALS WILL NOT BE APPROVED OR ACCEPTED FOR RETURN OR CREDIT.
- VIII. Non-returnable items include, but are not limited to:
 - (a) Merchandise with more than six (6) months of expiration remaining,
 - (b) Products expressly sold on a "non-returnable" basis
 - (c) Products returned in other than the original unopened package,
 - (d) Products sold or distributed illegally,
 - (e) Products involved in bankruptcy sales,
 - (f) Special customer specification products,
 - (g) Products damaged by fire, smoke, heat, water or other peril,
 - (h) Products damaged by improper handling, storage, or shipping,
 - (i) Products handled or stored contrary to Company instructions,
 - (j) Product purchased from any organization or person other than the Company,

- (k) Packages which have been marked or disfigured in any way, or
(l) Product that has been marked or disfigured in any way.
- IX.** Products shipped in error by Company are subject to 100% replacement credit provided our Returns Department is notified within seven (7) days of receipt of the shipment, and products are returned in original condition within fourteen (14) days of receipt. Replacement credit will include all reasonable and customary return shipping charges when authorized by our Returns Department.
- X.** Product shortages or damaged items must be reported within seventy-two (72) business hours of receipt for credit to be issued. NOTIFICATION OF PRODUCT SHORTAGES OR DAMAGED ITEMS REPORTED MORE THAN SEVENTY-TWO (72) BUSINESS HOURS (i.e. 9:00 a.m. - 5:00 p.m. ET) WILL NOT BE ACCEPTED FOR RETURN OR CREDIT.
- XI.** A 20% restocking charge may be levied against all merchandise returned to the Company due to customer order error. Such merchandise must be saleable and in whole case quantities and must not be a non-returnable item. Such products are considered saleable if returned to the Company within 14 calendar days from shipping date, if and only if a certificate of temperature storage is provided.
- XII.** Products, which may be designated as non-refundable in the Company's current catalogs, are sold as final and are not eligible for return credit. In addition, Company products purchased as final under special terms are not eligible for credit.
- XIII.** Company reserves the right of inspection by a local representative prior to shipment of returns for any reason.
- XIV.** Company retains the right of final decision concerning the determined value of returned goods and whether or not goods may or may not be returned or a credit issued.
- XV.** Credits are provided through product exchanges or applied to future invoices only.
- XVI.** COMPANY WILL ACCEPT INVENTORY FROM THIRD PARTY DESTRUCTION/RETURN COMPANIES (WHICH SHALL NOT INCLUDE PARTIALS) PROVIDED A PROPERLY ISSUED RETURN AUTHORIZATION IS ACQUIRED FROM THE RETURNS DEPARTMENT AND PRODUCT IS RETURNED TO COMPANY IN ACCORD WITH RETURN AUTHORIZATION INSTRUCTIONS. TO BE ELIGIBLE FOR RETURNED GOODS CREDIT, PRODUCT MUST NOT BE DESTROYED BY A THIRD PARTY AND MAY ONLY BE DESTROYED BY COMPANY FOLLOWING RETURN OF PRODUCT TO COMPANY PURSUANT TO A COMPLETED RETURN GOODS AUTHORIZATION.
- XVII.** At its sole discretion, Company reserves the right to destroy merchandise as having no value when it is deemed unfit for sale. Company reserves the right to destroy, as having no value, any product returned without proper authorization and to deny credit for same.

XVIII. Company cannot accept controlled substances returns without prior approval from the Returns Department. Credit will be issued on compliance with this Policy and with established U.S. Drug Enforcement Administration (“DEA”) guidelines.

XIX. Company reserves the right to audit purchaser’s compliance with this Policy before issuing or authorizing credits or returns.

Returned Goods Procedure

Contact Company’s Returns Department, (800) 247-4896, to request a Returned Goods Authorization form. Upon approval of the request for a Returned Goods Authorization form, the authorization form will be immediately mailed, along with instructions and labels for the return of the product(s). Your local Company representative can assist in the processing of the Returned Goods Authorization, but authorization must come directly from the Company’s Returns Department.

Company requires the following information to process a return request:

- 1) Product Description
- 2) NDC Number
- 3) Lot Number
- 4) Expiration Date
- 5) Quantity
- 6) Reason for Return
- 7) DEA Number if applicable

Upon receipt of your Returned Goods Authorization form, compare the information to your records and report any discrepancy immediately to the Company’s Returns Department. Place a copy of the completed Returned Goods Authorization form in the shipping carton, label the carton, and send it to the warehouse address provided on the instructions for handling and shipping.

ONLY AUTHORIZED RETURNED GOODS MAY BE INCLUDED FOR RETURN. Any additional unauthorized items returned will be denied and the costs of destruction charged to purchaser.

All returned goods must have an authorization number from the Company clearly indicated on the outside of each carton.

PRODUCT NOT TO BE DESTROYED

TO BE ELIGIBLE FOR RETURNED GOODS CREDIT, PRODUCT MUST NOT BE DESTROYED BY A THIRD PARTY AND MAY ONLY BE DESTROYED BY COMPANY FOLLOWING RETURN OF PRODUCT TO COMPANY PURSUANT TO A COMPLETED RETURN GOODS AUTHORIZATION.

Product Recall

In the event of a confirmed product failure, a recall initiated by Company or a recall ordered by a government agency, Company agrees to pay reasonable out-of-pocket costs incurred (consistent with HDMA standards) by the account in performing recall services requested by the Company. These fees and procedures will be set forth in the Company's request for recall notice.

This statement of 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 you and the Company with respect to this subject matter hereof