

AKORN, INC.
Returned Goods Policy Customer Letter
Effective February 1, 2016

“Akorn’s Quality Policy is to preserve and improve patient health by consistently delivering high quality, safe and effective specialty pharmaceutical products that meet or exceed customer expectations.”

In support of this commitment, and the value placed upon customer satisfaction, Akorn is providing this customer communication regarding the handling, storage and shipment of returned goods. This Return Goods Policy applies to product sold in the U.S. only. Should you need to return goods, please request return authorizations from our selected returns processor: **Qualanex, LLC**. Akorn will accept returns only from customers who have purchased products directly from Akorn.

PROCEDURE FOR RETURNING GOODS

AUTHORIZATION:

Akorn requires that all return requests be made through our selected returns processor: Qualanex, LLC. Return Authorizations can be made by accessing the Qualanex website at: www.Qualanex.com, or contact the Qualanex Customer Service Dept. at (800) 505-9291, email to: customerservice@qualanex.com, or Fax at: (847) 775-7258. All return goods must have prior authorization. Authorization number must be displayed on the shipping carton and are valid for 30 days from date of issuance.

A Return Goods Authorization form (RGA) are required for the return of all products and must contain the following information:

- Customer Name, Address, Telephone and Fax Numbers
- Contact Name and Email
- Product Name, NDC#, Lot#, Expiration Date and Quantity to be Returned
- Debit memo, PO or Reference #
- Reason For Return

If approved, a Return Goods Authorization will be provided via fax or email. Qualanex will provide complete shipping instructions with the form. This form must accompany all returns. If a return shipment has multiple boxes, photocopy the RGA and place one in each box.

PRODUCTS THAT MAY BE RETURNED:

All returned products must be in complete and unadulterated original packaging.

In order to be returnable, a product must meet each of the following requirements:

- No more than 3 months shelf life remaining
- No more than 3 month past expiration date
- Discontinued or Recalled product
- Partial products will only be accepted for credit when mandated by State Statute (GA, MS, NC)
- Damaged during shipment by Akorn

- Shipped as a result of Akorn error (Please contact Akorn directly for instructions via email to: returns@akorn.com or contact Akorn Customer Service at (800) 932-5676
- Equivalent purchase price is greater than \$250, and satisfies one of the above conditions.

PRODUCTS THAT MAY NOT BE RETURNED FOR CREDIT:

- Non-Expired Product with greater than three (3) months shelf life remaining
- Expired Product with greater than 3 months beyond the stated expiration date
- Repackaged Product/ Over-Labeled Products: Products that have been repackaged or products not in their original container.
- Products Dispensed and Used by or for patients: Any items (e.g. Tubes or Vials), that have been opened for use are not eligible for credit.
- Products with missing or incorrect Lot Numbers and/or Expiration Dates: products with unknown, missing or inaccurate Lot # or Expiration Dates
- Insured/Insurable Product: Product that has been involved with an insurable loss (fire, smoke, water damage, bankruptcy, fire sales) will not be eligible for credit without regard to whether coverage was in place or the claim is under investigation or has been rejected.
- Customer Caused Damage: Products damaged subsequent to delivery by the common carrier, including product damaged due to improper storage/handling.
- Products not purchased directly from Akorn.
- Samples: Products distributed as Samples or as Free Goods.
- Non-Returnable Products: Products sold expressly on a non-returnable basis.
- Products purchased indirectly must be returned to the authorized Wholesaler of Distributor through which the original purchase was made.
- Antidote products (e.g. Bal-In-Oil, Cyanide Kits, Physostigmine, etc.)
- Unlabeled / defaced products
- Purchased /distributed contrary to law or internationally distributed
- Customer's purchase price is less than \$250

DAMAGED PRODUCT RECEIVED/RECEIVED IN ERROR:

Products shipped in error by Akorn or products damaged in transit (accompanied by a signed BOL noting damage) must be reported to Akorn within 2 working days of product receipt and must be returned within 15 days of receipt. These claims must be made through Akorn's Returns Department via email at: returns@akorn.com or contact Akorn's Customer Service Department at (800) 932-5676. Photographic evidence of the damage must be provided with the initial claim. Customers must acquire a RGA from Akorn's Return Goods Dept. prior to shipping the damaged material. Akorn RGA are valid for 15 days from date of issue.

Credit for returned goods remains in accordance with Akorn's current credit policy. Please contact our Customer Service Department at (800) 932-5676 with any questions regarding the above. We appreciate the opportunity to serve your needs.

TRANSPORTATION AND CHARGES:

Shipping charges will be prepaid by customer except when error is due to Akorn. It is recommended that customers insure all return goods shipments. Akorn is not responsible for shipments lost in transit. It is the customer's responsibility to ship product in accordance with local, state and federal regulations.

3rd PARTY PROCESSORS:

Akorn is not responsible for product returned through 3rd Party Processing companies. 3rd Party Processing fees are not reimbursable. 3rd Party Processors must return Akorn product to Qualanex, LLC. Akorn does not accept consolidated or batched returns from multiple facilities or customers on one debit memo.

TERMS OF RETURN POLICY:

Returns will be credited at the calculated net purchase price or net current price, whichever is lower. Akorn requests customers to delay payment deductions for a period of 5 weeks after initial request. Products are subject to a 20% processing charge. Return authorization (RA) numbers are valid for only 30 days from date of issue.

All returns are subject to review by Akorn. Issuance of RGA Number does not guarantee credit. Credit issuance is dependent on confirmed receipt/review of returned goods. Returns received with out-dated/invalid authorizations will be handled as unauthorized returns and destroyed without credit.