



# ROCHE PHARMACEUTICAL TRADE POLICY

## Prices

Prices shown in this price list are net unit prices at which products will be invoiced and are subject to change without notice. The date appearing on each price sheet is the date on which prices become effective.

## Terms of Sale

Net 30 days, from date of invoice, unless otherwise indicated. Overdue accounts are subject to a service charge of 1 1/4% per month (15% per annum). All cheques should be made payable to Hoffmann-La Roche Limited and mailed to the address indicated on the invoice.

## Distribution Terms

Hoffmann-La Roche Limited products will only be sold to authorized Wholesalers, Distributors, Hospitals and/or other approved accounts meeting Hoffmann-La Roche Limited annual purchase threshold values of \$100,000 or greater and compliance with and to Hoffmann-La Roche Limited credit management program and Trade Policy. Hoffmann-La Roche Limited reserves the right to grant or revoke purchasing status based on compliance with Hoffmann-La Roche Limited credit management program or Trade Policy at its sole discretion.

Hoffmann-La Roche products may not be re-packaged except when dispensed on the order of a licensed physician. Products sold to hospitals are for the sole use of the hospital and not for resale.

## Merchandise Returned for Credit

It is the aim of Hoffmann-La Roche Limited to maintain a fair and equitable return goods policy for all our customers. This philosophy is reflected in our Return Goods Policy. The following criteria and restrictions apply:

Expired returns are to be shipped **Freight Prepaid** to the wholesaler from which the goods were purchased or to Med-Turn International Inc. A Med-Turn return form must be filled out completely and included with the return. In the event that goods are returned collect to Med-Turn, this amount will be deducted from the total credit amount.

Controlled drugs require pre-authorization from Med-Turn International Inc. or an authorized wholesaler.

For hospitals purchasing through the Canadian Pharmaceutical Distribution Network (CPDN), returns may be shipped to CPDN **Freight Prepaid**. Please ensure a CPDN "Request for Credit Form" is completed and accompanies the goods.

## Items Eligible for Return

- (a) All "Roche" products currently in the "Roche" Pharmaceutical Price Catalogue, not more than twelve (12) months beyond expiration date.
- (b) Unopened single vials or ampoules.
- (c) All "Roche" discontinued products will be eligible for credit up to twelve (12) months beyond expiration date.

## Items Not Eligible for Return

- (a) Goods not in original "Roche" package.
- (b) Incomplete goods (including combination therapy packages missing one or more component).
- (c) Goods which are unsaleable for reasons beyond our control such as improper storage, breakage, defacement or damage by fire, smoke or water.
- (d) Products acquired as a result of fire or bankruptcy sales (distress sale).
- (e) Non expired products.
- (f) Sample packs or Clinical Evaluation Packs.
- (g) Goods currently involved in an unresolved customer claim or complaint.
- (h) Goods in excess of twelve (12) months from expiry.
- (i) Discontinued products in excess of twelve (12) months from expiry.
- (j) Goods sold under contract or special offer with a "no return clause".

Goods that are deemed ineligible for credit cannot be returned to the customer and will be destroyed.Á



## ROCHE PHARMACEUTICAL TRADE POLICY (CONT.)

### Credit Policy on Return Goods

All eligible return goods will be reimbursed according to the following credit structure:

- (a) Full bottles will be reimbursed at 100% of the original purchase price (less rebates or discounts).
- (b) Part bottles will be reimbursed to the nearest quarter bottle price as determined by "Roche".
- (c) For expired or discontinued items no longer in the price catalogue, a fair market value (as determined by "Roche" in its sole discretion) will be used within the parameters of section (Items Eligible for Return).
- (d) Credits will be issued through the customer's preferred wholesaler.
- (e) Goods previously purchased by customer on tender, contract or special offer shall be subject to credit deemed appropriate by "Roche" in its sole discretion.

### Transportation

All orders are shipped prepaid F.O.B. destination point by "Roche's" choice of carrier. If a more expensive method of transportation is requested, the difference in cost will be charged to the customer.

Shipping and handling costs on mistakes in order taking and filling on our part will be absorbed by "Roche". Shipping and handling costs for mistakes in ordering by a customer will be charged to the customer.

All merchandise is counted and rechecked by "Roche" prior to dispatch. Responsibility for safe carriage, however, rests with the carrier. Before accepting delivery, all cases, boxes or parcels should be thoroughly examined to ensure they are in good condition. If a shipment shows external signs of damage or if shortages are immediately evident, the customer must have the transportation agent note the details on the pro-bill prior to accepting the merchandise. If any damage or shortage is noticed only upon opening, the customer must notify both the transportation company and "Roche" (1-800-268-0440) within 24 hours regarding the claim. Written notification to "Roche" should be directed to the Customer Service Department within fifteen (15) days of invoice date. A signed copy of the original pro-bill, which explicitly highlights shortages or damages, must accompany all claims for damage or shortage of goods. Kindly note that pro-bills with remarks such as "subject to inspection", "possible damage" or "possible shortage" cannot be accepted to support a claim.

### Labels and Containers

Since we cannot assume responsibility for goods which are not packed or labelled under our supervision, we do not supply loose labels or containers bearing our name or the names of our products.

### New Accounts

A new account may be opened by contacting our Customer Service Department and is subject to our usual terms and conditions. Please call (905) 542-5500 in the greater Toronto area or toll free at 1-800-268-0440.

### Prohibition on Exports

All products sold by Hoffmann-La Roche Limited are labelled and approved for sale in Canada only. Therefore, a customer shall not directly or indirectly by any means or arrangement (i) export any product from Canada to any other jurisdiction, (ii) offer for resale, resell or consign or otherwise distribute any product for export from Canada to any other jurisdiction, or (iii) offer for resale, resell or consign or otherwise distribute any product to any other person or entity ("further reseller") who customer knows or suspects or reasonably should know or suspect will (a) export any product from Canada to any other jurisdiction, or (b) offer for resale, resell, consign or otherwise distribute to any person or entity who further reseller knows or suspects or reasonably should know or suspect will export any product from Canada to any other jurisdiction.

Hoffmann-La Roche Limited reserves the right to audit sales records of any authorized Purchaser or Distributor for verification and compliance of its Trade Policy. Authorized Purchasers or Distributors must cooperate with Hoffmann-La Roche Limited or its authorized auditors.

If Hoffmann-La Roche Limited deems that any authorized Purchaser or Distributor is not compliant with the Trade Policy, Hoffmann-La Roche Limited reserves the right to revoke or restrict order status with said Purchaser or Distributor.

Authorized Purchasers and Distributors must report all sales to a designated third party (IMS Health). Hoffmann-La Roche Limited will advise on timing structure and content of sales reports. All sales information will be held in confidence and used only for the purpose of compliance to the Trade Policy.

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