

Terms and Conditions of Sale

By ordering or accepting any goods from McKesson Specialty Care Distribution Joint Venture, L.P. ("Distributor") or its agents, you agree to the following terms and conditions:

NEW ACCOUNTS

You may establish an account with Distributor by calling toll-free 800.482.6700 and providing an account representative with proof of license (a copy of the federal DEA license or state medical license must match the ship-to address). You will also be required to submit a completed, signed credit application and agreement and other financial documentation as required via mail or fax. Extension of credit is subject to each account's credit worthiness, as determined by Distributor in its sole discretion.

ORDERS

All orders are subject to acceptance by Distributor or its agents at its principal place of business. Notwithstanding any other provisions, whenever Distributor, in its sole discretion, has any doubt as to buyer's credit or ability to make payment in cash, Distributor reserves the right to require payment in advance of shipment. Distributor reserves the right to discontinue a previous extension of credit at any time, without prior notice. Distributor's current hours for customer sales and service are 7:00 am to 7:00 p.m. Central Time.

SHIPPING

Items are shipped prepaid by Distributor. Orders for less than \$100.00 are subject to a \$15.00 service charge. This charge does not apply to back-ordered items. Drug items are shipped via FedEx Standard Overnight delivery (where available). Supply items are shipped to arrive no later than two (2) business days after order. Distributor is not responsible for matters beyond its reasonable control. Title to merchandise and risk of loss passes to the buyer upon delivery to the carrier.

PRODUCT AVAILABILITY

Items in stock are available for immediate shipment. In the event of excess demand, or short supply, Distributor may allocate its inventory among its customers as it deems appropriate. Distributor shall not be liable for failure to fulfill any order or to perform under any contract due to strike, fire, unavoidable accidents, inability to obtain supplies, contingencies of manufacturing, or other causes beyond its control. Distributor reserves the right to discontinue and withdraw from the marketplace any product, product size, or packaging at any time without further obligation on the part of Distributor.

PAYMENT TERMS

Purchases that remain unpaid past their invoice due date incur finance charges based on the outstanding balance calculated from the due date until paid at an annual percentage rate of 12% or, if lower, the maximum rate permitted under applicable law. In the event of any overpayment of finance charges, such overpayment shall be applied to the remaining portion of your balance, and, if any remains thereafter, returned to you or will remain as a credit on your account for future purchases. If back payments are due, current orders may not be shipped until payments are received. Distributor reserves the right to maintain a credit limit on all accounts. Payment terms are net 30, unless Distributor has offered, and you have accepted in writing, alternate payment terms.

PRICING

Prices are subject to change without notice. Prices billed are the prices in effect at the time the order is shipped. Prices are subject to all taxes, excises, or other charges levied by any government (national, state or local). Any disputed prices must be identified to Distributor in writing within ten (10) business days from the invoice date. Rebates and credits may be considered a discount and may need to be disclosed by you as required by applicable law. All manufacturer contract prices are effective as of the date determined by the manufacturer. Contract prices are subject to early termination upon notification by manufacturer. Buyer is responsible for notifying Distributor of any special product pricing arrangements that buyer has negotiated with any product manufacturer or group purchasing organizations.

DAMAGED GOODS

You are responsible for inspecting all shipments immediately upon receipt. If you find broken or damaged goods, notify Distributor by phone within two days of receiving the shipment so that Distributor may arrange replacement. Refer to *Returned Goods Policy* for more information.

PURCHASE FOR OWN USE

Sales are made with the express understanding and agreement that merchandise is being purchased for use only in the purchaser's medical practice, and is not intended to be sold or transferred for further sale or resale by retailers, wholesalers or other parties.

SALES TAXES

Distributor is required by law to collect sales tax in certain jurisdictions. If appropriate, Distributor will add the proper amount of tax (state, and, if any, local and transit) to your order.

LIABILITY

Distributor will not be liable under any contract, negligence, strict liability or other theory of liability for any special, indirect, incidental or consequential damages or costs of procurement of substitute goods or services in connection with the subject matter of these terms and conditions or any products or the use, delivery or failure or delay of delivery thereof. Distributor shall not be liable for any loss, claim, or damage resulting from products or the use, delivery, or failure of delivery thereof, and the buyer agrees to hold Distributor harmless for any such loss, claim, or damage.

WARRANTY DISCLAIMER

Distributor does not manufacture or test the products it distributes. The manufacturer of the products may warrant certain aspects of the products. DISTRIBUTOR GRANTS NO WARRANTIES, EXPRESSED OR IMPLIED, AND IT DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT WITH RESPECT TO THE PRODUCTS DELIVERED HEREUNDER.