

**BAXTER RETURN GOODS / CREDIT POLICY**  
**FOR DISPOSABLES AND PARTS FOR US HOSPITAL PRODUCTS DIVISION**  
**(Effective January 29, 2020)**

“Purchaser” shall be defined as the Distributor, Wholesaler, or Customer that purchases directly from Baxter. An “Indirect Customer” shall be defined as a customer that purchases Products from a distributor or wholesaler. (Each capitalized term used but not defined herein will have the same meaning as designated in the applicable Terms and Conditions of Sale).

Purchaser’s and Indirect Customer’s return instructions, terms of returns permitted under specific conditions, credit eligibility and the definitions of key terms are summarized in the table set forth following. Additional details are set forth in the Sections specified within the table.

Baxter reserves the right at any time to amend this Return Goods / Credit Policy. It is Purchaser’s responsibility to review the Return Goods / Credit Policy prior to submitting each order. Baxter shall have no responsibility to notify Purchaser of any changes made to the Return Goods / Credit Policy prior to the effective date of the changes. Purchaser shall be deemed to have accepted such amended Return Goods / Credit Policy by ordering Products offered once the terms of such amendment have become effective.

	<b>BAXTER ERROR (Shortage*, Damage, Shipping and Ordering Errors) (see Section 2.0)</b>	<b>PURCHASER ERROR (see Section 3.0)</b>	<b>EXCESS STOCK (see Section 4.0)</b>	<b>RETURNS RELATED TO EXPIRATION DATING (see Section 5.0)</b>
<b>Not Eligible</b>	-Product returned without Baxter Customer Service's prior approval as evidenced by the absence of a signed RMA form.	-Product returned without Baxter Customer Service's prior approval as evidenced by the absence of a signed RMA form.	- Product returned without Baxter Customer Service's prior approval as evidenced by the absence of a signed RMA form.	- Product returned without Qualanex's prior approval as evidenced by the absence of a Qualanex-issued return authorization number ("RA number")
		PROTOPAM Chloride 6097714101	PROTOPAM Chloride 6097714101	PROTOPAM Chloride 6097714101
		Frozen premix drugs and Products requiring temperature /refrigerated controlled storage.	Frozen premix drugs and Products requiring temperature /refrigerated controlled storage.	All Products other than those listed in <b>Product Group A Below</b>
		Custom manufactured products.	Custom manufactured products.	
		<b>- See Product Groups A &amp; B Below</b>	<b>- See Product Groups A &amp; B Below</b>	<b>- See Product Group B Below</b>
	<b>- See Section 1.2 below for additional conditions</b>	<b>- See Sections 1.2 and 3.5 below for additional conditions</b>	<b>- See Sections 1.2 and 4.4 below for additional conditions</b>	<b>- See Section 5.2 below for additional conditions</b>
<b>Eligible</b>	<b>For Purchaser:</b> Restockable/Resalable Product (see Section 1.1)	<b>For Purchaser:</b> Restockable/Resalable Product (see Section 1.1)	<b>For Purchaser:</b> Restockable/Resalable Product (see Section 1.1)	<b>For Purchaser/Indirect Customer:</b> Restockable/Resalable Product (see Section 5.1) listed in <b>Product Group A Below</b>
<b>Prompt Notice</b>	Reported to Baxter Customer Service within two (2) business days of Purchaser's receipt. (see Section 2.1)	Reported to Baxter Customer Service within two (2) business days of Purchaser's receipt. (see Section 3.1)	Reported to Baxter Customer Service	Reported to Qualanex (see Section 5.1)
<b>Return Timeframe</b>	Product and associated Baxter-issued (and customer signed) Returned Materials Authorization ("RMA") form received by Baxter within thirty (30) days of Purchaser's receipt. (see Section 2.2)	Product and associated Baxter-issued (and customer signed) RMA form received by Baxter within thirty (30) days of Purchaser's receipt. (see Section 3.2)	Product and associated Baxter-issued (and customer signed) RMA form received by Baxter within thirty (30) days of Purchaser's receipt. (see Section 4.1)	Six (6) months prior to expiration of Product through twelve (12) months beyond expiration of Product. (see Section 5.1)
<b>% of Credit</b>	One hundred percent 100% Credit (see Section 2.3)	Fifty percent (50%) Credit (see Section 3.3)	Fifty percent (50%) Credit (see Section 4.2)	Eighty percent (80%) Credit less five percent (5%) fee. (see Section 5.4)
<b>Fee for Pick Up of Product</b>	N/A	Ninety-Five Dollar (\$95) pick up fee charged. (see Section 3.4)	Ninety-Five Dollar (\$95) pick up fee charged. (see Section 4.3)	All delivery fees paid by returnee.

\* "Shortage", in this context, means that Baxter has not sent Purchaser the complete quantities of Product(s) ordered and invoiced.

**PRODUCT GROUP A:** BREVIBLOC (ESMOLOL), CYCLOPHOSPHAMIDE, ESMOLOL, FORANE (ISOFLURANE), IFEX (IFOSFAMIDE), MESNEX (MESNA), NEXTERONE, SEVOFLURANE, SUPRANE (DESFLURANE), TRANSDERM SCOP, DOCETAXEL, OXALIPLATIN, CARDENE (NICARDIPINE HYDROCHLORIDE)

**PRODUCT GROUP B:** GELFOAM, GELFOAM PLUS, ACTIFUSE, OSTENE, TACHOSIL, PERISTRIP DRY WITH VERITAS COLLAGEN MATRIX, TISSUE-GUARD, SYNOVIS SURGICAL TOOLS, FLOSEAL, TISSEEL, ARTISS, COSEAL AND ALL RELATED BIOSURGERY APPLICATORS AND DEVICES.

**1.0 RETURN / CREDIT ELIGIBILITY FOR BAXTER ERRORS, PURCHASER ERRORS AND EXCESS STOCK FOR DISPOSABLES / PARTS.**

**1.1 Eligible (Restockable / Resalable Product): Baxter shall only be obligated to accept returns on Disposables/Parts which meet the following criteria. Credit is only available to original Purchaser, excluding any Indirect Customer.**

- a) In all cases, prior authorization (evidenced by a RMA form) is required from Baxter's Customer Service Department. Credit will not be issued without Baxter's Customer Service Department's prior authorization.
- b) In order to be eligible for return and credit, if applicable, Disposables/Parts must be restockable and resalable as defined by the following:
  - i. handled, maintained and stored properly at all times.
  - ii. stored at the originally delivered site, in the original, unopened, and undamaged carton or package.
  - iii. handled and stored in a sanitary manner.
  - iv. handled and stored to avoid contamination of any kind.
  - v. stored at the temperature indicated within Product packaging information.
  - vi. maintained in accordance with any and all other handling and storage recommendations and information provided in Product literature, labeling, packaging information and/or otherwise made available to Purchaser.
- c) The restockable and resalable conditions above do not apply to Product Groups A, B and Frozen Premix drugs and temperature controlled items as referenced above.

**1.2 Not Eligible: Baxter shall not be obligated to accept returns or issue credits on Disposables/Parts which are or have:**

- a) returned without proper notification and/or prior written authorization in the form of a RMA form issued by Baxter.
- b) returned more than ninety (90) days following Purchaser's receipt of shipment.
- c) returned with less than three (3) months remaining until Product expiration date (except for codes which are manufactured with four (4) months of dating.)
- d) sold on a "no return" basis.
- e) not in the original packaging or when the packaging is damaged, defaced or opened. Resealed cases / packs are not eligible for return.
- f) been discontinued by Baxter.
- g) allegedly received with unacceptable dating but not reported to Baxter within thirty (30) days of Purchaser's receipt.
- h) promotional sales Products or samples.
- i) deteriorated because of improper handling, abuse, or other factors not due to Baxter.
- j) been opened, partly used, or the labels or seals have been tampered with or removed.
- k) special Products made to Purchaser's specification.
- l) provided at no charge are not eligible for return for credit under any circumstances.
- m) received without the signed RMA statement. Baxter shall have no responsibility or liability to Purchaser for product returned without signed RMA. Any such products will be destroyed by Baxter upon Baxter's receipt of such products.

**2.0 BAXTER ERRORS. If Purchaser believes that Baxter shipped Disposables/Parts in error, Purchaser must follow delivery, inspection and notification procedures set forth herein for authorization and instructions regarding returns.**

**2.1 Prompt Notice of Shipping/Ordering Errors:** For credit eligibility consideration under Baxter's Return Goods Policy, Baxter's Customer Service Department must be notified of any alleged ordering/shipping errors with respect to Disposables/Parts delivered hereunder within two (2) business days after Purchaser's receipt of Disposables/Parts, regardless of the alleged problem or cause for return.

**2.2 Return Timeframe:** Notwithstanding the foregoing, in all cases, Disposables/Parts eligible for return must be properly received by Baxter within thirty (30) days after Purchaser's receipt thereof in order to qualify for credit upon such return. Purchaser may return such Disposables/Parts freight collect payable

by Baxter. Disposables/Parts returned by Purchaser after thirty (30) days of shipment from Baxter will be considered Purchaser's Excess Stock.

**2.3 Credit:** Provided that the Product is returned under each of these conditions, Purchaser shall be eligible for one hundred percent (100%) credit.

**3.0 PURCHASER ERROR.** If Purchaser orders Disposables/Parts in error, Purchaser shall follow the delivery, inspection and notification procedures set forth herein for authorization and instructions regarding returns.

**3.1 Prompt Notice of Order Error:** For credit eligibility consideration under Baxter's Return Goods Policy, Baxter's Customer Service Department must be notified of any alleged ordering errors with respect to Disposables/Parts delivered hereunder within two (2) business days after Purchaser's receipt of Disposables/Parts, regardless of the alleged problem or cause for return.

**3.2 Return Timeframe/Credit:** Notwithstanding the foregoing, in all cases, Disposables/Parts eligible for return must be properly received by Baxter within thirty (30) days after Purchaser's receipt thereof in order to qualify for credit upon such return. Disposables/Parts returned after thirty (30) days of Baxter's shipment to Purchaser will be considered Excess Stock.

**3.3 Credit:** Provided that the Product is returned under each of these conditions, Purchaser shall be eligible for a fifty percent (50%) credit.

**3.4 Pick-up Charge:** If Baxter arranges for pick-up of Disposables/Parts that are eligible for return as a result of a Purchaser's order error, a Ninety-Five Dollar (\$95.00) returned goods pick-up charge will be applied to each purchase order. If applicable, the pick-up charge may be applied against any credit due to Customer. Any portion of the Ninety-Five Dollar (\$95.00) charge that is not covered by a credit will be invoiced to Purchaser.

**3.5 Disposables/Parts Not Eligible for Return for Customer Order Errors:** Baxter will not authorize the return of the following Disposables/Parts:

- a) Frozen Premix drugs,
- b) Products requiring temperature/refrigerated control storage, or
- c) Custom manufactured products.

**4.0 EXCESS STOCK.** Disposables/Parts will be considered "Excess Stock" if authorized and received by Baxter within ninety (90) days after Purchaser's receipt.

**4.1 Return Timeframe:** Disposables/Parts are not eligible for return after ninety (90) days from the date of Purchaser's receipt of such Disposables/Parts.

**4.2 Credit:** Purchaser shall be eligible for a fifty percent (50%) credit for any Disposables/Parts returned as excess stock.

**4.3 Pick-up Charge:** If Baxter arranges for pick-up of Disposables/Parts that are eligible for return as Excess Stock, a Ninety-Five Dollar (\$95.00) returned goods pick-up charge will be applied to each purchase order. If applicable, the pick-up charge may be applied against any credit due to Purchaser. Any portion of the Ninety-Five Dollar (\$95.00) charge that is not covered by a credit will be invoiced to Purchaser, and Purchaser shall be obligated to pay such invoice by the due date indicated on the invoice.

**4.4 Disposables/Parts Not Eligible for Return for Excess Stock:** Baxter will not authorize the return of the following Disposables/Parts:

- a) Frozen Premix drugs,
- b) Products requiring temperature/refrigerated control storage, or
- c) Custom manufactured products.

**5.0 RETURNS RELATED TO EXPIRATION DATING.**

**5.1 Return / Credit Eligibility:**

- a) The following Disposables are eligible for a credit: **BREVIBLOC (ESMOLOL), CYCLOPHOSPHAMIDE, ESMOLOL, FORANE (ISOFLURANE), IFEX (IFOSFAMIDE), MESNEX (MESNA), NEXTERONE, SEVOFLURANE, SUPRANE (DESFLURANE), TRANSDERM SCOP, DOCETAXEL, OXALIPLATIN.**
- b) With respect to the Disposables itemized immediately above, if received by Qualanex with six (6) months or less until expiration, or within twelve (12) months following expiration, shall be eligible for credit. Expiration date shall be defined as the last calendar day of the month indicated on the product label as the expiration date. Eligibility for credit is determined by the date of Qualanex's receipt of product.

- c) Prior authorization to return Product must be obtained from:
  - Baxter Healthcare Corporation
  - C/O Qualanex, LLC
  - 1410 Harris Road
  - Libertyville, IL 60048
  - Phone: 800-505-9291
  - Fax: 847-775-7258
  - [Email: customerservice@qualanex.com](mailto:customerservice@qualanex.com)
  - Company URL: [www.qualanex.com](http://www.qualanex.com)
- d) Such prior authorization must be evidenced by a RA Number. Baxter shall have no responsibility or liability to any Purchaser or Indirect Customer for Disposables returned without Qualanex's RA Number. Disposables returned that are not eligible for credit will be destroyed and the Purchaser / Indirect Customer will be responsible for any associated charges assessed by Qualanex.
- e) Purchaser or Indirect Customer, as applicable, shall be responsible to prepay all transportation charges for all Products sent to Qualanex.
- f) Qualanex RA Number (with bard-coded shipping label) must appear on each shipping carton returned.
- g) Returned Disposable must be received by Qualanex within thirty (30) days of the issuance of the RA Number and within thirty (30) days of issuance of the debit memo number in order to be eligible for credit.
- h) A unique debit memo number must be assigned for each returnee, including Indirect Customers. All Purchaser/Indirect Customer information must be contained on the debit memo that is sent with the Disposables to Qualanex in order to be eligible for credit, including customer name, address, phone number and fax, contact name and email address, product NDC, lot number, expiration date, exact quantity, price and reason for return.
- i) Credit will only be issued to the original Purchaser from Baxter. If Baxter product was originally purchased through a distributor or wholesaler, Baxter will issue credit to the distributor or wholesaler account.
- j) Restockable units are defined as being in the original and unadulterated (i.e. unopened, no overlays or markings) Baxter selling unit of measure, with the exception that seal-intact bottles of Inhalation Anesthetics are also eligible for return for credit.

**5.2 Not Eligible:**

- a) Products sold as non-returnable.
- b) Proof of purchase cannot be verified.
- c) PROTOPAM Chloride for Injection (6097714101)
- d) Product not in the original packaging or when the packaging is damaged, defaced or opened. Resealed cases / packs are not eligible for credit.
- e) Product with more than six (6) months until expiration date, or more than twelve (12) months beyond expiration date. No credit will be issued for these returns, even if an RA Number is inadvertently issued.
- f) Consolidated or batch returns, where more than one (1) Indirect Customer is listed on the same debit memo, return and/or RA Number.
- g) Product must be returned to Qualanex. Products that have been destroyed by Purchaser or a 3rd party agent of Purchaser shall not be eligible for credit.

**5.3 Return Timeframe:** Returned Product must be received within thirty (30) days of issuance of the RA Number and within thirty (30) days of issuance of the debit memo in order to be considered eligible for credit.

**5.4 Credit:**

- a) Direct Customer - Credit will be calculated at eighty percent (80%) of Baxter's then-current selling price, minus five percent (5%), and will be adjusted for any promotional discounts at the time of sale.
- b) Wholesaler - Credit will be calculated at eighty percent (80%) of the current Wholesaler Acquisition Cost, minus five percent (5%), and will be adjusted for any promotional discounts at the time of sale.

**BAXTER RESERVES THE RIGHT TO DESTROY, WITHOUT GIVING CREDIT, DISPOSABLES AND PARTS WHICH ARE NOT RETURNED IN COMPLIANCE WITH THIS RETURN GOODS/CREDIT POLICY.**

**THE RETURN GOODS/CREDIT POLICY IS SUBJECT TO REVISION WITHOUT NOTICE TO ANY PARTY AT BAXTER'S SOLE DISCRETION.**

**THE RETURN GOODS/CREDIT POLICY FOR EQUIPMENT SHALL BE SET FORTH IN THE APPLICABLE PURCHASE OR LEASE AGREEMENT FOR SUCH EQUIPMENT.**