



Terms and Conditions of Sale*

Distribution

Paladin Labs inc. ("Paladin Labs") products are distributed under a contractual agreement by Pharmascience Inc. We will accept direct orders from hospitals, pharmacies, Government and authorized distributors.

To order, call the Paladin Labs customer service department at 1-866-340-1112 or speak with a Paladin Labs sales representative.

The products listed are for sale only in Canada and are not for export. Exporting or permitting the export of these products is not permitted. Using or selling these products in the United States or in other countries to which they are exported may violate laws or infringe intellectual property rights.

Paladin Labs will place on back order file any items temporarily out-of-stock and supply these items when stock becomes available, unless the Purchaser specifically instructs otherwise before such goods are shipped.

Prices

Orders will be filled at the prevailing prices in effect at the time the order is processed and are subject to change without notice. In the event of a price reduction we are unable to grant credit for stock on hand.

Payment Terms

Terms are from the date of invoice. Paladin Labs reserves the right to hold orders for customers with past due balances.

- All Paladin Labs pharmaceuticals:
Net 30 Days
- Terms for Cerumol®, Unisom®, Kaopectate®, Anacin®, Anbesol® and Auralgan®:
2% 10 Net 30 Days
- Terms for Replagal® and Elaprase®:
Net 45 Days

Taxes

Any applicable taxes required by law will be added to the invoice.

Delivery Terms

All merchandise sold will be shipped FOB point of shipment. Shipping charges on all orders of \$75.00 or more will be prepaid by Paladin Labs to any point in Canada including remote locations. Carrier selection is predetermined by Paladin Labs. Any customer may request delivery by special means. In such cases, the cost difference will be charged to the customer.

Minimum Order

All orders of less than \$75.00 will incur a service charge of \$5.00.

Liability

Paladin Labs and Pharmascience Inc. cannot be held responsible for any failure to fulfill any contract or supply of any material due to fires, explosions, labor disputes, interruption of transportation or any other causes beyond its control.

Return of Goods and Credit

Merchandise lost or damaged in traffic:

Claims for damages or shortages must be made to Paladin Labs Customer Service within 7 days from receipt of delivery. Any product damage and/or shortage should be noted on the delivery slip at the time of receipt by the receiver and countersigned by the agent of the transport company.

The damaged merchandise and supporting documentation from the transport company must be returned to Paladin Labs. Upon receipt, Paladin Labs will replace the damaged or lost merchandise and handle the claim directly with the carrier.

Merchandise for return / credit:

Return items are limited to expired merchandise in original packaging. A Return Authorization Number must be obtained from Paladin Labs Credits and Returns department before returning any product. Customers returning any narcotic or controlled drug must obtain written approval from Paladin Labs Credits and Returns department before doing so.

Products Eligible for Exchange or Credit:

Paladin Labs will accept product for credit based on the following criteria (except Antizol®, Replagal® and Elaprase®):

- Expired products returned prepaid to Paladin Labs within one year after the expiration date in its original packaging.
- Part Bottles/Packages must be at least 1/4 full:
 - o 0 to 24% part bottle – no credit
 - o 25 to 49% part bottle – 25% of eligible amount
 - o 50 to 74% part bottle – 50% of eligible amount
 - o 75 to 99% part bottle – 75% of eligible amount
- Full bottles/packages will be credited at 95% of eligible amount
- Credit will be based on the lesser of acquisition price or current list price.
- Credits may be given for full or partial bottles of tablets, capsules and patches. Credits will only be given for full syringes, vials, ampoules, tubes, creams, liquids and other non-countable items.
- Antizol®, Replagal® and Elaprase® are subject to more restrictive return conditions. For more information, please contact Paladin Labs Customer Service.
- Credit will be issued only if the amount to be credited exceeds \$25.00.
- Credit will be issued only if product is returned by the original purchaser.

Products Not Eligible For Exchange or Credit:

- Unexpired product.
- Emergency Drug Release Product.
- Products not in their original packaging.
- Products sold originally on a non-returnable basis.
- Products which have been subjected to improper storage conditions or exposed to smoke, fire, water or involved in a liquidation or bankruptcy sale.
- Products requiring refrigeration.
- Products returned by anyone other than the original purchaser.
- Discontinued products greater than 12 months after notice of discontinuation.