

JOM PHARMACEUTICAL SERVICES, INC. ("JOM") INVOICE TERMS OF SALE

- 1. Additional or Different Terms.** These terms of sale are subject to any related agreement between JOM and the entity (or entities if there is a different ship-to entity) listed on the first page of this invoice (collectively the "Buyer"). Absent any such agreement, this instrument constitutes an offer by JOM to sell the items listed on this invoice (the "Products") at the stated prices and subject to all terms stated in this invoice. The Buyer may not modify any terms of this offer, and JOM hereby objects in advance to any additional or different terms proposed by or on behalf of the Buyer in any instrument requesting or confirming this invoice. Acceptance by the Buyer of the Products will constitute an express waiver by the Buyer of any additional or different term that it had previously proposed. There are no audit rights under these terms of sale.
- 2. Acceptance, Invoicing and Pricing.** All orders are subject to availability and acceptance by JOM. An invoice is rendered by JOM's Customer Service Department to cover each shipment. The Products are invoiced at the list prices in effect on the day the order is received. List prices are subject to change without notice and no adjustments will be made based on changes in list prices.
- 3. Shipment & Title.** JOM reserves the right to determine the volume of Product in any shipment as it deems advisable or necessary. JOM's shipping terms are:
 - A. FOB Destination** for shipments that are shipped for delivery to the customer location within 24 hours (i.e., title to the products and risk of loss shall pass to the customer upon delivery of the products to the customer). The company shall pay the freight cost.Or
 - B. FOB Origin** for all other shipments (i.e., title to the products and risk of loss shall pass to the customer upon delivery of the products to the transportation carrier selected by JOM for products that are shipped with delivery to the customer's location scheduled for longer than 24 hours and shall not pass back to JOM because of any damage, shortage or any other reason.) The company shall pay the freight cost.
- 4. Loss, Damage and Shortages.** JOM will presume that a signed Proof of Delivery ("POD") is valid as proof of delivery and receipt of the quantity and type of product indicated on the POD. The Buyer must notify JOM of any concealed shortages within the manufacturer sealed case within 45 days of receipt of shipment and of all other shortages, loss or damage to any Products as a result of shipment within 10 days of receipt of shipment. All claims, except those for missing shipments, must include a copy of the POD. Upon request by JOM the Buyer shall return any damaged Product to JOM or JOM's appointed third party for destruction.
- 5. Payment and Adjustments.** Payment for the Products shall be in accordance with the Terms of Payment stated on this invoice. All stated terms are from the Invoice Date, and payment must be received by the Due Date to earn any stated cash discount. The Buyer must identify the reason for any deductions from payment, subject to JOM's review. JOM will deny and not accept any unidentified deductions. The Buyer must notify JOM's Customer Service Department of any errors on this invoice no later than 30 days after the Invoice Date. The Buyer shall pay for all purchases, fees and other charges incurred by the Buyer or an authorized user on any account of the Buyer, including service charges on past due accounts at the highest rate permitted by law (including purchases shipped and/or billed to a third-party agent on behalf of the Buyer). Without limiting JOM's other legal rights, JOM may exercise a right of set-off against amounts due Buyer from JOM Pharmaceutical Services, Inc. JOM reserves the right, in its sole discretion, to change a payment term (including imposing cash payment upon delivery), to limit total credit and/or to suspend or discontinue the shipment of any orders to the Buyer if JOM concludes that (i) there has been a material change in the Buyer's financial condition or payment performance or (ii) the Buyer has ceased or is likely to cease to meet JOM's credit requirements. JOM also requires buyers to provide the following Financial Statements on an annual basis to the Credit Department: Balance Sheet, Income Statement, and Cash Flow Statement.
- 6. Taxes and Additional Charges.** In addition to the invoiced price, the buyer shall pay any tax, duty or other fee imposed on this transaction by any federal, state, or local governmental authority. Additionally, the buyer shall pay any additional shipping costs due to special requests, or other applicable charges. If the seller is required to prepay any such tax, duty or other fee, the buyer will reimburse the seller the amount of that tax, duty, or other fee.
- 7. Option to Accelerate.** JOM may, by written notice to the Buyer, demand that the Buyer immediately pay all amounts due to JOM if JOM believes in good faith that the prospect of the Buyer paying those amounts has been impaired. By accepting the Products, the Buyer represents that it is not then insolvent within the meaning of Title 11, United States Code, or any similar federal or state law.
- 8. Returns.** The Buyer may only return the Products for credit in accordance with JOM's returned goods policy at www.jom.com; returns may be subject to prior authorization.
- 9. Cost Reporting.** The Buyer acknowledges that it may be required by law to disclose, in any cost reports or claims for reimbursement submitted to Medicare, Medicaid, or certain other health care programs, the cost (including, but not limited to, any discounts, later rebates or other price concessions) of any Product covered by this invoice and on request, provide to the U.S. Department of Health and Human Services and any state agencies any invoices, coupons, statements, and other documentation reflecting such costs. The Buyer may receive subsequent documentation under some programs reflecting adjustments or allocations to the price available hereunder. In preparing any cost reports, the Buyer may be required to evaluate as a discount the value of any Product listed as \$0.00 on any invoice. The Buyer should not include as a discount for cost-reporting purposes the value of any item that is designated as a sample or that the Buyer knows constitutes a sample, and it should not seek reimbursement for any such items. JOM recommends that the Buyer retain a copy of this invoice and any other documentation provided by JOM regarding any price concessions under this invoice. The Buyer may request additional information from JOM to meet the Buyer's reporting or disclosure obligations, by writing to the address on the reverse side.
- 10. No Resale.** The Products covered by this invoice are intended for the Buyer's own use in the 50 United States, the District of Columbia, the U.S. Virgin Islands, Guam or Puerto Rico only, and are not for resale unless the Buyer is a JOM Authorized Distributor for such Product, and is listed as such on www.jom.com. Product sold to Puerto Rico is for use in Puerto Rico only and the Buyer may not transfer or trade such Product to any other area including those listed in the previous sentence.
- 11. Prescription Products.** Any Product labeled "Caution: Federal law prohibits dispensing without a prescription," is sold for such use only.
- 12. Product Shortages.** JOM is not liable for delays in delivery due to Product shortages, acts of nature, war, terrorism, regulatory or carrier issues, or any circumstance beyond its reasonable control.
- 13. Warranties.** Any warranties with respect to any Product covered by this invoice are as described in the package inserts accompanying units of that Product on purchase. OTHER THAN AS SET FORTH IN THE PREVIOUS SENTENCE, THERE IS NO IMPLIED OR EXPRESS WARRANTY ON THE PRODUCTS COVERED BY THIS INVOICE, INCLUDING THOSE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
- 14. Dispute Resolution.** The Buyer and JOM shall resolve any dispute arising out of or relating to this invoice by arbitration administered by the AAA and conducted before a single arbitrator in accordance with the AAA's Commercial Arbitration Rules then in effect. The arbitration must be conducted in New Jersey. The arbitrator must interpret any dispute arising out of or relating to this invoice in accordance with the laws of New Jersey, without giving effect to its choice of law principles. THE ARBITRATOR WILL NOT AWARD PUNITIVE, COVER, EXEMPLARY, MULTIPLIED, OR CONSEQUENTIAL DAMAGES OR ATTORNEYS' FEES OR COSTS, AND THE BUYER AND JOM IRREVOCABLY WAIVE ANY RIGHT TO SEEK OR COLLECT ANY SUCH DAMAGES, FEES, OR COSTS IN ARBITRATION OR ANY JUDICIAL PROCEEDING EXCEPT AS MAY BE REQUIRED BY STATUTE. THE BUYER AND JOM EACH IRREVOCABLY WAIVES ITS RIGHT TO TRIAL OF ANY ISSUE BY JURY. The Buyer and JOM shall submit to any court of competent jurisdiction for purposes of enforcement of any award, order, or judgment in any arbitration brought under this section. Any such award, order, or judgment will be final and may be entered and enforced in any court of competent jurisdiction.