

ANIP Pharmaceuticals, Inc.	Company Policy/Procedure	Policy Number: CP-001 v 1.0 Effective: 01-Sept-2010
		Supercedes: Rev 2 Dated: Feb 2008
<b>Return Goods Policy and Procedure</b>		
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1. **Purpose**  
The purpose of this policy is to define the parameters under which we will accept goods returned to us from our customers, as well as the procedure for handling such returned goods.
2. **Scope**  
This procedure will be used when it is necessary to process goods returned from our customers.
3. **Abbreviations**  
RGA – Return Goods Authorization  
POD – Proof of destruction
4. **Definitions**  
None.
5. **Guidelines**  
None.
6. **Responsibilities**  
The processing of returned goods is the responsibility of Customer Service, Receiving, and Finance.
7. **Procedure**

#### TERMS AND CONDITIONS

*This Return Good Policy does not apply to Private Label Products or to Products returned by customers other than the original purchaser of the products.*

- ANIP Pharmaceuticals, Inc. (ANIP) reserves the right to determine, at its sole discretion, whether products qualify as returnable (before or after return) and are subject to valuation at the time of receipt. ANIP reserves the right to refuse return claims in excess of two percent (2%) of Customer's annual purchases. All returns must be pre-approved by the Customer Service Department, [CustomerService@ANIPharmaceuticals.com](mailto:CustomerService@ANIPharmaceuticals.com) or 800-434-1121, ext. 3607. Such pre-approvals shall not affect ANIP's right to determine if the Products do not otherwise qualify as returnable for credit.

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#### NON-RETURNABLE ITEMS

- Product that is not within ninety (90) days of its expiration date.
- Product more than twelve (12) months past expiration date.
- Product sold on a non-returnable basis
  - Private Labeled
  - Unlabeled
  - Partially Labeled
  - Have been donated
  - Purchased at sacrifice
  - Fire or Bankruptcy sales
  - Sold on a non-returnable basis
- Partial product that was sold in packaging marked "Not for Individual Sale" (Such as, but not limited to Hydrocortisone 7's or Cortenema 7's)
- Partial product, product with broken seals, or product that has been opened, except where required by law.
- Product damaged at the customer's warehouse or store level.
- Product exposed to fire, smoke, heat, water or other adverse environmental conditions, and/or improper handling and/or storage.
- Packages which have been marked or disfigured in any way.
- Packages with missing, torn, damaged or unreadable labels.
- Outdated returns totaling less than \$100.00.

Be advised that ANIP Pharmaceuticals reserves the right to destroy, without giving credit for, products which are not returned in compliance with this policy, which are unfit or unsafe for sale, that are returned without prior authorization, or that are destroyed without prior authorization.

#### RETURNABLE ITEMS

##### Outdated and Damaged Goods

- Short dated product that is within ninety (90) days of expiration.
- Expired product, but not more than twelve (12) months past expiration date.
- Concealed damage claims made within 60 days of receipt.
- Products damaged in shipping to consignee accompanied by a signed bill of lading noting such damage. (Claims must be made within 10 days.)

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### PROCEDURE FOR RETURNING ITEMS

- All requests for returns must be in writing via e-mail, mail or fax.
  - Requests must include the following
    - Customer name
    - "Ship to" address if different than "Bill to" address
    - Proof of purchase in the form of invoice number of original purchase (If there are multiple items returned from different invoices, then all invoice numbers must accompany the request)
    - Item name
    - Quantity
    - NDC number
    - Lot number
    - Expiration date
    - Reason for return
- After review, a return authorization number will be issued via fax, e-mail or mail.
- Place the RA# on the outside of all packages or shipments will not be accepted by ANI.
- If customer chooses to destroy product in lieu of returning it, authorization of destruction is required. Request to destroy should be done when Return Goods Authorization is requested. Proof of destruction is then required by ANI.
  - Destruction without authorization could result in non-payment of credit request
- Credit will not be given for any additional items returned without authorization.
- Customer is responsible for processing fees.

All transportation charges for returns must be prepaid by Customer. When using Third Party handlers and/or reverse distributors, credit will be issued based upon the reports submitted by the third party handler/reverse distributor. Fees for the third party service must be paid by the hiring company. ANI will not be responsible for these fees

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### CREDIT HANDLING

- Credit or equivalent replacement product will be issued within thirty (30) days of receipt of outdated, short-dated, or unsalable product accompanied with the pre-approval numbered return authorization form. Return must be made within thirty (30) days of authorization.
- Credit or equivalent replacement product will be allowed on all ANI products returned in unopened, original labeled package, no more than ninety (90) days prior to expiration date and up to one (1) year past expiration date and in accordance with and subject to the other terms and conditions of the Return Goods Policy. Returns will be credited at the lesser of acquisition cost (contract price) or current price. Customer will receive a credit memo from ANI
- ANI Pharmaceuticals reserves the right to destroy, without giving credit for, products which are not returned in compliance with this policy and which are unfit or unsafe for sale. The return of such products by ANI to the facility submitting the returned products may violate regulations established by the FDA.
- Returns should be sent to:

ANI Pharmaceuticals, Inc.  
 210 Main Street W  
 Baudette, MN 56623  
 Attn: Warehouse>Returns

### DISCLAIMER

*ANI products received by ANI not meeting the above guidelines will not be returned and credit will not be issued. These policies are subject to applicable state and/or other regulatory agency's regulations. Customers must have an open and active account in order to receive credit for approved returned or destroyed merchandise.*

**8. Approvals**

  
 \_\_\_\_\_  
 Leslie Nicholson, Customer Service Associate

8-19-10  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 Chad Turner, Controller

8-19-10  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 Charlotte Arnold, Vice President & CFO

8-23-10  
 \_\_\_\_\_  
 Date