



# RETURN GOODS POLICY

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Effective Date: October 1, 2007

This Return Goods Policy is for all products distributed by JOM Pharmaceutical Services, Inc. (“JOM”) for the following operating companies in the Johnson & Johnson family of companies:

Centocor, Inc.

DePuy Mitek, Inc.

Ethicon, Inc.

Janssen Pharmaceutica Products, L.P.

McNeil Pediatrics, a Division of McNeil-PPC, Inc. (“McNeil Pediatrics”)

Ortho-McNeil Pharmaceutical, Inc.

Ortho-McNeil Neurologics, Inc.

OrthoNeutrogena, a Division of Ortho-McNeil Pharmaceutical, Inc. (“OrthoNeutrogena”)

Ortho Biotech Products, L.P.

Ortho Women’s Health & Urology, a Division of Ortho-McNeil Pharmaceutical, Inc. (“Ortho women’s Health & Urology”)

Pricara, Unit of Ortho-McNeil, Inc.

Scios Inc.

Tibotec Therapeutics, a Division of Ortho Biotech Products, L.P. (“Tibotec Therapeutics”)

Vistakon Pharmaceuticals, LLC

Each above-named companies shall be referred to as the “Johnson & Johnson Operating Company”

**DAMAGES:**

Product purchased directly from JOM by direct purchasing accounts that is damaged in transit shall immediately be reported to JOM’s Customer Service Department (1-800-631-5273). Customer shall contact JOM Customer Service to arrange for handling of the damaged product.

**RETURN GOODS AUTHORIZATIONS:**

Return goods shipments that consist of product marketed by Centocor, Inc., Ortho Biotech Products, L.P., Scios Inc., Vistakon Pharmaceuticals, LLC or that consist of REGRANEX® GEL 0.01% (becaplermin) and are valued at a total of \$15,000 USD or greater, require prior authorization from JOM before being shipped to Stericycle, the approved return goods agent for JOM.

Return goods shipments that consist of product marketed by Janssen Pharmaceutica Products, L.P., McNeil Consumer Healthcare, McNeil Pediatrics, Ortho-McNeil Pharmaceutical, Inc., Ortho-McNeil Neurologics, Inc., OrthoNeutrogena, Ortho Women’s Health & Urology, Pricara, Tibotec Therapeutics or that consists of ORTHOVISC® High Molecular Weight Hyaluronan and are valued at a total of \$50,000 USD or greater, require prior authorization from JOM before being shipped to Stericycle.

Note: A return goods authorization is issued upon representations made to JOM and is not intended to be a guarantee of reimbursement or a basis for relying upon reimbursement. Reimbursement for return goods is subject to verification by JOM or its agent that the returned product falls within JOM’s guidelines for return goods reimbursement. Sales representatives are not authorized to accept return goods product or to approve the return of product.

### PRODUCTS ELIGIBLE FOR RETURN & REIMBURSEMENT:

The following products are eligible for return and reimbursement:

- Out-of-date product. See attached spreadsheet entitled “Return Goods Policy Product Listing” for the definition of “out-of-date” for each product distributed by JOM.
- Product returned within twelve (12) months past expiration date. Product expiration occurs on the last day of the month of the expiration noted on the product.
- Product in its original container and bearing its original label.

### PRODUCTS NOT ELIGIBLE FOR RETURN & REIMBURSEMENT:

The following products are not eligible for return and reimbursement:

- Product that is not out-of-date (as defined in the attached Return Goods Policy Product Listing) or is received more than twelve (12) months past the product’s expiration date.
- Product in which the lot number and/or expiration date is missing, illegible, covered, and/or unreadable on original container.
- Product that has been involved in a sacrifice, fire, or bankruptcy sale.
- Product that has been damaged due to improper storage or handling, fire, flood, or catastrophe.
- Product that has been sold expressly on a non-returnable basis.
- Product that is not in its original container and/or not bearing its original label.
- Product that is in its original container with a prescription label attached.
- Product that has been repackaged.
- Product that is labeled sample or free goods.
- Partial vials, ampoules and syringes.
- Partial tubes of creams, ointments, or gels.
- Partial bottles of liquids.
- Partial packets of powder.
- Product obtained illegally or via diverted means.
- Product purchased on the "secondary source" market or from a distributor who is not a direct purchasing account with a Johnson & Johnson Operating Company. JOM may request Proof of purchase from a Johnson & Johnson Operating Company or from a Johnson & Johnson Operating Company authorized direct purchasing distributor.
- Product that JOM determines, in its sole discretion, is otherwise adulterated, misbranded, or counterfeit.

### DISCONTINUED PRODUCTS:

Reimbursement for discontinued products will follow the JOM Return Goods Policy unless otherwise noted in the discontinuation notices sent from the Johnson & Johnson Operating Company. A complete list of discontinued products is available on JOM’s website at [www.jomdistribution.com](http://www.jomdistribution.com).

### CONTROLLED SUBSTANCES:

Controlled substances must be returned to Stericycle in accordance with Federal and State regulations governing the transfer of these substances. Submission of DEA form 41’s, in lieu of returning product to Stericycle, will not qualify for credit. Customer shall contact Stericycle (1-866-664-1399) in order to provide the specific details of the return and to request a DEA 222 form and packing and shipping instructions. Prior to the return of any Schedule II narcotic, a DEA Form 222 must be issued by Stericycle and the completed form must accompany the return goods

shipment. Schedule II products must be returned separate and apart from Schedule III, IV, and V products and non-controlled products. Schedule II return goods shipments must be shipped in an unmarked container via UPS, DHL or FedEx.

**CLINIC PRODUCTS:**

All products identified as “Clinic” products in the Return Goods Policy Product Listing must be returned directly to JOM via Stericycle. Clinic product return goods shipments shall not be made to wholesalers, distributors or other third party returns processors. In the event that Clinic product return goods shipments are made via wholesalers, distributors or other third party returns processors, JOM may instruct Stericycle to destroy the returned Clinic product and JOM will not be responsible for issuing any reimbursement to the customer. A completed Clinic Return Goods form must accompany all return goods shipments of Clinic product. This form may be obtained on-line at [www.jomdistribution.com/policies/](http://www.jomdistribution.com/policies/).

**JOM RETURN GOODS AGENT:**

Stericycle is the approved return goods agent for JOM. Customers returning eligible return goods product do not incur any processing fees or service charges and JOM will be responsible for the associated costs for return goods processing and product destruction. Stericycle will accept JOM return good shipments from other third party return goods processors, with the exception of clinic products as noted in Clinic Products section above; however, any and all costs charged by a third party, other than eligible return goods delivered to Stericycle, are the responsibility of the customer and JOM will not be responsible for reimbursement of such costs.

JOM will not be responsible for the associated cost to ship return goods from any customer or third party to Stericycle. Stericycle may refuse any return goods shipments sent COD (collect on delivery).

To receive reimbursement, all eligible returns should be shipped pre-paid to:

**JOM PHARMACEUTICAL SERVICES  
C/O STERICYCLE  
2670 EXECUTIVE DRIVE, SUITE A  
INDIANAPOLIS, IN 46241  
DEA NUMBER RS0331607**

JOM will only accept returns shipped to Stericycle’s Indianapolis location. JOM does not utilize Stericycle’s Conyers, Georgia processing center. JOM will not be responsible for return goods shipments that are shipped to the Conyers, Georgia facility.

All eligible products shipped to Stericycle shall be shipped in a safe, secure, and reliable manner, and in compliance with all applicable federal, state and local laws, regulations and statutes. It is the shipper’s responsibility to securely package all return goods to prevent breakage during transit and otherwise comply with laws and regulations applicable to the packaging, shipping and transport of return goods shipments. Broken product containers that do not contain any viable product are NOT to be shipped to Stericycle. If any such containers are shipped to Stericycle they will be disposed of and will not be reported as a product return. If Stericycle accepts damaged, broken, wet and/or leaking shipping containers that were damaged during shipment, Stericycle may process such return goods shipments, however, no reimbursement will be issued by JOM. JOM is not responsible for shipments lost and/or damaged in transit. JOM recommends that all customers insure return goods shipments.

REIMBURSEMENT:

Stericycle will audit the quantities of return goods and final reimbursement will be based on Stericycle's count. Reimbursement for partial bottles of tablets or capsules will be based on individual tablet/capsule count. Reimbursement will be issued for only the specified amount of the original container quantity. For example, if one-hundred twenty-five (125) tablets are returned in a one-hundred (100) count bottle, reimbursement will only be issued for the exact count of the tablets up to a maximum of one hundred (100) tablets. The quantity of tablets exceeding one-hundred (100) will be destroyed and no reimbursement will be issued for such quantity.

All products will be reimbursed based on a percentage of current prices. For customers with contract pricing, the percentage for each product will be applied to the customer's current contract price. For all other customers, the percentage for each product will be applied to the product's current list price per JOM. To determine the applicable percentage for a product that will be applied to the product's current price for purposes of calculating the amount of reimbursement, please refer to the Return Goods Policy Product Listing.

Direct purchasing customers will receive any reimbursement due for return goods shipments in the form of a credit memo on the direct purchasing customer's account with JOM. Any right of set-off for return goods shipments may only be exercised following receipt of a properly issued credit memo. Non-direct purchasing customers shall seek any reimbursement due for return goods shipments in the form of a check or credit through their wholesaler.

To assist in accurate credit memo/check processing, please include the following information with the return goods shipment:

1. Return Origination name and mailing address
2. Distributor/Wholesaler name and mailing address (if product purchased from a distributor or wholesaler)
3. Remit-To name and mailing address
4. Debit Memo detail

Return goods shipments which are deemed to be outside of this policy will not be returned to the customer or the third party processor and no reimbursement will be issued by JOM for said product unless state or local law requires otherwise.

JOM's return goods policy is subject to change at any time and without prior notice to other parties.