



— we help people achieve healthy skin

**LEO Pharma Inc.
Trade Product Return Goods Policy
Effective 01/26/16**

LEO Pharma Inc. will issue credit in accordance with this policy only for authorized returns of current products that are returned in full, unopened, undamaged, original packaging, and are received within 30 days of return authorization. Upon receipt of authorized product, at LEO Pharma Inc.'s discretion, a credit allowance may be issued in the form of a credit or replacement product. Unauthorized returns, returns which do not contain adequate information as required by the Return Goods Authorization Form, or returns which do not otherwise comply with this policy will be subject to rejection and will not be eligible for or receive any credit. Credit for authorized returns submitted in accordance with this policy will be issued under the following circumstances:

Procedure for Returning Items:

Customers MUST secure a LEO Pharma Inc. Return Goods Authorization before returning trade product. Return requests must clearly indicate the NDC number, quantity, lot number, and expiration date of all products that are to be returned. All return requests are subject to review and approval by LEO Pharma Inc., in its sole discretion, and subject to applicable law. Return Goods Authorizations may be obtained by contacting LEO Pharma Inc. by phone, fax, or e-mail at the following addresses:

If by phone: 866-344-8878

If by FAX: 614-652-0271

If by e-mail: GMB-SPS-Returnrequests@cordlogistics.com

LEO Pharma Inc. will provide Return Goods Authorizations to the person at the customer who requested approval to return product.

In order to receive credit for returned goods, product and a copy of the LEO Pharma Inc.'s Return Goods Authorization must be returned to the following address:

LEO Pharma Inc.
Attn: Returns Department
15 Ingram Blvd
Dock 43
La Vergne, TN 37086

If the customer utilizes a debit memo or similar document to process returns, it will be rejected by LEO Pharma Inc. unless it includes all details displayed on the Return Goods Authorization form (NDC number, quantity, lot number and expiry) and a copy is included with the return.

Returns must be shipped to the LEO Pharma Inc. Returns Processing Center within thirty days of the date of approved Return Goods Authorization. Returns shipped to any address other than the address displayed on the Return Goods Authorization will be rejected.



— we help people achieve healthy skin

The customer is responsible for the cost of the shipping unless the return is the result of a LEO Pharma Inc. order processing or shipping error or is the result of a recall.

Customers shall not deduct from current amounts due until the credit memo has been processed.

The Return Authorization number is to be displayed on all documentation, on the exterior of each returned carton, and on any correspondence to LEO Pharma Inc.

Credit will not be issued if the above procedures are not followed.

Products Eligible for Return/Credit

The following products are eligible for return or credit:

Expired Product: Expired Product in original container/packaging with original labels may be returned for credit within twelve months after the expiration date.

Short Expiration Product: Products in original container/packaging with original label with six or less months to expiration date.

Shortages: If the quantity received is less than what is displayed on the packing list, it must be reported to LEO Pharma Inc. within ten business days of receipt in order to qualify for credit. Replacement product or credit will be issued for a shortage only if it is reported within ten business days and after LEO Pharma Inc. has investigated the claim.

Overages: If customer receives product not ordered or quantities in excess of what was ordered, it must be reported to LEO Pharma Inc. within ten business days of receipt. LEO Pharma Inc. will make arrangements to pick up the overage or invoice the customer for the overage if the customer chooses to keep the product.

Damaged Exterior Cartons: Product carton damage observed at the time of receipt must be noted on the carrier receipt and promptly reported to LEO Pharma Inc. within ten business days by telephone or e-mail. Customer will not receive credit for damaged exterior cartons if it is not noted on the carrier receipt.

Concealed Damage: Damage discovered after carrier delivery that was not apparent at the time of carrier delivery, e.g., damage to individual units, must be reported to LEO Pharma Inc. within ten business days.

Recalled Product: Recalled product will be credited at current WAC.

Products Ineligible for Return/Credit

The following returns do not qualify for credit or refund:

Repackaged Product: Products that have been repackaged or products not in its original container are not eligible for return or credit.



— we help people achieve healthy skin

Products dispensed and used by patients: All LEO Pharma Inc. products are sold as the individual item. As such, any item (e.g. tubes or vials) that have been opened for patient use are not eligible for return or credit.

Products with Missing or incorrect Product Information: Products with unknown, missing, or inaccurate lot numbers or expiration dates.

Non-Expired Product: Product that has been expired for more than one year is not eligible for credit.

Non-Short Expiration Product: Product with greater than six months of remaining product dating will not be eligible for return or credit.

Insured/Insurable Product: Product that has been involved with an insurable loss (fire, smoke, water damage, bankruptcy, fire sales) will not be eligible for credit without regard to whether coverage was in place or the claim is under investigation or has been rejected.

Customer Caused Damage: Products damaged subsequent to delivery by the common carrier, including product damaged due to improper storage or handling.

Samples: Products distributed as samples or as free goods and subject to the LEO Pharma Inc. Sample Returns Policy.

Illegal Products: Products purchased or otherwise obtained in violation of any federal, state or local law or regulation or Products obtained via diverted means, without limitation, including Products imported from countries outside the United States.

Unauthorized product returns will be destroyed and credit will not be issued to the customer.

Valuation of Returns

Eligible expired or short expiration product will be credited in the amount of 90% of current WAC, subject to applicable law. If, however, a customer has an agreement with LEO Pharma Inc. to purchase a product at an amount lower than WAC, then the returned product will be credited at 90% of the current contract rate. Recalled product will be credited at current WAC.

If the customer has a valid shortage claim, the customer will be issued replacement product or credit at the acquisition price as stated on the customer's invoice.

If the customer returns damaged product to LEO Pharma Inc., the customer will receive replacement product or credit at the acquisition price as stated on the customer's invoice.

If the customer chooses to keep an overage, the customer will be billed at the acquisition price as stated on the customer's invoice or at the current list price if the product received was not on original purchase order. If the customer chooses to return the overage, the customer will receive credit at the acquisition price.



— we help people achieve healthy skin

Miscellaneous

This document represents LEO Pharma Inc.'s return goods policy for the United States. LEO Pharma Inc. may change or amend this at any time in its sole discretion.

LEO Pharma Inc. reserves the right to promptly destroy all products returned.

LEO Pharma Inc. will only give credit in the form of a credit memo. Credit in the form of a refund check will not be provided.

Transportation charges, including insurance, are the responsibility of the customer.