



Terms and Conditions of Sale – Effective 07/01/2020

GENERAL: These Terms and Conditions shall apply to the sale of goods by GSK Consumer Healthcare (GSK) to the buying organization (Buyer) to the exclusion of all other terms and conditions referred to, offered or relied on by the Buyer whether in negotiation or at any stage in the dealings between the parties, including any standard or printed terms tendered by the Buyer. Any variation to these Terms and Conditions (including any special terms and conditions agreed between the parties) shall be inapplicable unless agreed in writing by GSK.

GOODS: The Buyer agrees by acceptance of goods that all product will be sold in a lawful manner in accordance with all applicable federal, state and local government regulations. GSK hereby certifies and warrants that all goods invoiced have been produced in compliance with the requirements of the United States Fair Labor Standards Act, as amended. All Goods sold by GSK are only for the distribution and use within the United States of America and its territories. GSK prohibits export of goods outside the United States and its territories. Any deviation could result in shipment and/or account suspension.

TERMS OF SALE: Terms of sale are 2% 22 days, net 23 days from Date of Invoice (DOI), cash in bank or Electronic Fund Transfer (EFT). The cash discount is calculated on the net amount of the invoice after allowances. Anticipation or similar charges at time of payment or on a post audit basis are not permitted. All unearned cash discounts will be charged back to the Buyer.

TAX EXEMPTION: Buyer must provide GSK a current Tax Resale Certificate or Uniform Sales & Use Tax Certificate.

ORDER POLICY: All orders are subject to acceptance by GSK. All orders are shipped and billed in full case quantities. Credit terms may be offered subject to satisfactory credit vetting of the Buyer by GSK. The offer of credit will be at the sole discretion of GSK.

Direct Customer Qualifications:

- \$250,000 minimum annual purchase volume
- 500 lbs. minimum per Original Order / Consolidated Bill of Lading (CBOL)

Bracket Price Qualifications:

- Bracket 1: Average 15,000 lbs. or greater (Original Order / CBOL), with 50% of orders exceeding 15,000 lbs.
- Bracket 2: Average 2,000 lbs. or greater (Original Order / CBOL)
- Policy Term: semi-annual review with price effectivity dates of February 1 (review period May 1 – Oct 31 with notification by Nov 30) and August 1 (review period Nov 1 – April 30 with notification by May 31).
- Methodology: Assessment will be based on the original order quantities and case weights. An average order weight by ship-to location will be calculated and then used to determine the network average for each review period. Further consideration will be given for multiple orders for the same destination with the same requested delivery date that are submitted such that the orders can be consolidated on a single bill-of-lading. Locations contracted for customer pickup will be included in these calculations.
- Exclusions: New Item Launch Orders will be excluded

DISPLAY ORDERS: Each display item will require a separate purchase order in order for GSK to effectively manage its production, shipment and timely delivery. These items have specific and unique processes and lead-times that necessitate special ordering, and as such cannot be combined with regular weekly orders. Display orders not meeting these guidelines will require cancellation and reorder. One item number = One purchase order number. In relation to bracket pricing, display shipment weights will be added to the relevant corresponding weekly order to ensure equitable bracket volume management.

PRICE CHANGE NOTIFICATION: GSK will provide the Buyer a minimum 60 days' notice prior to a price increase. All price changes will be based on the requested delivery date (RDD). There will be no price protection on any price change.

FREIGHT: All freight is FOB Origin prepaid, unless otherwise contracted through the GSK Customer Controlled Transportation agreement (See Addendum 1). Carriers are designated by GSK. Unloading and other accessorial freight charges incurred during delivery are the responsibility of the Buyer. All shipments made and acceptance thereof must be based on the foregoing prices, terms and conditions and no other. No penalty charges are accepted.

RISK/TITLE: The Goods shall pass to the Buyer FOB Origin pre-paid freight. GSK will maintain responsibility for lost or damaged freight while in-transit for prepaid shipments.

DELIVERY: Unless otherwise agreed in writing, delivery of the goods shall take place at the address specified by the Buyer on, or as close as possible to the date required by the Buyer. The Buyer shall make all arrangements necessary to take delivery of the Goods whenever they are tendered for delivery.

If GSK is unable to deliver the goods because of actions or circumstances under the control of the Buyer, then GSK shall be entitled to place the goods in storage until such times as delivery may be affected, and the Buyer shall be liable for any expense associated with such storage (demurrage).

OVER, SHORT & DAMAGED: Goods arriving in visibly damaged condition should be refused. Damaged and concealed damage goods must be returned within 15 days of receipt. Damage claims must be supported by a carrier inspection report. Unsupported claims will not be considered. All returns must be pre-approved by GSK Customer Service at (800) 743-4014. Unauthorized returned goods will be refused by GSK. All goods are sold on a firm sale basis, i.e. GSK will not take back any goods not required by the Buyer, or not sold directly by GSK. GSK reserves the right to charge a restocking fee. Shortage and damage claims must be supported by a delivery receipt indicating the item number, number of cases short or refused and signed by the receiver. All returns must be in cases only, not eaches.

NON-COMPLIANCE DEDUCTIONS: GSK does not agree to honor fine and fee deductions resulting from Buyer's non-compliance programs. These deductions include but are not limited to order cuts, late deliveries, repackaging, bad pallets, missing packing slips, missing ASN's, etc. If issues occur within the fulfillment process that result in supply chain inefficiencies, GSK is willing to work with its customers to understand the issue(s) and collaborate on action plans that drive long-term resolution. If fine/fee deductions are assessed, they will be classified as invalid and repayment will be expected within 15 days of the date of the deduction.

MARKDOWNS ON EXISTING ITEMS: Nationally discontinued products initiated by GSK will be eligible for a markdown program of no more than 50% of list price for up to 8 consecutive weeks paid on validated scan.

MARKET FAILURE OF NEW ITEMS: All new, regular open stock items recognized by GSK as a genuine Market Failure will be eligible for return after the Markdown process has concluded.

RECALLS: Product recalls and withdrawals will be handled on a case-by-case basis.

UNSALEABLES: Retailer agrees to abide by the GSK unsaleable policy. Only the following conditions will be considered unsaleable product: (1) unlabeled or mislabeled, (2) improperly sealed product, (3) over/short weight or partially filled, (4) broken glass/leakers, (5) moldy, soiled, stained or sticky package, (6) crushed, dented or collapsed product, (7) manufacturer withdrawal/discontinued, (8) outdated product in the absence of trade neglect.

Pursuant to GSK's Adjustable Rate Allowance and Product Disposition Policy, GSK will compensate the direct Buyer for unsaleable goods via payments calculated based on Buyer's direct purchases of eligible goods (in the form of either an Adjustable Rate Allowance or a Swell Allowance). All direct Buyers are eligible for the Adjustable Rate Allowance, except for those customers notified by GSK that they are eligible for a Swell Allowance. GSK does not allow deductions for, or returns of, unsaleable goods and will no longer honor claims for physical product returns. Payment represents full compensation for unsaleable goods except as specifically noted in the Policy. No additional compensation will be paid for unsaleable goods. Unsaleable goods, for the purposes of the Policy, refers to GSK goods that are damaged, defective, expired, or whose packaging is compromised to the degree that the goods are not fit for sale to consumers.

Buyers eligible for a Swell Allowance can obtain their rate by contacting their GSK representative. The Adjustable Rate Allowance or the Swell Allowance will be multiplied by the gross sales before cash discount of the eligible goods purchased by a direct Buyer to determine the amount of the applicable payment. Payments will be made to the Customer as an off-invoice allowance, summarized at the SKU level on the invoice. GSKCH will continue to support alternate solutions for those Customers that cannot accept the allowance off invoice provided such Customer is in compliance with the terms and conditions herein.

GSK believes that the Policy provides for fair and equitable compensation to its direct Buyers for unsaleable goods. Therefore, Buyers are responsible for properly disposing of all unsaleable goods in accordance with applicable laws, and

regulations, and for ensuring that the unsaleable goods are not available for purchase by the consumer. Unsaleable goods must not be resold.

Adjustable Rate Allowances are as follows: Rates Effective July 1, 2020

Category	Rate
Pain	0.400%
Vitamin and Lip Care	0.580%
Gummies Only	1.830%
Dietary Health	0.530%
Respiratory	0.810%
Oral Care	0.840%

Eligible Brands	Adjustable Rate
Pain	0.40%
Advil Advil PM Children's Advil Excedrin ThermaCare Voltaren (pending FDA approval)	
Vitamin/Lip	0.58%
Abreva Caltrate Centrum Centrum Silver Centrum Heart Centrum Energy ChapStick Emergen-C Lamisil OsCal Slow Fe	
Gummy Only	1.83%
Centrum Gummies Emergen-C Gummies Caltrate Gummy Bites Benefiber Gummies Robitussin Gummies	
Dietary Health	0.53%
Alli Benefiber Citrucel ExLax Fibercon GasX Gaviscon Nexium Perdiem Prep H Tums	
Respiratory	0.81%
4-Way Alavert Advil Cold & Sinus Advil Congestion Relief Breathe Right Dimetapp Dristan Flonase Primatene (Tablets Only) Robitussin Theraflu	

Triaminic	
Oral	0.84%
Anbesol	
AquaFresh	
Biotene	
Comfort Seal	
Paradontax	
Polident	
Poligrip	
Pronamel	
Sensodyne	

NICORETTE AND NICODERM CQ: These items are not for sale to those under 18 years of age. PROOF OF AGE IS REQUIRED. Not for sale in vending machines or from any source where proof of age cannot be verified.

GSK'S NICOTINE REPLACEMENT THERAPY BRANDS - RETURN CREDIT PROGRAM: See Addendum 1

Return Credit Rates - Specific Rate Detail:

The following GSK NRT Return Credit rates will be applied and paid effective July 1, 2020. No change from existing published program.

Credit will be paid Quarterly based on Return Option chosen (excluding Option 3 which eliminate any Return Credit) with Credit issued between 30-45 days following the close of a Quarter. In addition, details around shared cost of Return is outlined below

GSK NRT RETURN CREDIT SPECIFICS			
GSK Items covered under RETURN CREDIT POLICY: Nicorette Gum, Nicorette Lozenges, Nicorette Mini Lozenges, NicoDerm CQ			
<ul style="list-style-type: none"> - Return Credit covers all sizes, strengths, variants and flavors for NRT Brands noted - Contracts / Agreements in place that specify no Credit paid for Returns (previously unsaleables), takes precedence over this policy 			
	OPTION 1	OPTION 2	OPTION 3
GSK NRT RETURN APPROACH	GSK's Reverse Logistics Partner of Choice (DRS*)	Retailer Chosen 3 rd Party	No Return Approach Chosen
RETURN CREDIT AMOUNT	1.96% of net sales (before cash discount)	2.1% of net sales (before cash discount)	No credit provided
CREDIT PROVIDED	Quarterly	Quarterly	No credit provided
BY WHEN	30-45 Days after Quarter Close	30-45 Days after Quarter Close	No credit provided
VERIFIED BY	Reporting of actual Customer & Unit returns	Written verification of 3 rd Party selection and units returned	Not verified
OTHER SHARED COSTS - GSK	Cost Paid to Reverse Logistics partner to process, store, ship and destroy approx. \$.85/unit	Included in additional Return Credit Difference of 1.96% to 2.1% of Sales	None
OTHER SHARED COSTS - RETAILER	Return Shipping Costs – Retailer Store / DC to GSK's Reverse Logistics Partner of Choice		None

*DRS Product Returns, LLC, 3490 Northbend Cir., Alcoa, TN 37701, Customers can call **610-500-2200** to schedule a delivery.

DEFAULT: GSK may consider your account to be in default if any provision of our conditions of sale are violated, including but not limited to (1) repayment on demand of any deduction deemed invalid or unauthorized, (2) failure to make timely payments, (3) the assignment of any property for the benefit of creditors, (4) you become insolvent or go into

bankruptcy, receivership or any similar situation, or (5) GSK has a reason to believe the account is being used in conjunction with any fraudulent activity.

GSK Associates are required to comply with all applicable anti-trust laws and company policies. While GSK associates may make recommendations concerning pricing, promotion, shelving and distribution, all decisions are at the sole discretion of the Buyer.

CONFIDENTIAL - REPRODUCTION PROHIBITED. This information is highly confidential information intended solely for the use of GSK Consumer Healthcare Representatives. Any unauthorized use, dissemination, distribution or copying of this information is strictly prohibited.

SEVERABILITY: If any provision of these Terms is found to be unenforceable or invalid under any applicable law, such unenforceability or invalidity shall not render these Terms unenforceable or invalid as a whole, and such provisions shall be deleted without affecting the remaining provisions herein.

Addendum 1

RETURN CREDIT PROGRAM - GSK'S NICOTINE REPLACEMENT THERAPY BRANDS

(SUPPLEMENT TO UNSALEABLE REIMBURSEMENT FUND (ARP) POLICY)

This policy replaces GSK's existing Unsaleable Reimbursement Fund Policy and is specifically to be used for RETURN CREDIT for GSK's NRT Brands only effective July 1, 2020. No change from existing published policy.

For the purpose of working with Retail Customers to try and ensure appropriate handling of GSK Nicotine Replacement Therapy items, GlaxoSmithKline ("the Company") agrees to provide the Direct Buying Customer ("the Customer") with a RETURN CREDIT for NRT items no longer able to be sold at Retail. The RETURN CREDIT amount (as outlined below) will be determined by Return Option as chosen by the Retail Customer. Credit will be issued Quarterly following verification of NRT Returns Option decision and units returned. Credit will be capped as a % of Invoiced Sales for that Quarter and provides full satisfaction of the Customer's costs or claims related to GSK NRT product returns products under the terms and conditions herein (the "Return Credit Program"). The following exhibit is attached hereto and incorporated into this Agreement: Exhibit A: GSKCH NRT Return Credit Designation Form.

All Terms and conditions outlined in Unsaleable Reimbursement Fund Policy (effective date July 1, 2020) apply to this policy supplement. Changes specific to GSK's NRT portfolio of product are noted below and supersede those outlined in the original policy.

1. As of January 2, 2015, GSK's Nicotine Replacement Therapy Brands (Nicorette Gum / Lozenges / Mini Lozenges and NicoDerm CQ Patches will no longer provide for or participate in GSK's adjustable rate Unsaleable Reimbursement Fund (ARP) Program. This includes no longer providing a 1.96% ARP unsaleable credit as an off-invoice payment.
2. RETURN CREDIT amount provided to Retail Customer is based on selection of 1 of 3 Return Options (as outlined below)
 - Option 1 - Return items to GSK's 3rd party Reverse Logistics partner of choice
 - Option 2 – Return items to Retailers 3rd party Reverse Logistics partner of choice
 - Option 3 – No Return option chosen (which results in no Credit provided by GSK)
3. IN ADDITION TO RETURN OPTION CHOSEN, Quarterly Credit will be provided once
 - Option 1 – confirmation of unit returns to reverse logistics partner through their reporting system
 - Option 2 – written confirmation of Retailers selected Reverse Logistics partner of choice and periodic verification of units returned
4. QUARTERLY CREDIT AMOUNTS / SHARED COST APPROACH is specified on page 2 and can be found under GSK NRT RETURN CREDIT Specifics
5. GSK will evaluate this program on an annual basis to determine what, if any, changes should be implemented for coming business year and is committed to providing appropriate lead time notification for changes of 60 days
6. GSK NRT ITEMS NO LONGER SOLD AT RETAIL / ITEM RETURNED FROM RETAIL and/or RETAILER

- a) GSKCH NRT Items, are NOT to be sampled or offered for RESALE OR SALVAGE UNDER ANY CIRCUMSTANCES, nor donated or sampled to an agency.
7. Change in statutes and guidelines around appropriate handling of NRT items, as directed by Federal, State, or Local regulatory agencies, may require changes in this Returns Credit approach based on implementation timelines or lead-times
8. GSK requests all Retail Customers discuss and determine the best Return Option based on their Business model and company guidelines and internal alignment.

Return Credit Rates - Specific Rate Detail:

The following GSK NRT Return Credit rates will be applied and paid effective July 1, 2020. No change from existing published policy.

Credit will be paid Quarterly based on Return Option chosen (excluding Option 3 which eliminate any Return Credit) with Credit issued between 30-45 days following the close of a Quarter. In addition, details around shared cost of Return is outlined below

GlaxoSmithKline Consumer Healthcare NRT RETURN CREDIT DESIGNATION FORM			
Direct Buying Customer			
Attention:			
Payment Address	<i>Street:</i>		
	<i>City, State, Zip:</i>		
Date:	<i>Return an original signed copy to GSK Customer Service Department</i>		
GSK NRT RETURN CREDIT SPECIFICS			
GSK Items covered under RETURN CREDIT POLICY: Nicorette Gum, Nicorette Lozenges, Nicorette Mini Lozenges, NicoDerm CQ			
<ul style="list-style-type: none"> - Return Credit covers all sizes, strengths, variants and flavors for NRT Brands noted - Contracts / Agreements in place that specify no Credit paid for Returns (previously unsaleables), takes precedence over this policy 			
	OPTION 1	OPTION 2	OPTION 3
GSK NRT RETURN APPROACH	GSK's Reverse Logistics Partner of Choice	Retailer Chosen 3 rd Party	No Return Approach Chosen
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CREDIT PROVIDED	Quarterly	Quarterly	No credit provided
BY WHEN	30-45 Days after Quarter Close	30-45 Days after Quarter Close	No credit provided
VERIFIED BY	Reporting of actual Customer & Unit returns	Written verification of 3 rd Party selection and units returned	Not verified
OTHER SHARED COSTS - GSK	Cost Paid to Reverse Logistics partner to process, store, ship and destroy approx \$.85/unit	Included in additional Return Credit Difference of 1.96% to 2.1% of Sales	None
OTHER SHARED COSTS - RETAILER	Return Shipping Costs – Retailer Store / DC to GSK's Reverse Logistics Partner of Choice		None

Signature

Print Name and Title

Addendum 2 (Back Haul)

CUSTOMER CONTROLLED TRANSPORTATION POLICY

EFFECTIVE DATE: _____, 20__

This policy is applicable to customers requesting backhaul (pick-up) privileges, and preferred carrier requests that cannot be honored by GlaxoSmithKline Consumer Healthcare (GSK).

The intent of this policy is to allow GSK's customers an opportunity to control the transportation of their order(s) from GSK, by providing an allowance equal to the freight expense which would have been incurred by GSK less compensation for any special handling requirements.

The following are the terms and conditions of the policy are effective unless otherwise amended and agreed to:

1. The customer must allow the normal lead-time (7 working days from the time GSK Customer Service in Warren receives the order) for the processing of the order to allow the necessary arrangements to be made with GSK's distribution center.
2. The order shipment is to be made from the normal GSK shipping location.
3. The customer must indicate, at the time of placement, a specific date and time of shipment and confirm this date and time with the warehouse 48 hours in advance or provide a contact for arrangement of transportation. Due to limited dock space, GSK reserves the right to ship staged orders, via the carrier of GSK's choice, if not picked up within 24 hours of scheduled pick up appointment.
4. All vehicles provided for transportation of goods under this agreement are subject to inspection. GSK reserves the right to refuse the loading of any vehicle that does not pass this inspection for safety or quality concerns. In the event a vehicle is refused, GSK reserves the right to ship the order prepaid by a carrier of GSK's choosing
5. Ownership of goods passes to customer once loaded onto trailer. Customer has 72 hours from time of delivery to report any shortages. Both GSK and the customer must agree in order for any shortage claims to be honored.
6. Transportation allowances and special handling expenses will be determined annually based upon GSK's long-term carrier contracts. The transportation allowance will be listed as a credit amount on the original invoice.
7. Transportation allowance rates are provided on the 'GSKCH Freight Rate Allowance (see Addendum 3). No additional allowances will be honored. The allowance will be calculated on the total shipped weight at the bill of lading level, and then prorated by individual order weight. The prorated allowance will be reflected on each invoice. Fuel allowance will be evenly divided across all orders, regardless of weight.
8. Deductions for shortages and/or damages, or failure to adhere to other terms of this policy, will be considered grounds for cancellation from participation.

Account Name

Acceptance Signature

Date

GSK Trans Mgr

Acceptance Signature

Date

Addendum 3 (Back Haul)



2020 FREIGHT RATE ALLOWANCE FOR CUSTOMER CONTROLLED TRANSPORTATION

- Rates do not include fuel surcharge. Fuel Surcharge will be based on most recent and up to date EIA diesel rate published.

MILES	*\$/CWT	MAX. ALLOWANCE
LT 200	\$3.83	\$689.14
200 - 299	\$4.17	\$749.98
300 - 399	\$4.78	\$860.59
400 - 499	\$5.17	\$931.27
500 - 599	\$5.97	\$1,074.23
600 - 699	\$7.58	\$1,363.72
700 - 799	\$7.85	\$1,412.40
800 - 899	\$8.12	\$1,461.08
900 - 999	\$9.25	\$1,665.75
GT 1000	\$10.24	\$1,844.03

FUEL INDEX		SURCHARGE per MILE
\$2.000	\$2.049	\$0.17
\$2.050	\$2.099	\$0.18
\$2.100	\$2.149	\$0.19
\$2.150	\$2.199	\$0.20
\$2.200	\$2.249	\$0.21
\$2.250	\$2.299	\$0.22
\$2.300	\$2.349	\$0.23
\$2.350	\$2.399	\$0.24
\$2.400	\$2.449	\$0.25
\$2.450	\$2.499	\$0.26

FUEL INDEX		SURCHARGE per MILE
\$2.500	\$2.549	\$0.27
\$2.550	\$2.599	\$0.28
\$2.600	\$2.649	\$0.29
\$2.650	\$2.699	\$0.30
\$2.700	\$2.749	\$0.31
\$2.750	\$2.799	\$0.32
\$2.800	\$2.849	\$0.33
\$2.850	\$2.899	\$0.34
\$2.900	\$2.949	\$0.35
\$2.950	\$2.999	\$0.36

*Rates expressed in dollars per 100 pounds (\$/cwt)

*Mileage will be based on Rand McNally short mile calculations. **If the national average price of diesel fuel is less than or greater than the fuel ranges listed above, the correct surcharge can be extrapolated using the above table.