



SALES AND CREDIT TERMS AND CONDITIONS

Version: 4.2020

- SALES POLICY:** Butler Animal Health Supply, LLC, DBA Covetrus North America ("COVETRUS"), and CUSTOMER agree that these terms, in addition to those set forth in the Credit Application and Agreement govern the relationship between COVETRUS and the CUSTOMER. CUSTOMER acknowledges and accepts all such terms and conditions upon completion of an application for credit with COVETRUS, or by placing an order for goods with COVETRUS. COVETRUS sells products and services to licensed veterinarians, animal researchers and other CUSTOMERS who treat or work with animals who have an established business account and are properly licensed, as applicable, at the federal and state level.
- ESTABLISHING AN ACCOUNT:** Upon the receipt and review of a Credit Application, COVETRUS may place qualified CUSTOMERS on an open account which will allow them to purchase products on credit with COVETRUS. Other credit arrangements are available for CUSTOMERS interested in automated payment methods, or for those applicants not qualified for open credit.
- PAYMENT TERM:** Upon the receipt and review of a Credit Application, COVETRUS may place qualified CUSTOMERS on an open account which will allow them to purchase products on credit with COVETRUS. Other credit arrangements are available for CUSTOMERS interested in automated payment methods, or for those applicants not qualified for open credits. Standard payment terms are Net 25th. All sales are payable by the 25th of the following month after the date of the invoice unless specifically stated otherwise in your credit application approval or on your invoice. COVETRUS reserves the right to establish credit limits at its sole discretion. COVETRUS accepts these forms of payment: (i) Checks made payable to Covetrus North America and mailed to invoice remittance address; (ii) Online at <https://northamerica.covetrus.com>; (iii) Direct payments through ACH debit; (v) Credit cards: Visa, Discover, MasterCard, or American Express.
- LATE CHARGES:** A late payment service charge will be levied on past due invoice balances at the rate of 18% per annum or at the maximum rate allowed by law.
- RETURNED CHECK:** A \$25.00 service fee will be charged on all returned checks. Checks are re-deposited immediately the first time they are returned. If a check is returned a second time, the account is placed on "DO NOT SHIP" status until the returned check is replaced with a money order or cashier's check. The \$25.00 service fee will apply upon the second return.
- SHIPPING AND HANDLING:** Orders shipped from COVETRUS facilities will be shipped prepaid. Orders that do not meet the minimum order value of \$100 will receive a \$10 minimum order handling fee. The minimum order handling fee does not apply to Schedule II/CII or agency only orders. Orders shipped direct from the supplier ("agency orders") may be subject to the supplier's shipping charges. Hazardous material products that are regulated by the Department of Transportation are subject to an additional hazardous material fee charged by the transporting carrier for each box shipped. Requests for upgraded service are subject to additional shipping charges. Any shipping and handling fees will be billed on the invoice. All shipments are FOB Origin.
- CONTROLLED SUBSTANCES:** Controlled Substances are sold exclusively to valid DEA Registration holders. Before any order can be accepted, a copy of the current Federal DEA Registration must be on file with COVETRUS. Some states also require Controlled Substance permits or licenses. Please check your state laws and, if applicable, a copy of your state license must also be on file with COVETRUS. Controlled Substances will be shipped only to the address that appears on the Federal DEA registration. Mail orders of Schedule II Controlled Substances must be submitted via a properly prepared DEA 222 form. In order for COVETRUS to fulfill a Schedule II Controlled Substance order, the address on the DEA Certificate and the U.S. official order form (DEA 222 form) must be exactly the same. Electronically submitted Schedule II Controlled Substance orders will be verified by a DEA-approved validation service. All Controlled Substance orders for research institutions and government institutions must be accompanied by a purchase order. For institutions using blanket purchase orders, the purchasing department must submit a copy of the blanket purchase order indicating the DEA Registrant's name, or Power of Attorney and DEA number each time a Controlled Substance is ordered.

- RETURNS AND ALLOWANCE:** COVETRUS provides our CUSTOMERS with a generous return policy for obtaining credit or adjustment for products sold by COVETRUS. All product returns and other requests for credit must receive prior authorization (Return Authorization form) to ensure that credits will post to the CUSTOMER'S account in a timely manner. We cannot accept any returns without prior authorization. CUSTOMER will have fifteen (15) business days from issuance of the return authorization label for UPS to pick the product up from the veterinary practice. Freight charges of \$10.00 per shipment to return non defective product will be deducted from the applied credit to CUSTOMERS account. Due to the nature of some products we carry, not all items are eligible for return.

Please note some of the product exceptions that are not returnable: Controlled Substances; Items that cannot be returned to manufacturer, Special order/nonstock items which are not returnable to manufacturer, Drop Ship items which are not returnable to manufacturer, Open and used equipment, Items that are not in saleable condition, Hazardous materials (Diamond Label), Returns prohibited by state law, Diagnostic test kits, Discontinued products, Custom Products, X-ray Equipment, Human pharmaceuticals, Refrigerated product (some exceptions apply), and Product unsuitable for resale because of age, obsolescence, expired or approaching expired, or subject to manufacturer return policy.

Credit for product returns that are allowed are subject to a restock and handling fee. Restock and handling fees apply to all products deemed saleable providing: (i) All product must have at least 3 months dating. Exceptions may be made based on manufacturer's return policy; (ii) Original packaging must be unopened and free of stickers, markings and damage. Restock and handling fee are as follows: - assessed based on number of days between Date of Original Invoice and Date of Return Issuance: (i) Within 20 days – NO restock and handling fee; (ii) 21 to 60 days – 10% restock and handling fee; (iii) 61 to 90 days – 20% restock and handling fee; (iv) Greater than 90 days not returnable. Exceptions may be made based on the manufacturer's return policy and may be subject to a restock and handling fee. All order entry, shipping errors and damaged product must be reported within five (5) business days of receipt. COVETRUS reserves the right to deny credit on product returns subject to the terms listed and based on inspection of items upon receipt. Returns and billing adjustments may be requested by calling your sales representative or submitting on our website: <https://northamerica.covetrus.com>. You will be required to submit a Return Authorization form that is provided to you upon approval of the return.

- SALES AND USE TAX:** COVETRUS is required to comply with the sales and use tax laws where it operates. There exists an obligation to assess, collect, and remit sales and use taxes unless the product or CUSTOMER is exempt by law or the product is being purchased for resale. COVETRUS is required to obtain a duly completed exemption certificate from any CUSTOMER to document an exemption prior to exempting the transaction from tax. All sales and use taxes are remitted to the appropriate state and/or local taxing jurisdiction according to the laws of that jurisdiction.
- WARRANTY:** Product warranties, if available, are furnished by the product's manufacturer.
- CREDIT TERMS:** Covetrus reserves the right to require additional credit terms, such as, but not limited to, pre-payment, ACH, debit or third party credit cards. Covetrus will provide such terms in writing as part of the credit approval process. Until the product is paid for in full, Covetrus retains, and Customer grants, a security interest to Covetrus in the product and any Covetrus profit on that product. Such security interest shall continue in effect until Covetrus is paid in full.