



Addyi Direct Buy Wholesaler Application & Policy

Purpose:

Sprout Pharmaceuticals, Inc (“Sprout”), a pioneer in women’s sexual wellness and the maker of Addyi®, sets forth this Direct Buy Partner policy (the “Policy”) as mandatory terms of agreement for any party who purchases Addyi through Sprout’s Direct Buy program and resells Addyi through their clinical practice (“Direct Buy Partner”).

Addyi (Flibanserin) is the only patent protected, FDA approved pill proven effective for Hypoactive Sexual Desire Disorder (HSDD) in certain premenopausal women. Known as the ‘little pink pill’, Addyi is the #1 Prescribed treatment for women with HSDD who want to improve their sex drive.

Compliant with all federal and state regulations, Direct Buy Partners and potential Direct Buy Partners of Addyi shall be required to comply with the Policy set forth below, without exception, as well as be compliant with all federal and state regulations regarding prescription drug dispensing. This Policy is not subject to negotiation. Nothing in this Policy guarantees any individual or entity a future right to be a Direct Buy Partner pursuant to this Policy.

The Policy:

Last Updated Date: July 24, 2024

1. Terms and Conditions for Addyi’s Prescribing Office Wholesale Program (the “Program”)
 - a. In the event that Sprout receives no orders (purchases of Addyi) within a six (6) month period from a Direct Buy Partner, Sprout reserves the right to require reapplication to the Program.
 - b. Direct Buy Partner is strictly prohibited from reselling Addyi to any person, company, or entity engaged in third party reselling of Addyi or any other products.
 - c. Direct Buy Partner expressly acknowledges and agrees that it is restricted from selling Addyi online and will not aid any other party in selling Addyi online (ie. Groupon, Amazon, ebay or any other e-commerce site).
 - d. Electronic payments and credit cards are the accepted form of payment. Credit card payments are subject to a 2.5% fee. Sprout only accepts credit cards in the Direct Buy Partner’s name (business owner or business).
 - e. Sprout disclaims any responsibility or liability for resolving any customer service related issues between Direct Buy Partner and any patient.
2. Shipment
 - a. Unless the Direct Buy Partner supplies explicit instructions, all orders will ship FedEx 2nd Day by default. Shipping and handling charges will be added to the invoice and may require pre-payment. Depending on weather conditions, Sprout reserves the right to prohibit FedEx 2nd Day shipping in order to ensure the best shipping conditions and hence the highest quality of Addyi at the time of the

delivery.

- b. In the event that Sprout deems that necessary, Sprout reserves the right to insure the packages with its carrier of choice, which are part of Direct Buy Partner's shipping and handling charges added to the applicable invoice.
- c. Sprout will only ship Addyi directly to its agreed Direct Buy Partners' business address. Sprout does not offer drop shipping services.
- d. Sprout shall not be liable for failure or delay in delivery or performing any of its obligations hereunder if such failure or delay is occasioned by compliance with any governmental regulation, request or order, or by circumstances beyond the reasonable control of Sprout including, but not limited to, natural hazard outside of human control, war, acts of terrorism, insurrection, hostilities, fire, flood, accident, pandemic, labor strikes, work stoppage or slowdown (whether or not such labor event is within the reasonable control of Sprout), or inability to obtain raw materials, supplies, interruption at facilities, transportation difficulties, power or equipment necessary to enable Sprout to perform its obligations hereunder (collectively, an "Act of Delay"). In the event of an Act of Delay, the delivery period shall be extended for a reasonable period of time.

3. Return Policy

- a. Sprout does not accept returns of Addyi and all sales are final. In the case of missing or damaged product on delivery, Direct Buy Partner must notify Sprout customer support within 3 business days of delivery date.

4. Education

- a. Direct Buy Partners must participate in continuing education and may be required undergo additional training should the quality of brand standards not be maintained or executed consistently, as defined by Sprout. Sprout reserves the right to audit Direct Buy Partner's performance by way of retail assortment and service.
- b. Addyi Academy is a pre-requisite that must be fully completed by each Direct Buy Partner representative prior to attending any on-site/virtual training.

5. Marketing, Public Relations & Advertising Policy

- a. All Direct Buy Partners that advertise the brand, including any ads online, may only use or share assets in the Addyi approved library, including any assets approved for social media. Any content Direct Buy Partner creates themselves is at Direct Buy Partner's sole discretion. Direct Buy Partner shall be solely responsible and liable for any such content Direct Buy Partner creates itself.
- b. Upon Sprout's request, Direct Buy Partner shall provide any content or materials using the brand, including the "Addyi" mark, or related intellectual property.
- c. Sprout reserves the right to request removal or modifications to any content referencing the brand, including any content posted online, and Direct Buy Partner shall immediately remove such content upon Sprout's request.
- d. Direct Buy Partner must comply with all applicable laws, rules and regulations regarding the promotion of Addyi, including, as applicable, the Federal Trade Commission (the "FTC") "Guides

Concerning Endorsements and Testimonials” (“Endorsement Guides”) as updated from time to time, available at www.ftc.gov and <https://www.govinfo.gov/content/pkg/FR-2023-07-26/2023-14795.pdf>, including making statements that reflect Direct Buy Partner’s honest beliefs, opinions, and experiences.

- e. Any advertising (whether in print, the internet or other media format) must strictly adhere to the following requirements without exception:
 - i. Purpose of advertising Addyi over the internet is to promote the Direct Buy Partner, and its retail offering within its declared locations, not for the purposes of selling Addyi via the internet.
 - ii. All online promotion of the brand related to Addyi cannot be associated with discounting or other incentives, including but not limited to the following forbidden practices:
 1. Forbidden: Max discount may not exceed wholesale purchase price
 2. Forbidden: Addyi may not be registered on any group discount platform (e.g. Groupon, Amazon, Ebay)
 3. Forbidden: Direct Buy Partner may not make deceptive or misleading claims about Sprout’s products or its competitors' products.
 4. Forbidden: Direct Buy Partner may not make any claims about our products or our competitors' products that are not backed up by competent scientific evidence.
 5. Forbidden: Direct Buy Partner may not disclose any of Sprout’s confidential information.
 6. Forbidden: Direct Buy Partner may not indicate Direct Buy Partner is authorized to sell Sprout’s products.
 7. Forbidden: Direct Buy Partner may not make offensive comments that have the purpose or effect of creating an intimidating or hostile environment.
 8. Forbidden: Direct Buy Partner may not post content that promotes bigotry, racism, or discrimination based on race, gender, religion, nationality, disability, sexual orientation, or age.
 9. Forbidden: Direct Buy Partner may not use ethnic slurs, personal insults, obscenity, or other offensive language.
 10. Forbidden: Direct Buy Partner may not make any comments or post any content that in any way promotes unsafe activities that could lead to an unsafe situation involving Sprout customers or other individuals.

6. Online Sales

- a. Sprout does not and will not allow online sales of Addyi. Addyi requires a prescription and should only be dispensed after consultation with a licensed healthcare practitioner.

7. Storage

- a. Addyi must be stored by Direct Buy Partner in accordance with the specific requirements of Addyi as

described on the label, licensing requirements applicable to storage of Addyi, and Sprout's written instructions. Direct Buy Partner shall be solely responsible and liable for any loss or costs (including losses or costs incurred by any third party) due to Addyi not being stored or handled in accordance with this Policy.

- b. Direct Buy Partner expressly agrees that Direct Buy Partner will only sell Addyi supplied to Direct Buy Partner for sale to the patient, will at all times be offered for sale, promoted and sold in accordance with all laws, rules, regulations and requirements for sale of Addyi and in no event will Direct Buy Partner sell Addyi for resale.

8. Additional Policy Terms

- a. This Policy and the Program may be modified, extended, suspended, discontinued or rescinded in whole or in part by notice from Sprout at any time. If there is any disagreement over the interpretation or enforcement of the Policy, Sprout's determination will control and be final.
- b. Audit Rights. While Direct Buy Partner has an account under the Program, on request and during regular business hours, Sprout or its representatives may reasonably inspect Direct Buy Partners' facility(ies) where the Addyi is located or where its books, records, or other documents are stored, and audit Direct Buy Partner's books, records, and other documents as necessary to verify compliance with this Policy. Direct Buy Partner grants Sprout a license to enter Direct Buy Partner's premises where the Addyi is stored to inspect the Addyi and reclaim the Direct Buy Partner is in breach of this Policy.
- c. Term and Termination. Sprout shall have the right to terminate the Program or Direct Buy Partner's account at any time for any reason or no reason upon thirty (30) days' advance notice to Direct Buy Partner.
- d. Effects of Termination. Upon termination or expiration of the Program or Direct Buy Partner's account:
 - (i) all related direct buy orders are automatically terminated unless otherwise agreed by the parties in writing;
 - (ii) Direct Buy Partner shall promptly return or destroy (at Sprout's direction) all documents and tangible materials (and any copies) containing, reflecting, incorporating, or based on confidential information of Sprout's, all advertising or promotional materials related to the sale of Addyi.
- e. Confidentiality. All terms and conditions of this Policy, any purchase order and any non-public material or non-public information provided in connection with the Program or this Policy, including during any training sessions, shall be deemed confidential information of Sprout. Direct Buy Partner shall safeguard all such confidential information and only use it for purposes of performing its obligations under the Program and shall not distribute, share or disclose such confidential information to any third party. Direct Buy Partner shall be responsible for the acts or omission of its representatives and shall ensure all its representatives are bound by written obligations of confidentiality with respect to Sprout's confidential information that are as restrictive as those set forth herein. Direct Buy Partner
- f. Compliance with Laws. Direct Buy Partner shall at all times comply with all federal, state and local laws, rules, regulations, orders and ordinances that are applicable to the operation of its business, Direct Buy Partner prescribing Addyi to patients, and Direct Buy Partner's obligations under this Policy.

- g. Regulatory Communications. Direct Buy Partner agrees to notify Sprout within five (5) calendar days of its receipt of any communication or notice from the FDA or any other local, state or government regulatory body with respect to Addyi, and Direct Buy Partner shall promptly provide a copy of such communication to Sprout. The parties shall cooperate in good faith in responding to any such inquiry from the FDA or any other local, state or government regulatory body or in making any report to the applicable local, state, or regulatory body with respect to Addyi, but in all cases Sprout shall have final authority for decisions regarding Addyi regulatory compliance and unless otherwise required by law, Sprout shall be responsible for responding to all communications from such regulatory bodies, including but not limited to, the FDA.
- h. Adverse Event Reporting. Direct Buy Partner shall notify Sprout within ten (10) calendar days of any complaints related to Addyi of which it becomes aware regarding problems with Addyi, including the report of any adverse event associated with Addyi.
- i. No Export. Direct Buy Partner shall not (itself or in connection with others) export, sell or offer to sell Addyi to any recipient outside of the United States, or supply any of Addyi it knows or reasonably could know will be exported from the United States without the prior express written consent of Sprout.
- j. Indemnification. Direct Buy Partner shall indemnify, hold harmless, and defend Sprout and its affiliates, and its and their respective directors, officers, employees, and agents from and against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees, fees, and costs of enforcing any right to indemnification under this Policy and the cost of pursuing any insurance providers, relating to any claim of a third party arising out of or in connection with (i) Direct Buy Partner's acts or omissions in connection with its obligations under the Program, including, without limitation, breach of this Policy; (ii) any failure by Direct Buy Partner or its personnel to comply with any applicable laws, rules, regulations, orders or ordinances; or (iii) allegations that Direct Buy Partner breached any agreement with a third party as a result or in connection with entering into, performing under, or terminating its participation in the Program.
- k. Limitation of Liability. EXCEPT LIABILITY FOR INDEMNIFICATION, LIABILITY FOR BREACH OF CONFIDENTIALITY, IN NO EVENT: (I) SHALL ADDYI OR ANY SPROUT REPRESENTATIVE BE LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES, OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THIS POLICY OR THE PROGRAM, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE, WHETHER OR NOT SPROUT WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) ON WHICH THE CLAIM IS BASED; (II) SHALL SPROUT'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THESE TERMS, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID BY DIRECT BUY PARTNER TO SPROUT UNDER THE PROGRAM IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE CLAIM. THE FOREGOING LIMITATIONS APPLY EVEN IF THE DIRECT BUY PARTNER'S REMEDIES UNDER THE

PROGRAM FAIL FOR THEIR ESSENTIAL PURPOSE.

- l. Insurance. At all times while Direct Buy Partner has an account under the Program and for a period of three (3) years thereafter, Direct Buy Partner shall carry and maintain levels of insurance, including applicable professional liability insurance, in coverage and minimums sufficient to cover its obligations under the Program. Upon Sprout's request, Direct Buy Partner shall provide Sprout with a certificate of insurance of all insurance coverage.
- m. Independent Contractors. The parties are independent contractors, and nothing contained in the Program, this Policy, or any other documentation related to the Program shall be construed to place them in the relationship of partners, principal and agent, employer/employee, or joint venturers.
- n. Assignment. Direct Buy Partner shall not assign, delegate, or subcontract all or any portion of its rights or obligations under the Program or any purchase order without the prior written consent of Sprout. In the event of any such approved assignment, delegation, or subcontract, Direct Buy Partner shall remain liable to Sprout for the performance of its obligations under the Program and/or any purchase order by such approved subcontractor. Any attempted assignment, delegation, or subcontract in violation of this Section will be null and void.
- o. Consent to Receipt of Electronic Information and E-Sign. By clicking to accept these Terms, Direct Buy Partner authorizes Sprout to provide information regarding the Program to Direct Buy Partner electronically. Direct Buy Partner may receive a copy of this Policy by downloading it from the online portal provided by Sprout or other means Sprout may provide. Direct Buy Partner may contact its Sprout point of contact with any questions. The parties agree to conduct business electronically. Sprout may provide any notice to Direct Buy Partner under the Program by sending an email to the email address Direct Buy Partner provides to Sprout or by posting it to the online portal provided by Sprout. Sprout may update the Program or this Policy from time to time and will notify Direct Buy Partner as required by law.
- p. Waiver and Severability. The failure to enforce any right or provision herein shall not constitute a waiver of that right or provision. If any provisions herein are found to be unenforceable on the grounds that they are overly broad or in conflict with applicable laws, it is the intent of the parties that such provisions be replaced, reformed, or narrowed so that their original business purpose can be accomplished to the extent permitted by law, and that the remaining provisions shall not in any way be affected or impaired thereby.
- q. Governing Law and Forum Selection. This Policy shall be construed, governed, interpreted, and applied in accordance with the laws of the State of Delaware exclusive of its conflict of laws' provisions. Any claim or controversy arising out of this Policy or any purchase order must be brought exclusively in a court of competent jurisdiction located in New Castle County, Delaware. Supplier hereby waives any and all defenses that it may have regarding such jurisdiction or venue. The U.N. Convention on Contracts for the International Sale of Goods shall not apply.
- r. Entire Agreement. This Policy, together with any purchase orders and Program guidelines provided by Sprout, contains the entire understandings of the parties with respect to the subject matter herein and supersedes all previous agreements (oral and written), negotiations, and discussions regarding such subject matter.