This application is submitted for the purpose of inducing American Pharmaceutical Ingredients, LLC dba American Pharmaceutical Distributors ("APD") to offer its products and extend credit to the applicant ("Customer"). By submitting the application or placing any order, Customer agrees to be bound by this Compliance & Terms and Conditions agreement ("Agreement"). The Agreement becomes effective when: (1) an APD Compliance Officer verifies and approves all information contained in the application; (2) an APD Financial Officer verifies the Customer’s financial and credit information; and (3) Customer or someone in Customer’s organization uses the line of credit extended and/or places an order with APD. APD may request additional documents at any time.

**1. Promise to Pay; Payment Authorization.** Customer and any Guarantor are jointly and severally liable for all sums due, including principal, interest, fees, and costs. Customer authorizes APD to initiate electronic debit or credit entries—including ACH transactions, wire transfers, credit or debit card charges—to any accounts on file to satisfy outstanding obligations. APD may convert any paper check or other payment into an ACH debit and may withdraw funds on the same banking day such item is presented. This authorization remains effective until revoked in writing and acknowledged by APD. Customer must maintain valid payment methods on file and update such information within 24 hours of any expiration, closure, or other change. Customer shall pay a non-sufficient-fund fee of US $35 for each returned check, ACH, or declined payment, and an administrative fee of US $50 plus all related costs for any improper or unjustified credit-card charge-back. Customer must keep at least one valid ACH or card method on file and update payment information within twenty-four (24) hours of any change. If three (3) payments are delinquent or dishonored for any reason within any twelve‑month period, APD may immediately terminate the credit line, accelerate all outstanding sums, withhold further shipments, and require payment in full. For newly approved Customers APD, in its sole discretion, may extend an initial credit line of **up to Three Thousand U.S. Dollars (US $3,000)**; any higher limit must be authorized in writing by APD’s Finance Officer.

**2. Credit Terms and Late Fees.** All invoices are due in accordance with the terms stated on the invoice or billing statement. Past‑due balances are subject to a finance charge of 1.5% per month and a $50 late fee per invoice per 30‑day period. APD may suspend or hold shipments while any invoice is past due or the established credit line is exceeded. Special pricing is subject to verification and may be adjusted retroactively. **Shipment Holds.** APD may, without liability, suspend or withhold further shipments whenever any invoice is past due **or** the established credit line is exceeded.

**3. Guarantor Obligations.** Any Guarantor personally guarantees all obligations of the Customer. Guarantor and Customer agree to pay all collection costs, attorney fees, and any expenses incurred by APD in enforcing its rights. This Agreement binds their successors, assigns, heirs, and legal representatives. Any vendor or other dating extended by APD shall become immediately due upon Customer’s default. APD may apply any payments or credits to the oldest outstanding obligations and may offset or recoup amounts due from other accounts. Any vendor dating, special terms, or extended-payment arrangements granted by APD shall, at APD’s option, become immediately due and payable upon Customer’s default.

**4. Return Policy.** Due to FDA regulations, no returns are accepted for finished‑dosage drugs, controlled substances, hazardous materials, or products requiring refrigeration or ice‑pack handling. The only exceptions are: (1) shipment error; (2) package or material defect; (3) incorrect item ordered or quantity discrepancy (at APD’s sole discretion). Returns must be reported within two (2) business day of receipt and require prior written authorization. Upon approval, items must be returned in original, unused, saleable condition with intact packaging, and same lot number as shipped. APD reserves the right to decline any return, adjust bundled pricing, and reject refund requests based on buyer’s change of mind. Approved returns are subject to a **20 % restocking fee** plus outbound and inbound shipping charges.

**5. Shipping and Delivery.** Delivery dates and times are approximate and not guaranteed. APD shall not be liable for any delay or failure in performance caused by events beyond its control, including acts of God, weather, natural disasters, labor disputes, government actions, transportation disruptions, or power failures. APD may make partial shipments and will maintain backorders for remaining quantities unless otherwise requested by Customer. Customer may cancel a same day order without charge only by live telephone call to APD’s customer-service desk before 4:00 p.m. Eastern Time on a business day (Monday–Friday); after that time the order is deemed final.

**6. Credits.** Credits issued by APD are valid only for the original Customer, are non‑transferable, have no cash value, and expire thirty (30) days from issuance unless otherwise stated. Requests for credits must include supporting documentation and are subject to APD’s sole discretion.

**7. Warranties and Disclaimers.** APD makes no representations or warranties, express or implied, including but not limited to warranties of merchantability or fitness for a particular purpose. Any warranties that may apply are provided solely by the original manufacturer. APD shall not be liable for any direct, indirect, incidental, consequential, or punitive damages arising from the use or inability to use any products sold.

**8. Sales Tax.** Customer is responsible for all applicable taxes. Sales tax will be charged where required by law, based on the shipping location and current rates.

**9. Customer Obligations and Communications.** Customer agrees to notify APD in writing within three (3) calendar days of any changes to ownership, licensing status, payment methods, or any regulatory violations or governmental notices. Failure to provide timely notice may result in suspension of account privileges.

**10. Licensing and Regulatory Compliance.** Customer warrants that all required licenses and permits are current and valid. Customer shall immediately inform APD of any expiration, suspension, revocation, or modification of licensing status. APD may suspend or terminate accounts where compliance cannot be verified.

**11. SMS Communication.** By using APD’s services and providing a phone number, Customer agrees to receive SMS messages from APD for order updates, service notifications, and limited promotional content. Message and data rates may apply. Customer may opt out of promotional messages at any time by replying "STOP"; transactional messages related to orders or account activity may still be sent.

**12. Privacy and Data Use.** APD collects Customer information for account management and service delivery. APD may share information with third‑party service providers as necessary, subject to confidentiality obligations. Personal information may be disclosed as required by law or legal process. APD maintains reasonable administrative, technical, and physical safeguards to protect Customer data.

**13. Confidentiality.** Each party shall maintain the confidentiality of the other party’s proprietary and non‑public information, including pricing, business practices, and licensing records, and shall not disclose such information except as required by law or with prior written consent. Breach of this provision entitles the non‑breaching party to seek injunctive relief in addition to other remedies.

**14. Entire Agreement.** This Agreement constitutes the entire agreement between the parties and supersedes all prior or contemporaneous understandings, whether written or oral. No purchase order or other document shall modify these terms unless expressly agreed in writing by APD.

**15. Termination.** This Agreement is effective upon account activation and remains in force until terminated. APD may terminate the Agreement at any time for any reason, including non‑payment, regulatory issues, or breach. Termination does not affect Customer’s obligation to pay outstanding balances.

**16. Dispute Resolution and Governing Law.** This Agreement is governed by and construed in accordance with the laws of the State of Michigan. Any dispute arising under or relating to this Agreement shall be resolved exclusively in the state or federal courts located in Oakland County, Michigan. Customer and Guarantor waive any objections to venue or jurisdiction in such courts.

**17. Modifications.** APD may update or modify these terms by providing notice to Customer via email, website posting, or written communication at least thirty (30) days before the change takes effect. Continued use of APD services after such notice constitutes acceptance of the revised terms.

**18. Sale or Transfer of Business.** Customer must notify APD in writing at least thirty (30) days before any sale or transfer of Customer’s business or assets. All outstanding balances become immediately due and payable at or before closing. This Agreement binds successors and assigns unless APD agrees otherwise in writing.

**19. Intellectual Property and Use Certifications.** Customer certifies that products purchased from APD will not infringe any existing or future patents or intellectual property rights. Customer shall indemnify and hold APD harmless from any claims arising out of such infringement. Any change in intended use must be disclosed to APD in advance.

**20. UCC Filings and Security Interests.** APD reserves the right to file UCC‑1 financing statements to perfect its security interest in goods sold on credit. All products remain encumbered until payment is made in full. Customer consents to such filings and waives any right to contest them.

**21. Domestic Sale Only / No Redistribution.** Customer shall purchase APD products solely for lawful domestic use or dispensing and shall not resell, redistribute, or export any APD product to another wholesale distributor or outside the United States without APD’s prior written consent. Breach of this section constitutes a material default and entitles APD to immediate termination of this Agreement and all other remedies at law or equity.

Customer represent(s) that all information provided is true and correct and that APD may rely on it when deciding whether to extend, decline, or discontinue credit or supply products. Customer shall notify APD immediately of any material changes and to pay all invoices in accordance with the terms herein. Upon default, the undersigned shall pay a 1.5% monthly late fee and all collection costs, including attorney fees.