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CHEMSAVE SCHEDULE OF FEES AND INCLUSIONS

July 1, 2011

Note: All figures shown are ex-GST

CHEMSAVE MEMBERSHIP LEVELS

Bronze

Bronze (A) \$495 / month OR Bronze (B) \$995 / month

Inclusions:

1. Chemsave Wholesaler Program.
2. Chemsave Business Partners Program.
3. Chemsave Retail Program [Standard].
4. Chemsave Dispensary Program.
5. Choice Of Bronze (A) Or Bronze (B) Membership.
6. Bronze Member Rebate upon successfully meeting full Bronze Member Rebate Compliance requirements. Bronze Member Rebate Compliance is measured quarterly (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec), and the Bronze Member Rebate is paid upon successfully meeting full Bronze Member Rebate Compliance requirements in that same quarter.

Bronze Member Rebate:

The Bronze Member Rebate is collectively made up of the Bronze (A) Member Rebate and the Bronze (B) Member Rebate.

The Bronze (A) Member Rebate applies to Bronze (A) Members only, and consists of a 0.5% PBS Rebate, which is paid on all of your pharmacy's PBS rebate-able purchases from our nominated wholesaler/s in a given quarter, and calculated by multiplying your pharmacy's PBS rebate-able purchases from our nominated wholesaler/s in a given quarter by 0.5%.

The Bronze (B) Member Rebate applies to Bronze (B) Members only, and consists of a 1.5% PBS Rebate, which is paid on all of your pharmacy's PBS rebate-able purchases from our nominated wholesaler/s in a given quarter, and calculated by multiplying your pharmacy's PBS rebate-able purchases from our nominated wholesaler/s in a given quarter by 1.5%.

Bronze Member Rebate Compliance Requirements:

To obtain your Bronze Member Rebate in any given quarter, all of the following compliance requirements must be met in the same given quarter, and for the full quarter:

Chemsave Wholesaler Program Compliance

1. Participate in the Chemsave Wholesaler Program, and meet all of its compliance requirements.

Chemsave Dispensary Program Compliance

1. Participate in the Chemsave Dispensary Program, and meet all of its compliance requirements.

Schedule For Payment Of Bronze Member Rebate:

For Full Compliance in Quarter 1 (Jan-Mar): By May 31

For Full Compliance in Quarter 2 (Apr-Jun): By August 31

For Full Compliance in Quarter 3 (Jul-Sep): By November 30

For Full Compliance in Quarter 4 (Oct-Dec): By February 28

Note: A member's Bronze Member Rebate is only paid on quarters where a member is a Bronze Member for the full quarter, and will not be paid until there are no overdue payments on the member's Chemsave trading account.

Silver

Silver (A) \$495 / month OR Silver (B) \$995 / month

Inclusions:

1. Chemsave Wholesaler Program.
2. Chemsave Business Partners Program.
3. Chemsave Retail Program [Standard].
4. Chemsave Retail Program [Premium].
5. Chemsave Dispensary Program.
6. Choice Of Silver (A) Or Silver (B) Membership.
7. Silver Member Rebate upon successfully meeting full Silver Member Rebate Compliance requirements. Silver Member Rebate Compliance is measured quarterly (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec), and the Silver Member Rebate is paid upon successfully meeting full Silver Member Rebate Compliance requirements in that same quarter.

Silver Member Rebate:

The Silver Member Rebate is collectively made up of the Silver (A) Member Rebate and the Silver (B) Member Rebate.

The Silver (A) Member Rebate applies to Silver (A) Members only, and consists of a 0.5% PBS Rebate, which is paid on all of your pharmacy's PBS rebate-able purchases from our nominated wholesaler/s in a given quarter, and calculated by multiplying your pharmacy's PBS rebate-able purchases from our nominated wholesaler/s in a given quarter by 0.5%.

The Silver (B) Member Rebate applies to Silver (B) Members only, and consists of a 1.5% PBS Rebate, which is paid on all of your pharmacy's PBS rebate-able purchases from our nominated wholesaler/s in a given quarter, and calculated by multiplying your

pharmacy's PBS rebate-able purchases from our nominated wholesaler/s in a given quarter by 1.5%.

Silver Member Rebate Compliance Requirements:

To obtain your Silver Member Rebate in any given quarter, all of the following compliance requirements must be met in the same given quarter, and for the full quarter:

Chemsave Wholesaler Program Compliance

1. Participate in the Chemsave Wholesaler Program, and meet all of its compliance requirements.

Chemsave Retail Program [Premium] Compliance

1. Participate in the Chemsave Retail Program [Premium], and meet all of its compliance requirements.

Chemsave Dispensary Program Compliance

1. Participate in the Chemsave Dispensary Program, and meet all of its compliance requirements.

Schedule For Payment Of Silver Member Rebate:

As outlined for Bronze Member Rebate.

Note: A member's Silver Member Rebate is only paid on quarters where a member is a Silver Member for the full quarter, and will not be paid until there are no overdue payments on the member's Chemsave trading account.

Gold

Gold (A) \$495 / month OR Gold (B) \$995 / month

Inclusions:

1. Chemsave Wholesaler Program.
2. Chemsave Business Partners Program.
3. Chemsave Retail Program [Standard].
4. Chemsave Retail Program [Premium].
5. Chemsave Dispensary Program.
6. Chemsave Branding Program.
7. Choice Of Gold (A) Or Gold (B) Membership.
8. Gold Member Rebate upon successfully meeting full Gold Member Rebate Compliance requirements. Gold Member Rebate Compliance is measured quarterly (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec), and the Gold Member Rebate is paid upon successfully meeting full Gold Member Rebate Compliance requirements in that same quarter.

Gold Member Rebate:

The Gold Member Rebate is collectively made up of the Gold (A) Member Rebate and the Gold (B) Member Rebate.

The Gold (A) Member Rebate applies to Gold (A) Members only, and consists of a 0.5% PBS Rebate, which is paid on all of your pharmacy's PBS rebate-able purchases from our nominated wholesaler/s in a given quarter, and calculated by multiplying your pharmacy's PBS rebate-able purchases from our nominated wholesaler/s in a given quarter by 0.5%.

The Gold (B) Member Rebate applies to Gold (B) Members only, and consists of a 1.5% PBS Rebate, which is paid on all of your pharmacy's PBS rebate-able purchases from our nominated wholesaler/s in a given quarter, and calculated by multiplying your pharmacy's PBS rebate-able purchases from our nominated wholesaler/s in a given quarter by 1.5%.

Gold Member And Gold Member Rebate Compliance Requirements:

In order to become and remain a Chemsave Gold Member, and to obtain your Gold Member Rebate in any given quarter, all of the following compliance requirements must be met in the same given quarter, and for the full quarter:

Chemsave Wholesaler Program Compliance

1. Participate in the Chemsave Wholesaler Program, and meet all of its compliance requirements.

Chemsave Retail Program [Premium] Compliance

1. Participate in the Chemsave Retail Program [Premium], and meet all of its compliance requirements.

Chemsave Dispensary Program Compliance

1. Participate in the Chemsave Dispensary Program, and meet all of its compliance requirements.

Chemsave Branding Program Compliance

1. Participate in the Chemsave Branding Program, and meet all of its compliance requirements.

Schedule For Payment Of Gold Member Rebate:

As outlined for Bronze Member Rebate.

Note: A member's Gold Member Rebate is only paid on quarters where a member is a Gold Member for the full quarter, and will not be paid until there are no overdue payments on the member's Chemsave trading account.

CHEMSAVE MEMBERSHIP PROGRAMS

Chemsave Wholesaler Program

Inclusions:

1. Special Chemsave Wholesaler Trading Terms with our nominated wholesaler/s on PBS prescription products, Private prescription products and OTC products.

Chemsave Wholesaler Program Compliance:

In order to participate in the Chemsave Wholesaler Program, all of the following compliance requirements must be met:

1. Purchase 100% of your OTC purchases that can be purchased through our nominated wholesaler/s, through our nominated wholesaler/s, ie: no OTC purchases that can be purchased through our nominated wholesaler/s, can be purchased through a supplier except our nominated wholesaler/s.
2. Purchase 95% of your total purchases that can be purchased through our nominated wholesaler/s, through our nominated wholesaler/s, ie: only 5% of your total purchases that can be purchased through our nominated wholesaler/s, can be purchased through a supplier other than our nominated wholesaler/s.

Chemsave Business Partners Program

Inclusions:

1. Special Chemsave EFTPOS rates from our preferred EFTPOS bank.

2. Special Chemsave pharmacy insurance discounts from our preferred insurance company.

Chemsave Retail Program [Standard]

Inclusions:

1. Special Chemsave Retail [Standard] Trading Terms with retail suppliers, including over-the-counter generic suppliers, which will generally enable you to achieve higher than normal discounts (usually top discount) on lower quantities of many over-the-counter products, and / or discount via PDE rather than turnover orders.

Chemsave Retail Program [Premium]

Inclusions:

1. Special Chemsave Retail [Premium] Trading Terms with retail suppliers, which will generally enable you to achieve higher than normal discounts (usually top discount) on lower quantities of many over-the-counter products, with most discounts available via PDE.
2. Chemsave Retail Planograms, provided for your front-of-shop, including all core products, and which are constantly updated.
3. Chemsave Retail Program [Premium] Induction Program, upon joining the program (additional one-off subsidised charge of \$995 applies).
4. Chemsave Retail Bi-Monthly Merchandising Service, with an in-store merchandiser visiting your store every second month for half a day (minimum 3hrs), to assist in store layout, planogram updating, and product & display presentation, and to ensure compliance is being met.
5. Chemsave Retail Pricing Policies, for every product in every Chemsave Retail Planogram, to assist in the pricing of retail products.
6. Chemsave Retail Pricing Matrix, to assist in the pricing of products not in Chemsave Retail Planograms, which your store may choose to keep.
7. Chemsave Retail Trading Terms listed for every product in every Chemsave Retail Planogram, including for each product, the order method, minimum order quantity, and the applicable deal.
8. Access to additional merchandising services (may incur additional charge).
9. Organised Chemsave Supersaver promotions, each consisting of over-the-counter products or product ranges at or near cost prices, and each lasting one calendar month.
10. Chemsave Supersaver products at special promotional buy prices from the 15th of the month prior to the promotion start date until the end of the promotion (when available from suppliers).
11. Promotional shelf price tickets delivered to your pharmacy for all Chemsave Supersavers involved in each promotion.
12. Promotional A4 price tickets delivered to your pharmacy for some or all Chemsave Supersavers involved in each promotion.
13. Organised Chemsave Everyday Money Saver promotions, each consisting of over-the-counter products at everyday low prices, and each lasting 2 months, with each promoted monthly.
14. Chemsave Everyday Money Saver products at special promotional buy prices from the 15th of the month prior to the promotion start date until the end of the promotion (when available from suppliers).
15. Promotional shelf price tickets delivered to your pharmacy for all Chemsave Everyday Money Saver products involved in each promotion.
16. 300 customer catalogues delivered to your pharmacy monthly, promoting the current Chemsave Supersaver and Chemsave Everyday Money Saver promotions, plus access to additional catalogues for extra charge.
17. Promotion of your pharmacy on the www.chemsave.com.au website as a pharmacy participating in Chemsave Marketing.
18. Chemsave Additional Marketing, which is one-off marketing activities that may occur from time to time (may incur additional charge).

Inclusions Of Chemsave Retail Program [Premium] Induction Program:

1. Minimum of 50hrs of in-store training and implementation of Chemsave Retail Program [Premium], valued at \$2000, provided by a Chemsave merchandiser in conjunction with store staff, particularly the Retail Manager.
2. Explanation of Chemsave Retail Planograms.
3. Determination of Chemsave Retail Planograms best suited to your store.
4. Determination of the layout of these Chemsave Retail Planograms within your store.
5. Implementation of Chemsave Retail Planograms within your store, concentrating on core ranging. Depending on the size of this task for your store, this may include either partial or full implementation of the planograms.
6. Audit of Chemsave Retail Planogram core ranging gaps, and facilitation of the ordering of Chemsave Retail Planogram core ranging gaps so that Chemsave Retail Premium Trading Terms can be put in place.
7. Setting up of two Chemsave Off-Location Display locations.
8. Explanation of Chemsave Retail Pricing Matrix.
9. Explanation of Chemsave Retail Pricing Policies.
10. Initial implementation of Chemsave Retail Pricing Policies in-store, concentrating on core ranging (time permitting).

Chemsave Retail Program [Premium] Compliance Requirements:

In order to participate in the Chemsave Retail Program [Premium], all of the following compliance requirements must be met:

1. Undertake initial Chemsave Retail Program [Premium] Induction Program (additional charge).
2. Planogram all core products on the current Chemsave Retail Planograms that are applicable to your store, including ranging all core products, and shelf-position all core products as per Chemsave Retail Planograms. This includes allowing the Chemsave merchandiser to order minimum quantities of any core ranging gap products on your behalf, but with your knowledge.
3. Allow to be continually erected, and for free of charge, two off-location displays in your store (known as Chemsave Off-Location Display No.1 and Chemsave Off-Location Display No.2), and maintain these off-location displays as per instructions from Chemsave Head Office, to help support the Chemsave Retail [Premium] Supplier Trading Terms. These off-location displays may be floor stands, counter-units, or any other displays specified by Chemsave Head Office.
4. Accept and display at no charge, other point-of-sale and display material, from time-to-time, to help support the Chemsave Retail [Premium] Supplier Trading Terms.
5. Accept minimum allocations (generally 3s or 6s) of all new Chemsave Retail Planogram core lines, as they are launched.
6. To further support the Chemsave Retail [Premium] Supplier Trading Terms, accept a maximum allocation of retail stock per month, to help stock the Chemsave Off-Location Displays. This maximum allocation is \$500 (at net cost ex-GST, per month, averaged over a quarter).
7. Stock, offer for sale to the public, and actively promote within your pharmacy all of the products that are part of your promotions, during each product's promotional period, and at a price no higher than their promotional price.
8. Actively promote all products that are part of your promotions by appropriately and actively displaying all other promotional material provided by us for the promotion, including but not limited to shelf price tickets.
9. Unless you are a Gold Member, prominently display external signage for the purpose of promoting your pharmacy as a

- Chemsave Chemist participating in Chemsave Marketing, and to ensure this signage is in good repair and condition (at your own expense).
10. Allow Chemsave Pty Ltd to order stock each calendar month that is part of your promotions, on your behalf, for your pharmacy, up to a total maximum value of \$500 (ex-GST) per calendar month. Also you agree to accept this stock for sale in your pharmacy, and furthermore agree not to return this stock for credit from the supplier who provided the stock, unless the stock is unfit for sale.
 11. Participate in all Chemsave Additional Marketing (may incur additional charge).

Chemsave Dispensary Program

Inclusions:

1. Special Chemsave Dispensary Trading Terms with dispensary suppliers, including prescription generic suppliers.
2. A choice of Dispensary Program Modules.

Chemsave Dispensary Program Compliance Requirements:

In order to participate in the Chemsave Dispensary Program, all of the following compliance requirements must be met:

1. Choose one of the Chemsave Dispensary Program Modules, and meet all of its compliance requirements.
2. Provide data required to measure Chemsave Dispensary Program compliance, such as prescription generics conversion rate data, for each and every month in the quarter. This data must be of a nature approved by Chemsave Pty Ltd.

Chemsave Branding Program

Inclusions:

1. Access to Chemsave fit-out, including but not limited to external and internal Chemsave signage and Chemsave gondolas.
2. Access to Chemsave uniforms, name badges, stationery, and other Chemsave-branded items.
3. Promotion of your pharmacy on the www.chemsave.com.au website as a fully-branded Chemsave Chemist.

Chemsave Branding Program Compliance:

In order to participate in the Chemsave Branding Program, all of the following compliance requirements must be met:

1. Present your pharmacy as a branded Chemsave Chemist.
2. Display external and internal Chemsave-approved Chemsave-branded signage.
3. Display external and internal Chemsave-approved Chemsave colour scheme.
4. Use Chemsave-approved Chemsave-branded prescription labels, prescription folders, paper and plastic bags, and other stationary.
5. Ensure all staff wears Chemsave-approved Chemsave standard uniform and name badges at all times.
6. Obtain approval for all other Chemsave-branded items.
7. Comply with all other Chemsave Branding standards as shown in the current Chemsave Standards.

CHEMSAVE LOYALTY PROGRAMS

Chemsave Club Silver And Gold Members - \$295 / month All Other Members - N/A

Inclusions:

1. Management of Chemsave Club for your store including all systems and requirements to operate the club.
2. Management of Chemsave Club Points, including the recording, storage, and redemption of points, and online Member points balance checking.
3. Reports and data analysis tools.
4. Initial Set-Up of Chemsave Club for your store, including local software installation and Head Office links and set-up.
5. Chemsave Club Membership Cards, for extra charge.
6. Chemsave Club Flyers and other merchandising and point-of-sale material, for extra charge.
7. Promotion of Chemsave Club on the www.chemsave.com.au website, and from time to time on Chemsave catalogues and on other media such as radio.
8. Promotion of your pharmacy on the www.chemsave.com.au website as a Chemsave Club Participating Chemsave Chemist.

Loyalty Club Silver And Gold Members – N/A All Other Members - \$295 / month

Inclusions:

1. Management of Loyalty Club for your store including all systems and requirements to operate the club.
2. Management of Loyalty Club Points, including the recording, storage, and redemption of points, and online Member points balance checking.
3. Reports and data analysis tools.
4. Initial Set-Up of Loyalty Club for your store, including local software installation and Head Office links and set-up.
5. Loyalty Club Membership Cards, for extra charge.

CHEMSAVE ADDITIONAL MARKETING

No Current Marketing

Inclusions: N/A