

19 December 2002

Dear Supplier

INVITATION TO TENDER – SUPPLY OF PHARMACEUTICALS TO DHB HOSPITALS AND/OR TO COMMUNITY PHARMACIES

PHARMAC invites tenders for the supply of certain pharmaceuticals to DHB hospitals and/or to community pharmacies in New Zealand.

This invitation to tender incorporates the following schedules:

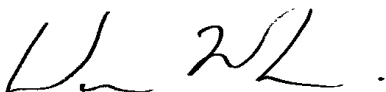
- (a) Schedule 1 sets out the definitions used in this invitation;
- (b) Schedule 2 specifies the pharmaceuticals for which you may submit a tender bid in relation to community supply and/or hospital supply, and/or a hospital back-up supply proposal, and/or a community back-up supply bid;
- (c) Schedule 3 describes the process PHARMAC intends to follow in relation to this tender, and provides instructions on how to submit a tender bid in relation to community supply and/or hospital supply, or a hospital back-up supply proposal, or a community back-up supply bid;
- (d) Schedule 4 sets out the forms you must use if you wish to submit a tender bid in relation to community supply and/or hospital supply, or a hospital back-up supply proposal, or a community back-up supply bid;
- (e) Schedule 5 sets out the terms that will apply if your tender bid in relation to hospital supply is awarded Hospital Supply Status;
- (f) Schedule 6 sets out the terms that will apply if your tender bid in relation to community supply is awarded Sole Supply Status;
- (g) Schedule 7 sets out indicative terms for the purposes of negotiating an agreement for hospital back-up supply status between you and PHARMAC, if PHARMAC wishes to accept your hospital back-up supply proposal;
- (h) Schedule 8 sets out terms that will apply if PHARMAC accepts your community back-up supply bid; and
- (i) Schedule 9 sets out the additional terms that will apply if your accepted tender bid in relation to community supply and/or hospital supply includes a foreign exchange bid.

If you wish to submit a tender bid in relation to community supply and/or hospital supply, and/or a hospital back-up supply proposal, and/or a community back-up supply bid, you must submit it to PHARMAC no later than **5pm** (New Zealand time) on **Monday, 3 March 2003**.

If you have any inquiries about this invitation you should contact Cristine Della Barca or Matthew Perkins at PHARMAC for questions in relation to hospital supply, and Sarah Schmitt or Andrew Davies for questions in relation to community supply.

We look forward to receiving your tender.

Yours sincerely



Wayne McNee
Chief Executive

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Schedule 1: Definitions and interpretation

1. Definitions

In this Invitation:

Aggregated Tender Bid means a Tender Bid that is specified to be an Aggregated Tender Bid and includes:

- (a) more than one Tender Item of the same Chemical Entity that PHARMAC is to consider in aggregate (but does not include aggregation within a single Tender Item); and/or
- (b) a Combined Tender Bid;

Agreement means:

- (a) in relation to a Pharmaceutical with Hospital Supply Status, Schedule Five; or
- (b) in relation to a Pharmaceutical with Sole Supply Status, Schedule Six,

and includes, to the extent applicable, the other Schedules comprising the Invitation;

Alternative Pharmaceutical means an alternative brand of a Pharmaceutical that PHARMAC, following consultation with HPAC, or PTAC or its sub-committees, considers to be an acceptable substitute for that Pharmaceutical;

Base Exchange Rate means the average of the Reserve Bank Quote over 10 consecutive trading days ending:

- (a) in the case of an unconditional acceptance of your Tender Bid, 15 days prior to the date that PHARMAC's board of directors (or chief executive, where applicable) determines to accept your Tender Bid; or
- (b) in the case of acceptance of your Tender Bid being conditional on you obtaining market approval for the Pharmaceutical, on the date on which such market approval is notified in the New Zealand Gazette;

Base Price means, where your Foreign Exchange Bid has been accepted, the price ex-manufacturer (exclusive of GST) for the Pharmaceutical, as calculated and notified to you by PHARMAC in accordance with clause 2 of Schedule Nine;

Calculated Price is as defined in clause 2 of Schedule Nine;

Chemical Entity means any pharmaceutical that contains, and is described generically according to, the relevant active ingredient specified in Schedule Two;

Combined Tender Bid means a Community Tender Bid and a Hospital Tender Bid that you submit in aggregate for the same Tender Item;

Community Back-up Supply Bid means a bid for Community Back-up Supply Status for a particular Tender Item;

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Community Back-up Supply Bid Submission Form means the form on which you must submit your Community Back-up Supply Bid, and which is attached to the Offer Letter, as set out in Schedule Four;

Community Back-up Supply Status means the status of being the back-up supplier of a particular Tender Item in the event that Sole Supply Status for that Tender Item is suspended under clause 2.4, or withdrawn under clause 2.3, of Schedule Six;

Community Tender Bid means a Tender Bid in relation to community supply;

Confidential Information means all information exchanged between us under this Invitation or in relation to your Tender Bid, including during all negotiations relating to your Tender Bid;

Consents means all consents, permits, licences and authorisations, whether statutory or otherwise, required for the supply of the Tender Item in New Zealand (including Ministry of Health market approval);

Contract Manufacturer means a manufacturer or a supplier that is a party to a contract with the relevant DHB Hospital to compound Pharmaceuticals, on request from that DHB Hospital;

Crown Direction means any ministerial direction given to PHARMAC under section 65 of the New Zealand Public Health and Disability Act 2000;

Date of an Exchange Rate Price Review means 30 June 2004 and 30 June 2005;

Deadline means 5 pm, Monday, 3 March 2003 (New Zealand time);

Designated Delivery Point means at a DHB Hospital's discretion:

- (a) a delivery point agreed between you and the relevant DHB Hospital, to which delivery point you must supply the Pharmaceutical directly in accordance with any applicable delivery terms and conditions as at the date that the Agreement commences, or that are subsequently agreed between you and that DHB Hospital; and/or
- (b) any delivery point designated by the relevant DHB Hospital or PHARMAC, such delivery point being within 30km of your national distribution centre;

DHB Hospital means a DHB, including its hospital or associated provider unit for which that DHB purchases pharmaceuticals;

District Health Board (or DHB) has the same meaning as in the New Zealand Public Health and Disability Act 2000;

DV Limit means, for a particular Pharmaceutical, the National DV Limit or the Individual DV Limit;

DV Pharmaceutical means a discretionary variance Pharmaceutical, being an Alternative Pharmaceutical that does not have Hospital Supply Status, and includes a pharmaceutical which (unless PHARMAC specifies otherwise in Schedule Two of this Agreement, or we agree otherwise in writing):

- (a) is listed as a DV Pharmaceutical, in association with the relevant Pharmaceutical having Hospital Supply Status, in the then current Section H of the Pharmaceutical Schedule; or

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- (b) is the same Chemical Entity, at the same strength, and in the same or a similar presentation or form, as the relevant Pharmaceutical with Hospital Supply Status, but which is not yet listed as a DV Pharmaceutical.

For the avoidance of doubt, a pharmaceutical which:

- (c) is a different Chemical Entity from the Pharmaceutical with Hospital Supply Status; and
- (d) is not listed as a DV Pharmaceutical in the then current Section H of the Pharmaceutical Schedule,

is not a DV Pharmaceutical;

End Date means the last day of the Hospital Supply Status Period, or Sole Supply Period, as applicable;

Evaluation Committee means a committee established by PHARMAC to evaluate Tender Bids;

Exchange Rate Average means the average of the Reserve Bank Quote, over the period:

- (a) for the first Exchange Rate Price Review, from the date on which the Base Exchange Rate is determined until the first occurring 30 June after that date; and
- (b) for any subsequent Exchange Rate Price Review, from the date on which the last Exchange Rate Price Review occurred until the date of the next Exchange Rate Price Review;

Exchange Rate Price Review means the review of the Base Price or the Reviewed Price, as applicable, in accordance with clause 3 of Schedule Nine;

Final Transition Period means, in respect of a Pharmaceutical with Sole Supply Status or Hospital Supply Status, as applicable, the period of three calendar months beginning on the day after the relevant End Date;

First Transition Period means, in respect of a Pharmaceutical with Sole Supply Status or Hospital Supply Status, the period of three calendar months beginning on the first day of the month following the date on which PHARMAC notifies the market that a Tender has been accepted for a Tender Item (or such different or longer period as PHARMAC determines under clause 1.3 of Schedule Three);

Foreign Exchange Bid means a Tender Bid that specifies a price in a Permitted Currency;

Funder means the body or bodies responsible, pursuant to the New Zealand Public Health and Disability Act 2000, for the funding of pharmaceuticals listed on the Pharmaceutical Schedule (which may be, without limitation, one or more District Health Boards and/or the Ministry of Health) and their successors;

Hospital Back-up Supply Proposal means a proposal for Hospital Back-up Supply Status for a particular Tender Item;

Hospital Back-up Supply Proposal Submission Form means the form on which you must submit your Hospital Back-up Supply Proposal, and which is attached to the Offer Letter, as set out in Schedule Four;

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Hospital Back-up Supply Status means the status of being the back-up supplier of a particular Tender Item in the event that Hospital Supply Status for that Tender Item is suspended under clause 2.9, or withdrawn under clause 2.8, of Schedule Five;

Hospital Pharmaceuticals Supplement means the supplement that clarifies the application of PHARMAC's OPPs in respect of hospital pharmaceuticals;

Hospital Supply Status means the status of being the brand of the relevant Pharmaceutical listed in Section H of the Pharmaceutical Schedule as having such status, which Pharmaceutical DHB Hospitals must purchase, subject to any DV Limit for that Pharmaceutical, for the Hospital Supply Status Period;

Hospital Supply Status Period means the period beginning on the day after the end of the First Transition Period and ending on 30 June 2005, or 30 June 2006 if PHARMAC renews the Agreement for the HSS Renewed Term;

Hospital Tender Bid means a Tender Bid in relation to Hospital Supply;

HPAC means the Hospital Pharmaceutical Advisory Committee;

HSS Renewed Term means the period of 12 months commencing on 1 July 2005 and ending on 30 June 2006;

IMM means interchangeable multi-source medicine, as defined by the New Zealand Medicines and Medical Devices Safety Authority (**Medsafe**);

Individual DV Limit means, for:

- (a) a particular Pharmaceutical; and
- (b) a particular DHB Hospital,

the discretionary variance limit, being a percentage of the Individual Total Market Volume, which equals the percentage of the National DV Limit for that Pharmaceutical, up to which that DHB Hospital may purchase DV Pharmaceuticals of that Pharmaceutical. The Individual DV Limit is set:

- (c) for the number of months during which the Hospital Supply Status Period applies during the period ending on 30 June 2004; and
- (d) for the respective 12 month periods ending on 30 June 2005 and 2006, as applicable;

Individual Total Market Volume means for:

- (a) a particular Pharmaceutical; and
- (b) a particular DHB Hospital,

in any given period, in accordance with data available to PHARMAC, the sum of:

- (c) the total number of Units of the relevant Pharmaceutical with Hospital Supply Status purchased by the relevant DHB Hospital; and

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- (d) the total number of Units of all the relevant DV Pharmaceuticals, listed in Section H in association with that Pharmaceutical, purchased by that DHB Hospital;

Initial Period is as defined in clause 5 of Schedule Nine;

Invitation means this invitation to tender and includes the cover letter and each of the Schedules;

National DV Limit means, for a particular Pharmaceutical, the discretionary variance limit, being the specified percentage of the National Total Market Volume up to which all DHB Hospitals may collectively purchase DV Pharmaceuticals of that Pharmaceutical. The National DV Limit is set for DHB Hospitals nationally:

- (a) for the number of months during which the Hospital Supply Status Period applies during the period ending on 30 June 2004; and
- (b) for the respective 12 month periods ending on 30 June 2005 and 2006, as applicable;

National Total Market Volume means, for a particular Pharmaceutical in any given period, in accordance with data available to PHARMAC, the sum of:

- (a) the total number of Units of the relevant Pharmaceutical with Hospital Supply Status purchased by all DHB Hospitals; and
- (b) the total number of Units of all the relevant DV Pharmaceuticals, listed in Section H in association with that Pharmaceutical, purchased by all DHB Hospitals;

Offer Letter means the letter of offer to which your Tender Submission Form(s), and/or Hospital Back-up Supply Proposal Submission Form(s), and/or Community Back-up Supply Bid Submission Form(s) must be attached, in the form set out in Schedule Four;

OPPs means PHARMAC's then current Operating Policies and Procedures and any relevant supplements, including the Hospital Pharmaceuticals Supplement, as applicable;

Permitted Currency means either United States dollars, the euro, pounds sterling, Australian dollars or Japanese yen;

Pharmaceutical means the relevant Tender Item for which you have submitted, and PHARMAC has accepted on behalf of the Funder, a Tender Bid;

Pharmacode means the unique six or seven digit identifier assigned to a pharmaceutical and notified to you by the Pharmacy Guild;

Potential Out-of-Stock Event means:

- (a) in relation to community or hospital supply, your stock of the Pharmaceutical falls below two-thirds of your most recent three months' total Unit sales of the Tender Item; or
- (b) in relation to community or hospital supply, your forecast of sales demand in respect of the next two-month period is greater than your stock of the Pharmaceutical; or
- (c) in relation to hospital supply, your stock of the Pharmaceutical falls below the average volume of stock of the Pharmaceutical required to supply the entire New Zealand DHB Hospital market for the Pharmaceutical for any given two-month period; or

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- (d) in relation to community supply, your stock of the Pharmaceutical falls below one-sixth of the Unit Volume;

Price means the price (exclusive of GST) at which the Pharmaceutical is to be supplied, or made available for sale and supply, by you to:

- (a) in relation to community supply, wholesalers and other such distributors, and at which the Pharmaceutical is to be subsidised by the Funder, being the price specified in your successful Tender Submission Form, unless there has been a subsequent price change in accordance with the terms of the Invitation, in which case the Price will be the price notified to you by PHARMAC upon acceptance of your Tender Bid;
- (b) in relation to hospital supply, at a DHB Hospital's discretion, any Designated Delivery Points, and/or Contract Manufacturers (expressly for the purpose of compounding), being the price specified in your successful Tender Submission Form, unless there has been a subsequent price change in accordance with the terms of the Invitation, in which case the Price will be the price notified to you by PHARMAC upon acceptance of your Tender Bid; or
- (c) in relation to Hospital Back-up Supply Status, at a DHB Hospital's discretion, any Designated Delivery Points, and/or Contract Manufacturers (expressly for the purpose of compounding), being the price agreed between you and PHARMAC in accordance with clause 8 of Schedule Three;
- (d) in relation to Community Back-up Supply Status, the price specified in your successful Community Back-up Supply Bid Submission Form in accordance with clause 8 of Schedule Three;
- (e) in the case of a Foreign Exchange Bid, a price determined and notified in accordance with Schedule Nine;

PTAC means the Pharmacology and Therapeutics Advisory Committee;

Reserve Bank Quote means the exchange rate between New Zealand dollars and the Permitted Currency in which you made the Foreign Exchange Bid, being the mid rate of the buy and sell quotes for that exchange rate quoted by the Reserve Bank of New Zealand on the days on which the New Zealand dollar and the Permitted Currency are traded, expressed as the value of one New Zealand dollar in Permitted Currency units (e.g. NZ\$1.00 = US\$0.43);

Reviewed Price is as defined in clause 4 of Schedule Nine;

Risk Sharing Percentage means, in respect of each Tender Item for which you submit a Foreign Exchange Bid, the percentage value of the exchange rate risk (between 1% and 100%) that you agree to share with PHARMAC for that Tender Item. For example, if you specify an 80% Risk Sharing Percentage, you agree that 80% of the price at which you supply the Tender Item may change in response to foreign exchange movement and 20% of the price will not change, in accordance with the terms in Schedule Nine;

Second Transition Period means, in relation to community supply, the period of three calendar months beginning on the day after the expiry of the First Transition Period (or such different or longer period as PHARMAC determines under clause 1.3 of Schedule Three);

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Section H means the relevant section or sections of the Pharmaceutical Schedule relating to hospital pharmaceuticals;

Sole Supply Period means the period beginning on the day after the expiry of the Second Transition Period and ending on 30 June 2006;

Sole Supply Status means, in relation to community supply, the status of being the sole subsidised supplier of the particular Tender Item for the Sole Supply Period;

Tender Bid means the Offer Letter together with the Tender Submission Form submitted for a particular Tender Item, and includes a Community Tender Bid, a Hospital Tender Bid and a Combined Tender Bid;

Tender Item means the form and strength of a Chemical Entity (or entities, if applicable) for which you may submit a Tender Bid;

Tender Submission Form means the form on which you must submit your bid for each Tender Item and which is attached to the Offer Letter, as set out in Schedule Four;

Transition Periods collectively refers to the First, and Second (if applicable), and Final Transition Periods;

Unit means an individual unit of a Tender Item (e.g. tablet, 1ml of an oral liquid, ampoule, syringe);

Unit Price means the relevant Price specified for a pack of that Tender Item in Section H of the Pharmaceutical Schedule, divided by the number of Units in the pack specified in the Pharmaceutical Schedule as being the listed pack size for that Tender Item (and where that Tender Item is not listed on the Pharmaceutical Schedule, the price and pack size in the most recent issue of the Pharmaceutical Schedule published prior to that Tender Item being delisted);

Unit Subsidy means the subsidy specified for a pack of that Tender Item in section A to G of the Pharmaceutical Schedule, divided by the number of Units in the pack specified in the Pharmaceutical Schedule as being the subsidised pack size for that Tender Item (and where that Tender Item is not listed on the Pharmaceutical Schedule, the subsidy and pack size specified in the most recent issue of the Pharmaceutical Schedule published prior to that Tender Item being delisted); and

Unit Volume means, in relation to community supply, the approximate number of Units of the Tender Item subsidised by PHARMAC, and claimed for by community pharmacies, in one year, as specified in Schedule Two.

2. Interpretation

In the construction of this Invitation, unless the context otherwise requires:

- (a) a reference to a clause or a Schedule is a reference to a clause of, or a Schedule to, this Invitation;
- (b) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before or after the date of this Agreement);
- (c) the singular includes the plural and vice versa;

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- (d) the word person includes an individual, a body corporate, an association of persons (whether corporate or not), a trust, a state and an agency of state, in each case, whether or not having a separate legal personality;
- (e) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes, (including, but not limited to, persons taking by novation) and permitted assignees;
- (f) words importing one gender include the other genders;
- (g) headings in this Agreement are for convenience only and have no legal effect; and
- (h) unless the context requires otherwise, references to the "**listing**" of a Pharmaceutical:
 - (i) in relation to hospital supply, are to the listing of that Pharmaceutical in Section H of the Pharmaceutical Schedule and are deemed to include any written notification by PHARMAC of that Pharmaceutical being the subject of a national supply contract negotiated by PHARMAC on behalf of DHBs, where such written notification is in advance of the actual listing of that Pharmaceutical in Section H of the Pharmaceutical Schedule (and references to "list", "listed", "delisted", and "delisting" are to be interpreted accordingly);
 - (ii) in relation to community supply, are to the actual listing of that Pharmaceutical in sections A to G of the Pharmaceutical Schedule.

Schedule 2: Products to be tendered

1. Information about Tender Items

1.1 List of Tender Items

This Schedule sets out the Tender Items and information about the Tender Items. While PHARMAC has taken all reasonable care in preparing the information contained in this Schedule, it accepts no liability for any errors or omissions in the information.

1.2 Patents

- (a) Where possible, PHARMAC has identified Tender Items that it understands may be the subject of a patent that it believes is due to expire after the Deadline.
- (b) Where PHARMAC has been advised of the existence of a process patent prior to sending out this Invitation, it has shown this in the attached list by the use of a + symbol.
- (c) However, PHARMAC makes no representation as to the patent status of the Tender Items and accepts no liability for any patent infringement that might occur as a result of this tender process or PHARMAC's acceptance of a Tender Bid, including infringement of process patents.

1.3 Unit Volume and market value figures

- (a) Except where indicated otherwise the Unit Volume figures, in relation to community supply, are based on the year ending 30 June 2002.
- (b) Market value figures, in relation to community supply, are expressed as the Unit Volume in the year ending 30 June 2002, multiplied by the Unit Subsidy as at 1 September 2002.
- (c) The figures referred to in paragraphs (a) and (b):
 - (i) are approximate and indicative only. PHARMAC makes no representation as to the accuracy of these figures or as to the level of sales or likely sales of any Tender Item. In particular, if these figures change at any time during the period from PHARMAC's pre-tender consultation until decisions have been made about the acceptance of Tender Bids for all Tender Items, PHARMAC is not obliged to notify you of any such change; and
 - (ii) do not include DHB Hospital volumes. For the avoidance of doubt, PHARMAC makes no representation as to the size of the DHB Hospital market for any Tender Item, in relation to hospital supply.
- (d) You acknowledge and agree that in submitting your Tender Bid you will rely on your own knowledge, skill and independent advice or assessment of the market size for any Tender Item and PHARMAC is to have no liability in that regard.

Schedule 2

1.4 Special terms

Where there are any special terms relating to a particular Tender Item, those terms are indicated in the column entitled "Comments" in the list.

1.5 Subsidies

- (a) The level at which each Tender Item, in relation to community supply, is specified in the attached list as being subsidised per Unit is as at 1 September 2002.
- (b) Subsidies of Tender Items, in relation to community supply, may change before a Tender Bid is accepted.
- (c) Where a * symbol is indicated next to the Unit Subsidy, there is no fully funded product available, in relation to community supply, for that Tender Item as at 1 September 2002.

1.6 DV Limits

Where there is a DV Limit relating to a particular Tender Item, in relation to hospital supply, that limit is indicated as a percentage amount in the column entitled "DV Limit" in the list.

1.7 Tender Items subject to sole supply arrangements

Where a Tender Item is underlined, that item is subject to a sole supply contract as at the date of this Invitation. Accordingly, the subsidy for those items is fixed until 30 June 2003 (unless otherwise indicated) and, for items that are the subject of a sole supply contract, the listing of a new brand, in relation to community supply, could only occur after that date.

1.8 Current restrictions

Where a # symbol is indicated, that Tender Item, in relation to community supply, is subject to restrictions or special criteria as specified in the Pharmaceutical Schedule.

1.9 Hospital only products

Where a H is indicated, you may submit a Tender Bid for Hospital Supply Status for that Tender Item.

1.10 Community only Products

Where a C is indicated, you may submit a Tender Bid for Sole Supply Status for that Tender Item.

1.11 Back-up supply

Where a ▼ symbol is indicated, you may submit a Community Back-up Supply Bid in accordance with clause 8.1 of Schedule Three.

Where a ▲ symbol is indicated, you may submit a Hospital Back-up Supply Proposal in accordance with clause 8.2 of Schedule Three.

Schedule 2

1.12 IMM status

Where a ✓ symbol is indicated, your brand of the relevant Chemical Entity for which you submit a bid must have or be expected to gain IMM status.

1.13 Capsule and tablet form

Where a Tender Item specifies either:

- (a) a capsule; or
- (b) a tablet,

form of the Chemical Entity, your brand of the relevant Chemical Entity for which you submit a bid may be in either tablet or capsule form, provided that:

- (c) your brand of the relevant Chemical Entity is the same strength as the Tender Item; and
- (d) where the Tender Item specifies both the tablet and capsule form of that Chemical Entity as separate line items, you must submit a bid for the same form and strength as each line item in that Tender Item.

1.14 Pack size for use in DHB Hospitals

Where a Tender Item is specified as being available for a Tender Bid for Hospital Supply Status, it is the preference of DHB Hospitals that the pack size for such a Tender Item is:

- (a) 500 ml or less, where the Tender Item is in liquid form;
- (b) 200 tablets or capsules, where the Tender Item is in tablet or capsule form; and
- (c) 10 injections, where the Tender Item is in injection form.

Notwithstanding the preference of DHB Hospitals for Tender Items to be in pack sizes as specified in paragraphs (a) to (c) above, you may submit, and PHARMAC will consider and may accept, a Tender Bid for any pack size, including larger pack sizes, following its evaluation of Tender Bids under clause 5.2 of Schedule Three.

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Abacavir Sulphate					
Tab 300 mg	25,690	\$196,099	\$7.6333 # ▼	C H	0%
Acarbose					
Tab 100 mg	60,801	\$20,940	\$0.3444 #	C	
Tab 50 mg	221,209	\$54,063	\$0.2444 #	C H	0%
Acebutolol					
Cap 100 mg	135,732	\$12,895	\$0.0950 #	C H	0%
Cap 200 mg	197,070	\$31,413	\$0.1594 #	C H	0%
Tab 400 mg	44,640	\$12,334	\$0.2763 #	C	
Acetazolamide					
Sodium inj 500 mg	53	\$739	\$13.9500 # ▼	C H	0%
Tab 250 mg	322,352	\$28,206	\$0.0875 # * ▼	C H	0%
Acetic Acid with 1, 2- Propanediol Diacetate and Benzethonium					
Ear drops 2% with 1, 2-Propanediol diacetate 3 % and benzethonium chloride 0.02 %	49,945	\$8,321	\$0.1666	C	
Acetic Acid with Boric Acid, Hydroxyquinoline and Ricinoleic Acid					
Jelly with boric acid 3%, hydroxyquinoline sulphate 0.025% and ricinoleic acid 0.75% with applicator	284,000	\$23,941	\$0.0843 *	C	
Acetylcysteine					
Inj 200 mg per ml, 10 ml	338	\$4,633	\$13.7060 # *	C H	0%
Aciclovir					
Eye oint 3%	18,705	\$122,787	\$6.5644 # * ▼	C H	0%
Inj 500 mg per 20 ml				H	0%
Tab 200 mg	144,073	\$22,259	\$0.1545 #	C H	0%
Tab 400 mg	2,168,343	\$383,363	\$0.1768	C	0%
Tab 800 mg	459,765	\$160,826	\$0.3498 #	C H	0%
Tab dispersible 200 mg	19,478	\$9,739	\$0.5000 #	C H	0%
Tab dispersible 400 mg	83,689	\$42,589	\$0.5089 #	C H	0%
Tab dispersible 800 mg	28,274	\$23,832	\$0.8429 #	C H	0%
Adenosine					
Inj 3 mg per ml, 2 ml				▲ H	0%
Adrenaline					
Inj 1 in 10,000, 10 ml	6,463	\$16,158	\$2.5000 # ▼▲	C H	0% Min-I-Jet would not be DV Pharmaceutical
Inj 1 in 1000, 1 ml	45,171	\$44,719	\$0.9900 # ▼▲	C H	0% Min-I-Jet would not be DV Pharmaceutical
Alendronate					
Tab 10 mg	429,126	\$733,805	\$1.7100 #	C H	0%
Tab 40 mg	58,301	\$258,466	\$4.4333 #	C H	0%
Tab 70 mg	172,535	\$2,066,107	\$11.9750 #	C H	0%
Alfacalcidol					
Cap 0.25 mcg	155,628	\$40,961	\$0.2632 #	C H	0%
Cap 1 mcg	35,432	\$31,173	\$0.8798 #	C H	0%
Oral drops 2 mcg per ml	7,890	\$23,938	\$3.0340 #	C	
Alfentanil					
Inj 0.5 mg per ml, 2 ml				H	0%

Chemical Name						
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments
Alginic Acid						
Sodium alginate 225mg and magnesium alginate 87.5mg per sachet	1,667,651	\$250,148	\$0.1500		C	
Tab 500 mg with magnesium trisil 25 mg, aluminium hydroxide gel, dried 100 mg, and sodium bicarbonate 170 mg	1,101,898	\$33,057	\$0.0300 *		C	
Allopurinol						
<u>Tab 100 mg</u>	5,694,016	\$150,891	\$0.0265	▼	C H	0%
<u>Tab 300 mg</u>	4,927,513	\$266,086	\$0.0540	▼	C H	0%
Alpha Tocopheryl Acetate						
Water solubilised soln 156 iu/ml, with calibrated dropper	48,840	\$13,187	\$0.2700 #		C	
Alprostadil						
Inj 500 mcg				▲	H	0%
Aluminium Hydroxide						
Tab 600 mg	392,424	\$49,288	\$0.1256		C H	0%
Amantadine Hydrochloride						
Cap 100 mg	279,204	\$269,069	\$0.9637 # *		C H	0%
Amiloride						
Tab 5 mg	221,137	\$24,325	\$0.1100		C H	0%
Amiloride with Frusemide						
Tab 5 mg with frusemide 40 mg	597,770	\$99,648	\$0.1667 *		C	
Amiloride with Hydrochlorothiazide						
<u>Tab 5 mg with hydrochlorothiazide 50 mg</u>	2,294,169	\$54,831	\$0.0239		C	
Aminoglutethimide						
Tab 250 mg	10,828	\$26,431	\$2.4410 #		C H	0%
Aminophylline						
Inj 25 mg per ml, 10 ml	3,240	\$7,744	\$2.3900 #		C H	0%
Amlodipine						
Tab 10 mg	393,847	\$92,042	\$0.2337 # *		C H	0%
Tab 5 mg	908,158	\$126,234	\$0.1390 # *		C H	0%
Amorolfine						
Nail soln 5%	3,165	\$23,965	\$7.5720 # *		C H	0%
Amoxapine						
Tab 100 mg	25,894	\$0	\$0.0000		C H	0%
Tab 25 mg	141,055	\$24,685	\$0.1750		C H	0%
Tab 50 mg	229,923	\$59,780	\$0.2600		C H	0%
Amoxicillin Trihydrate & Potassium Clavulanate						
Tablet 625mg					H	0%
Amoxicillin						
<u>Cap 250 mg</u>	1,718,236	\$66,152	\$0.0385 #	▼	C	
<u>Cap 500 mg</u>	3,718,180	\$234,245	\$0.0630	▼	C	
<u>Grans for oral liq 125 mg per 5 ml</u>	35,281,778	\$381,043	\$0.0108 #	▼	C	
<u>Grans for oral liq 250 mg per 5 ml</u>	14,848,451	\$204,909	\$0.0138 #	▼	C	
Amoxicillin Sodium						
Inj 1 g					H	0%

Chemical Name		Units	Cost	Unit Subsidy		DV Limit	Comments
Line Item							
Amoxicillin Sodium							
Inj 250 mg						H 0%	
Inj 500 mg						H 0%	
Amoxicillin Trihydrate							
Cap 250 mg						H 0%	
Cap 500 mg						H 0%	
Amphotericin B							
Lozenges 10 mg	175,756	\$39,633	\$0.2255	*		C	
Amyl Nitrite							
Ampoule, 0.3 ml crushable	110	\$577	\$5.2433	*	▼	C H	0%
Ascorbic Acid							
Tab 100 mg	1,108,861	\$28,830	\$0.0260	#	*	C H	0% tendered as one line item with ascorbic acid with sodium ascorbate 100 mg tab
Tab 50 mg	102,247	\$2,658	\$0.0260	#	*	C H	0%
Ascorbic Acid and Sodium Ascorbate							
Tab 100mg	29,140	\$758	\$0.0260	#		C	tendered as one line item with ascorbic acid 100 mg tab
Aspirin							
Tab 300 mg	804,910	\$21,330	\$0.0265	#		C H	0%
Tab EC 300 mg	1,970,209	\$142,840	\$0.0725			C H	0%
Tab EC 650 mg	147,134	\$10,123	\$0.0688			C H	0%
Tab or Cap 75 mg or 100 mg	0	\$0	\$0.0000			C	
Atenolol							
<u>Tab 100 mg</u>	2,849,782	\$96,893	\$0.0340	#	▼	C H	0%
<u>Tab 50 mg</u>	10,763,413	\$222,803	\$0.0207	#	▼	C H	0%
Auranofin							
Tab 3 mg	39,469	\$45,381	\$1.1498	#	*	C H	0%
Azatadine Maleate							
Oral liq 500 mcg per 5 ml	180,474	\$4,097	\$0.0227	#	*	C	
Tab 1 mg	435,823	\$60,492	\$0.1388	*		C H	0%
Baclofen							
<u>Tab 10 mg</u>	2,171,151	\$90,971	\$0.0419	#		C H	0%
Bambuterol Hydrochloride							
Tab 10 mg	550,290	\$219,731	\$0.3993			C H	0%
BCG vaccine							
Injection						H	0% Intracutaneous or Intravesical
Beclomethasone Dipropionate							
Aerosol inhaler, 100 mcg per dose	31,196,400	\$1,949,775	\$0.0625		▼	C H	0%
Aerosol inhaler, 250 mcg per dose	19,965,000	\$2,264,031	\$0.1134		▼	C H	0%
Aerosol inhaler, 250 mcg per dose, breath activated	2,426,400	\$341,152	\$0.1406		▼	C H	
Aerosol inhaler, 50 mcg per dose	5,395,400	\$230,384	\$0.0427			C H	
<u>Metered aqueous nasal spray, 100 mcg per dose</u>	27,112,800	\$352,466	\$0.0130			C H	0%
<u>Metered aqueous nasal spray, 50 mcg per dose</u>	9,248,200	\$110,978	\$0.0120			C H	0%

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Bendrofluazide					
Tab 1.25 mg	0	\$0	\$0.0000	C H	
Tab 2.5 mg	13,699,159	\$369,877	\$0.0270	C H	0%
Tab 5 mg	1,996,079	\$85,831	\$0.0430	C H	0%
Benzathine Penicillin					
Inj 1.2 mega u per 2 ml	7,364	\$82,477	\$11.2000 # ▼	C H	0%
Benzoin					
Tincture compound BP	51,668	\$2,521	\$0.0488 *	C H	0%
Benztropine Mesylate					
Inj 1 mg per ml, 2 ml	1,564	\$11,370	\$7.2700 #	C H	0%
Tab 2 mg	1,202,570	\$67,344	\$0.0560	C H	0%
Benzydamine Hydrochloride					
Soln 0.15%	387,880	\$6,982	\$0.0180 # *	C H	0%
Benzympenicillin Sodium					
Inj 1.2 g				H	0%
Benzympenicillin Sodium (Penicillin G)					
Inj 1 mega u	16,190	\$22,342	\$1.3800 # ▼	C H	0%
Betahistine Dihydrochloride					
<u>Tab 16 mg</u>	947,130	\$165,653	\$0.1749 #	C H	0%
Betamethasone Dipropionate					
Crn 0.05%	255,636	\$50,437	\$0.1973 *	C H	0%
Crn 0.05% in propylene glycol base	30,852	\$4,452	\$0.1443 *	C	
Oint 0.05%	200,405	\$39,540	\$0.1973 *	C H	0%
Oint 0.05% in propylene glycol base	48,593	\$7,012	\$0.1443 *	C	
Scalp lotn 0.05%	199,500	\$24,519	\$0.1229 *	C H	0%
Scalp lotn propylene glycol base 0.05%	4,800	\$0	\$0.0000	C	
Betamethasone Dipropionate with Clotrimazole					
Crn 0.05% with clotrimazole 1%	74,835	\$24,449	\$0.3267 # *	C	
Betamethasone Dipropionate with Salicylic Acid					
Lotn 0.05% with salicylic acid 2%	236,300	\$46,031	\$0.1948 # *	C	
Oint 0.05% with salicylic acid 3%	209,400	\$56,538	\$0.2700 # *	C	
Betamethasone Sodium Phosphate					
Ear/Eye drops 0.1%	72,590	\$65,331	\$0.9000 #	C H	0%
Tab 500 mcg	601,859	\$71,380	\$0.1186 #	C H	0%
Betamethasone Sodium Phosphate with Betamethasone Acetate					
Inj 3.9 mg with betamethasone acetate 3 mg per ml, 1ml	686	\$2,634	\$3.8400 *	C	
Betamethasone Valerate					
Lotn 0.1%	76,050	\$15,286	\$0.2010	C H	0%
Scalp app 0.1%	3,289,117	\$106,896	\$0.0325	C	
Betamethasone Valerate with Clioquinol					
Crn 0.1% with clioquinol 3%	80,160	\$26,188	\$0.3267 #	C	
Oint 0.1% with clioquinol 3%	28,920	\$9,448	\$0.3267 #	C	
Betamethasone Valerate with Fusidic Acid					
Crn 0.1% with fusidic acid 2%	335,925	\$109,747	\$0.3267 # *	C	

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Betaxolol Hydrochloride					
Eye drops 0.25%	136,070	\$358,681	\$2.6360 #	C H	0%
Bisacodyl					
Suppos 5 mg	12,852	\$5,034	\$0.3917 # *	C H	0%
Bleomycin Sulphate					
Inj 15 iu				▲ H	0%
Brimonidine Tartrate					
Eye Drops 0.2%	181,875	\$509,250	\$2.8000 #	C H	0%
Budesonide					
Cap 3 mg Controlled Release	49,485	\$75,994	\$1.5357 #	C H	0%
<u>Metered aqueous nasal spray, 100 mcg per dose</u>	18,004,200	\$266,462	\$0.0148	C H	0%
<u>Metered aqueous nasal spray, 50 mcg per dose</u>	4,949,200	\$64,340	\$0.0130	C H	0%
Powder for inhalation, 100 mcg per dose	3,620,200	\$235,313	\$0.0650	▼ C H	0%
Powder for inhalation, 200 mcg per dose	15,661,800	\$1,761,953	\$0.1125	▼ C H	0%
Powder for inhalation, 400 mcg per dose	10,772,400	\$2,075,841	\$0.1927	C H	0%
Bumetanide					
Inj 500 mcg per ml, 4 ml	385	\$612	\$1.5900	C H	0%
Bupivacaine Hydrochloride					
Inj 0.5%, 4 ml	105	\$490	\$4.6640 # *	C	
Buprenorphine Hydrochloride					
Inj 0.3 mg per ml, 1 ml	350	\$519	\$1.4840 # *	C	
Buserelin Acetate					
Inj 1 mg per ml, 5.5 ml	2	\$195	\$97.5000 # *	C	
Busulphan					
Tab 2 mg	10,132	\$4,852	\$0.4789 #	▼ ? C H	0%
Cabergoline					
Tab 0.5 mg	53,350	\$622,595	\$11.6700 #	C H	0%
Calamine					
Crn, aqueous, BP	126,340	\$4,321	\$0.0342 # *	C H	0%
Calcipotriol					
Crn 50 mcg per g	1,010,670	\$795,700	\$0.7873	C	
Oint 50 mcg per g	1,258,450	\$990,778	\$0.7873	C H	0%
Soln 50 mcg per ml	312,240	\$246,139	\$0.7883	C	
Calcitonin					
Inj 100 iu per ml, 1 ml	306	\$6,120	\$20.0000 #	C H	0%
Calcitriol					
Oral liq 1 mcg per ml	2,002	\$7,888	\$3.9400 #	C H	0%
Calcium Carbonate					
Tab 1.25 g	14,997,334	\$674,880	\$0.0450	C	
Tab 1.5 g	2,431,206	\$129,583	\$0.0533	C	
Tab 420 mg and aminoacetic acid 180 mg with or without dimethicone 21 mg	2,533,960	\$76,019	\$0.0300	C	
Calcium Folate					
30 mg per 2 ml				H	0%
Inj 15 mg	14	\$160	\$11.4400 #	C	

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Calcium Folate					
Inj 50 mg per 5 ml	682	\$20,426	\$29.9500 #	▲ C H	0%
Tab 15 mg	2,209	\$8,593	\$3.8900 #	C H	0%
Calcium Gluconate					
Inj 10%, 10 ml	851	\$1,693	\$1.9900	C H	0%
Calcium Lactate-Gluconate					
Tab 1 g	2,367,540	\$831,007	\$0.3510	C	
Calcium Polystyrene Sulphonate					
Powder	151,035	\$71,258	\$0.4718 #	▼ C H	0%
Captopril					
Oral liq 5 mg per ml	38,367	\$17,925	\$0.4672 #	▼ C H	0%
Captopril with Hydrochlorothiazide					
Tab 25 mg with hydrochlorothiazide 15 mg	0	\$0	\$0.0000	C	
Tab 50 mg with hydrochlorothiazide 25 mg	0	\$0	\$0.0000	C	
Carbachol					
Eye drops 1.5%	5,115	\$2,326	\$0.4547 # *	C H	0%
Eye drops 3%	10,035	\$4,676	\$0.4660 # *	C H	0%
Carbimazole					
Tab 5 mg	1,480,072	\$46,326	\$0.0313	▼ ? C H	0%
Carboplatin					
Inj 10 mg per ml, 15ml				H	0%
Inj 10 mg per ml, 45ml				H	0%
Inj 10 mg per ml, 5ml				H	0%
Cefamandole Naftate					
Inj 1 g				H	0%
Inj 500 mg				H	0%
Cefazolin Sodium					
Inj 1 g				H	0%
Inj 500 mg				H	0%
Cefotetan					
Inj 1 g				H	0%
Inj 2 g				H	0%
Cefoxitin Sodium					
Inj 1 g				H	0%
Inj 2 g				H	0%
Ceftriaxone Sodium					
Inj 250 mg	2	\$0	\$0.0000 #	C	
Cefuroxime Axetil					
Tab 125 mg				H	0%
Tab 250 mg	7,210	\$14,240	\$1.9750 #	C	
Cefuroxime Sodium					
Inj 250 mg	51	\$107	\$2.0970 #	C H	0%
Cephalothin Sodium					
Inj 1 g	232	\$1,601	\$6.9000 #	C H	0%

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Cephadrine					
Cap 250 mg	9,362	\$4,357	\$0.4654	C H	0%
Cap 500 mg	22,986	\$21,120	\$0.9188	C H	0%
Inj 1 g	14	\$88	\$6.3180 #	C H	0%
Inj 500 mg	45	\$151	\$3.3560 #	C H	0%
Cervical Caps					
Cervical Caps	0	\$0	\$6.7100 #	C	
Cetomacrogol					
Cream BP	5,901,732	\$33,050	\$0.0056 *	C H	0%
Charcoal					
Tab 300 mg	48,529	\$3,460	\$0.0713	C H	0%
Charcoal activated					
Liquid 50g				H	0%
Liquid 50g & Sorbitol 70%				H	0%
Chlorambucil					
Tab 2 mg	114,491	\$102,355	\$0.8940 # ▼ ?	C H	0%
Tab 5 mg	17,956	\$0	\$0.0000 # ▼ ?	C H	0%
Chloramphenicol					
Cap 250 mg	3,933	\$1,489	\$0.3787	C	
Ear drops 0.5%	14,380	\$5,378	\$0.3740	C H	0%
Inj 1g or Inj 1.2g	0	\$0	\$0.0000 #	C H	0% Single injection pack size preferred
Chlordiazepoxide Hydrochloride					
Cap 5 mg	73,990	\$3,529	\$0.0477 # *	C H	0%
Chlorhexidine					
Mouthwash 0.2%	937,250	\$12,934	\$0.0138	C H	0%
Chlorhexidine Gluconate					
Handrub 0.5% with ethanol 70%	2,299,197	\$26,211	\$0.0114 #	C H	0%
Soln 4%	1,566,413	\$29,292	\$0.0187 #	C	
Chlormethiazole Edisylate					
Cap 192 mg	278,441	\$58,584	\$0.2104 # *	C	
Oral liq 250 mg per 5 ml	10,243	\$0	\$0.0000	C	
Chloroform BP					
Chloroform BP	274,952	\$11,713	\$0.0426 # *	C H	0%
Chloroquine					
Oral liq sulphate 68 mg per 5 ml	16,700	\$1,618	\$0.0969 *	C	
Tab sulphate 200 mg	21,621	\$3,667	\$0.1696 *	C H	0%
Chlorpheniramine Maleate					
Cap long-acting 12 mg	267,320	\$37,264	\$0.1394 *	C	
Cap long-acting 8 mg	440,533	\$36,917	\$0.0838 *	C H	0%
Oral liq 2 mg per 5 ml	4,771,150	\$35,784	\$0.0075 # *	C	
Chlorpromazine Hydrochloride					
Inj 25 mg per ml, 2 ml	3,801	\$8,868	\$2.3330 #	C H	0%
Oral liq 100 mg per 5 ml	475,446	\$64,851	\$0.1364 #	C H	0%
Tab 10 mg	192,061	\$21,588	\$0.1124 #	C H	0%
Tab 100 mg	508,788	\$141,596	\$0.2783 #	C H	0%

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Chlorpromazine Hydrochloride					
Tab 25 mg	1,343,611	\$159,084	\$0.1184 #	C H	0%
Chlortetracycline					
Oint 3%	7,255	\$0	\$0.0000 #	C	
Chlorthalidone					
Tab 25 mg	72,237	\$9,680	\$0.1340	C H	0%
Cholestyramine with Aspartame					
Sachets 4 g with aspartame	240,387	\$92,549	\$0.3850 *	C H	0%
Choline Salicylate with Cetalkonium Chloride					
Adhesive gel 8.7% with cetalkonium chloride 0.01%	110,475	\$15,168	\$0.1373 *	C	
Ciclopiroxolamine					
Crn 1%	66,520	\$3,326	\$0.0500 # *	C H	0%
Nail soln 8%	53,571	\$578,722	\$10.8029 #	C H	0%
Soln 1%	40,760	\$8,886	\$0.2180 # *	C H	0%
Cilazapril					
Tab 0.5 mg	5,041,239	\$369,523	\$0.0733	C H	0%
Tab 2.5 mg	9,361,298	\$1,825,453	\$0.1950	C H	0%
Tab 5 mg	8,794,244	\$2,697,195	\$0.3067	C H	0%
Cilazapril with Hydrochlorothiazide					
Tab 5 mg with Hydrochlorothiazide 12.5 mg	7,483,906	\$2,338,721	\$0.3125	C	
Ciprofloxacin					
Eye Drops 0.3%	7,650	\$19,018	\$2.4860 #	C H	0%
Inj IV 2 mg per ml				H	0%
Oral Suspension 10%				H	0%
Oral Suspension 5%				H	0%
Tab 250 mg				H	0%
Tab 500 mg				H	0%
Tab 750 mg				H	0%
Citalopram					
Tab 20 mg	5,555,960	\$6,240,454	\$1.1232 #	C	Only patients with appropriate endorsement receive full subsidy
Clindamycin Hydrochloride					
Capsules 150mg				H	0%
Clindamycin Phosphate					
Inj 150 mg per ml, 4 ml				▲ H	0%
Clobetasol Propionate					
<u>Crn 0.05%</u>	1,375,139	\$55,006	\$0.0400	C H	0%
Clobetasone Butyrate					
Crn 0.05%	881,612	\$158,073	\$0.1793 *	C H	0%
Oint 0.05%	379,870	\$68,111	\$0.1793 *	C H	0%
Clofazimine					
Cap 50 mg	6,230	\$1,121	\$0.1800 #	C H	0%
Clomiphene Citrate					
Tab 50 mg	65,718	\$39,299	\$0.5980 #	C	

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Clomipramine Hydrochloride					
Tab 25 mg	2,162,172	\$118,919	\$0.0550 #	C H	0%
Clonazepam					
Inj 1 mg per ml, 1 ml	14,229	\$26,637	\$1.8720	C H	0%
Clonidine					
Inj 150 mcg per ml, 1 ml	4,061	\$10,559	\$2.6000	C H	0%
Transdermal delivery system 2.5 mg, 100 mcg per day	19,465	\$93,919	\$4.8250 #	C H	0%
Transdermal delivery system 5 mg, 200 mcg per day	12,656	\$91,123	\$7.2000 #	C H	0%
Transdermal delivery system 7.5 mg, 300 mcg per day	9,018	\$83,642	\$9.2750 #	C H	0%
Clostridium Botulinum					
Vials 100 iu				H	0%
Vials 500 iu				H	0%
Clotrimazole					
Soln 1%	7,500	\$1,635	\$0.2180 # *	C H	0%
Coal Tar					
Soln gel 7.5 %	120,798	\$9,362	\$0.0775 *	C H	0%
Solution BP	155,101	\$10,066	\$0.0649 # *	C H	0%
Coal Tar with Allantoin, Menthol, Phenol and Sulphur					
Soln 5% with sulphur 0.5%, menthol 0.75%, phenol 0.5% and allantoin crm 2.5%	79,075	\$9,038	\$0.1143 *	C	
Codeine Phosphate					
Powder	4,723	\$11,919	\$2.5236 # *	C	
Colchicine					
Tab 500 mcg or 600 mcg	2,254,480	\$371,989	\$0.1650	C H	0% Unit Volume and subsidy data for 600 mcg tablet
Colistin Sulphate with Neomycin and Hydrocortisone					
Ear drops 3 mg with neomycin sulphate 3.3 mg and hydrocortisone acetate 10 mg per ml	48,845	\$87,921	\$1.8000	C	
Colistin Sulphomethate					
Inj 150 mg	8,145	\$247,119	\$30.3400 #	C	
Collodion Flexible					
Collodion flexible	36,169	\$5,281	\$0.1460 *	C H	0%
Compound hydroxybenzoate					
Soln	13,545	\$519	\$0.0383	C	
Cortisone Acetate					
Tab 25 mg	61,066	\$11,407	\$0.1868 # *	C	
Tab 5 mg	133,767	\$10,822	\$0.0809 # *	C H	0%
Co-Trimoxazole					
Tab trimethoprim 160 mg and sulphamethoxazole 800 mg	5,151	\$1,167	\$0.2266	C	
Crotamiton					
Crn 10%	216,463	\$46,107	\$0.2130 # *	C H	0%
Lotn 10%	375,998	\$56,851	\$0.1512 # *	C H	0%
Cyclizine Hydrochloride					
Oral liq 12.5 mg per 5 ml				H	0%

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Cyclizine Hydrochloride					
Tab 50 mg	372,484	\$46,933	\$0.1260 #	C H	0%
Cyclizine lactate					
Inj 50 mg per ml, 1ml				H	0%
Cyclopenthiiazide					
Tab 0.5 mg	2,311,467	\$206,414	\$0.0893	C H	0%
Cyclopentolate Hydrochloride					
Eye drops 1%	31,020	\$18,116	\$0.5840	C H	0%
Cyclophosphamide					
Inj 1 g	1	\$21	\$21.3000 #	C H	0%
Inj 500 mg				H	0%
Tablets 50mg				H	0%
Cyclosporin					
Inj 250 mg per 5 ml IV				H	0%
Cyproheptadine Hydrochloride					
Tab 4 mg	250,631	\$15,715	\$0.0627	C H	0%
Cyproterone Acetate					
Inj 100 mg per ml, 3 ml	187	\$12,268	\$65.6067 #	C H	0%
<u>Tab 50 mg</u>	1,520,882	\$2,577,895	\$1.6950 #	C H	0%
Cytarabine					
Inj 100 mg per ml, 1 ml				H	0%
Inj 100 mg per ml, 10ml				H	0%
Inj 100 mg per ml, 20 ml				H	0%
Dantrolene Sodium					
Cap 25 mg	132,146	\$43,555	\$0.3296 #	C H	0%
Cap 50 mg	51,296	\$26,520	\$0.5170 #	C H	0%
Desipramine Hydrochloride					
Tab 25 mg	252,446	\$163,181	\$0.6464 *	C H	0%
Desmopressin					
Inj 4 mcg per ml, 1 ml	1,560	\$10,480	\$6.7180 # ▼	C H	0%
Nasal drops 100 mcg per ml	6,019	\$93,969	\$15.6120 # ▼	C H	0%
Nasal spray 10 mcg per dose, 50 dose	76,585	\$1,195,645	\$15.6120 # ▼	C H	0%
Dexamethasone					
Eye drops 0.1 %	23,925	\$21,533	\$0.9000 # *	C H	0%
Eye oint 0.1%	5,728	\$9,590	\$1.6743 #	C H	0%
Tab 1 mg	248,078	\$39,891	\$0.1608 #	C H	0%
Tab 4 mg	335,848	\$207,856	\$0.6189 #	C H	0%
Dexamethasone Sodium Phosphate					
4 mg per ml, 1 ml				H	0%
Inj 4 mg per ml, 2ml				H	0%
Dexamethasone with Framycetin and Gramicidin					
Ear/Eye drops 500 mcg with framycetin sulphate 5 mg and gramicidin 50 mcg per ml	781,680	\$439,695	\$0.5625 # *	C	
Ear/Eye oint 0.5 mg with framycetin sulphate 5 mg and gramicidin 50 mcg per g	42,160	\$37,944	\$0.9000 # *	C	

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Dexamethasone with Neomycin and Polymyxin B Sulphate					
Eye drops 0.1% with neomycin sulphate 0.35% and polymyxin B sulphate 6,000 u per ml	99,760	\$89,784	\$0.9000 #	C	
Eye oint 0.1% with neomycin sulphate 0.35% and polymyxin B sulphate 6,000 u per g	13,913	\$21,426	\$1.5400 #	C	
Dexamphetamine Sulphate					
Tab 5 mg	590,981	\$112,286	\$0.1900 #	C H	0%
Dextrochlorpheniramine Maleate					
Oral liq 2 mg per 5 ml	289,760	\$5,129	\$0.0177 # *	C H	0%
Tab 2 mg	189,601	\$9,556	\$0.0504 *	C H	0%
Tab long-acting 6 mg	620,332	\$83,745	\$0.1350 *	C H	0%
Dextromoramide Acid Tartrate					
Tab 5 mg	88	\$5	\$0.0618 #	C	
Dextrose					
Inj 50%, 10 ml	4,699	\$4,962	\$1.0560 # * ▼	C	
Dextrose with Electrolytes					
Soln with electrolytes	55,638,364	\$389,469	\$0.0070 ▼	C	
Diazepam					
Rectal tubes 10 mg	16,167	\$104,697	\$6.4760 # ▼	C H	0%
Rectal tubes 5 mg	17,680	\$93,704	\$5.3000 # ▼	C H	0%
<u>Tab 10 mg</u>	580,160	\$14,504	\$0.0250 #	C H	0%
Tab 2 mg	2,017,164	\$21,785	\$0.0108 #	C H	0%
<u>Tab 5 mg</u>	2,229,927	\$35,679	\$0.0160 #	C H	0%
Dibromopropamide Isethionate					
Eye oint 0.15%	1,345	\$799	\$0.5940 *	C H	0%
Diclofenac Sodium					
Cap long-acting 100 mg	13,384	\$1,342	\$0.1003 #	C	
Eye drops 1 mg per ml	14,485	\$39,979	\$2.7600 #	C	
Inj 25 mg per ml, 3 ml	29,783	\$71,479	\$2.4000 #	C H	0%
Suppos 100 mg	221,181	\$117,226	\$0.5300 #	C H	0%
Suppos 12.5 mg	8,564	\$1,130	\$0.1320 #	C H	0%
Suppos 25 mg	15,906	\$2,943	\$0.1850 #	C H	0%
Suppos 50 mg	79,972	\$25,591	\$0.3200 #	C H	0%
Tab 50 mg dispersible	1,106,186	\$82,964	\$0.0750 #	C H	0%
Tab EC 25 mg	431,454	\$15,317	\$0.0355 #	C H	0%
Tab EC 50 mg	2,387,633	\$178,595	\$0.0748 #	C H	0%
Tab long-acting 100 mg	4,222,029	\$632,038	\$0.1497 #	C H	0%
Tab long-acting 75 mg	10,650,273	\$841,372	\$0.0790 #	C H	0%
Dicloxacillin					
Grans for oral liq 125 mg per 5 ml	416,069	\$14,770	\$0.0355 # *	C H	0%
Inj 1 g	20	\$41	\$2.0400 *	C H	0%
Inj 500 mg	15	\$20	\$1.3600 *	C H	0%
Oral liq 62.5 mg per 5 ml	0	\$0	\$0.0000	C	
Dicyclomine Hydrochloride					
Tab long-acting 40 mg	364,545	\$47,391	\$0.1300	C H	0%
Didanosine (ddl)					
Tab 100 mg	83,870	\$257,313	\$3.0680 #	C H	

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Didanosine (ddl)					
Tab 25 mg	0	\$0	\$0.7670 #	C H	
Diflucortolone Valerate					
Crn 0.1%	426,600	\$76,532	\$0.1794 *	C H	0%
Fatty oint 0.1%	336,576	\$60,382	\$0.1794 *	C H	0%
Oint 0.1%	177,946	\$31,924	\$0.1794 *	C H	0%
Diflucortolone Valerate with Chlorquinaldol					
Crn 0.1% with chlorquinaldol 1%	42,165	\$13,775	\$0.3267 # *	C H	0%
Dihydrocodeine Tartrate					
Tab long-acting 60 mg	3,317,970	\$1,974,192	\$0.5950	C H	0%
Di-isobutylphenoxypolyethoxy-ethanol					
Jelly 1%	232,500	\$18,019	\$0.0775 # *	C	
Diltiazem Hydrochloride					
Tab long-acting 180 mg	1,003,199	\$255,816	\$0.2550	▼ ? C	
Tab long-acting 240 mg	564,662	\$191,985	\$0.3400	▼ ? C	
Dimenhydrinate					
Tab 50 mg	25,837	\$1,511	\$0.0585 *	C	
Dinoprostone					
Gel 1 mg per 2.5 ml				H	0%
Gel 2 mg per 2.5 ml				H	0%
Diphepanil Methylsulphate					
Powder 2%	39,650	\$5,400	\$0.1362 # *	C H	0%
Dipivefrin Hydrochloride					
Eye drops 0.1%	45,420	\$0	\$0.0000 #	C H	0%
Dipyridamole					
Tab 25 mg	263,861	\$554	\$0.0021 # *	C H	0%
Distigmine Bromide					
Tab 5 mg	115	\$0	\$0.0000 #	C H	0%
Disulfiram					
Tab 200 mg	146,917	\$35,701	\$0.2430	C H	0%
Dopamine Hydrochloride					
Inj 40 mg per ml, 5 ml				▲ H	0%
Dothiepin Hydrochloride					
Cap 25 mg	4,736,201	\$213,129	\$0.0450	C H	0%
Tab 75 mg	1,639,598	\$143,465	\$0.0875	C H	0%
Doxepin Hydrochloride					
Cap 10 mg	1,702,862	\$84,973	\$0.0499	C H	0%
Cap 25 mg	2,702,589	\$113,238	\$0.0419	C H	0%
Cap 50 mg	773,631	\$54,077	\$0.0699	C H	0%
Cap 75 mg	431,075	\$47,375	\$0.1099	C H	0%
Doxorubicin Hydrochloride					
Inj 10 mg				H	0%
Inj 50 mg				H	0%

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Doxycycline Hydrochloride					
Tab 100 mg	2,790,960	\$96,846	\$0.0347 # ▼	C H	0%
Dydrogesterone					
Tab 10 mg	39,425	\$21,684	\$0.5500 *	C H	0%
Econazole Nitrate					
Crm 1%	165,617	\$11,047	\$0.0667 #	C H	0%
Foaming soln 1%, 10 ml sachets	67,095	\$221,192	\$3.2967 # *	C H	0%
Pessaries 150 mg with applicators	4,777	\$4,379	\$0.9167 *	C H	0%
Soln 1%	24,570	\$10,713	\$0.4360 # *	C H	0%
Vaginal crm 1 % with applicator(s)	50,680	\$3,487	\$0.0688 *	C	
Efavirenz					
Cap 100 mg	0	\$0	\$5.2777 #	C H	
Cap 200 mg	111,659	\$589,303	\$5.2777 #	C H	
Cap 50 mg	0	\$0	\$5.2777 #	C H	
Eformoterol fumarate					
Powder for inhalation 12 mcg per dose	563,603	\$336,302	\$0.5967 #	C	
Powder for inhalation, 12 mcg per dose	566,880	\$338,257	\$0.5967 #	C	
Powder for inhalation, 6 mcg per dose	5,095,260	\$1,825,632	\$0.3583 #	C	
Enalapril					
Tab 10 mg	2,338,593	\$103,366	\$0.0442	C	
Tab 20 mg	1,434,358	\$93,233	\$0.0650	C	
Tab 5 mg	2,670,006	\$81,969	\$0.0307	C	
Enalapril With Hydrochlorothiazide					
Tab 20 mg with hydrochlorothiazide 12.5 mg	358,437	\$39,679	\$0.1107 *	C	
Ephedrine Sulphate					
Inj 30 mg per ml, 1ml				▲ H	0%
Ergotamine Tartrate with Caffeine					
Tab 1 mg with caffeine 100 mg	403,533	\$97,655	\$0.2420 *	C	
Ergotamine Tartrate with Diphenhydramine					
Cap 1 mg with caffeine citrate 100 mg and diphenhydramine hydrochloride 25 mg	231,296	\$40,754	\$0.1762	C	
Erythromycin					
Cap 250 mg	199,079	\$29,762	\$0.1495 # *	C H	0% Tab and Cap tendered as one line item
Tab 250 mg	2,694	\$0	\$0.0000 #	C H	0% Tab and Cap tendered as one line item
Erythromycin Ethyl Estolate					
Tab 400 mg				H	0%
Erythromycin Ethyl Succinate					
Grans for oral liq 200 mg per 5 ml				H	0%
Grans for oral liq 400 mg per 5 ml				H	0%
Tab 200 mg				H	0%
Tab 400 mg				H	0%
Erythromycin Lactobionate					
Inj 1g	436	\$4,609	\$10.5700	C H	0%
Inj 300 mg	70	\$374	\$5.3400 ▲	C H	0%

Chemical Name						
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments
Erythromycin Stearate						
Tab 250 mg	169,574	\$25,351	\$0.1495 # *	C H	0%	
Tab 500 mg	99,389	\$29,717	\$0.2990 *	C		
Tab or Cap 200 mg				H	0%	
Ethambutol						
Tab 100 mg	40,963	\$8,520	\$0.2080 #	C H	0%	
Tab 400 mg	79,971	\$32,628	\$0.4080 #	C H	0%	
Ethinylestradiol						
Tab 10 mcg	665,345	\$109,915	\$0.1652 *	C H	0%	
Ethinylestradiol with Desogestrel						
Tab 20 mcg with desogestrel 150 mcg	438,895	\$65,834	\$0.1500 #	C		21 and 28 tablet cycles tendered as separate line items
Tab 20 mcg with desogestrel 150 mcg and 7 inert tab	3,328,229	\$374,426	\$0.1125 #	C		21 and 28 tablet cycles tendered as separate line items
Tab 30 mcg with desogestrel 150 mcg	449,113	\$67,367	\$0.1500 #	C		21 and 28 tablet cycles tendered as separate line items
Tab 30 mcg with desogestrel 150 mcg and 7 inert tab	2,340,930	\$263,355	\$0.1125 #	C		21 and 28 tablet cycles tendered as separate line items
Ethinylestradiol with Gestodene						
Tab 20 mcg with gestodene 75 mcg and 7 inert tab	24,528	\$2,759	\$0.1125 # *	C		
Tab 30 mcg with gestodene 75 mcg	455,825	\$68,374	\$0.1500 # *	C		21 and 28 tablet cycles tendered as separate line items
Tab 30 mcg with gestodene 75 mcg and 7 inert tab	2,853,964	\$321,071	\$0.1125 # *	C		21 and 28 tablet cycles tendered as separate line items
Ethinylestradiol with Norethisterone						
Tab 35 mcg with norethisterone 1 mg	96,053	\$14,408	\$0.1500 #	C		21 and 28 tablet cycles tendered as separate line items
Tab 35 mcg with norethisterone 1 mg and 7 inert tab	643,020	\$72,340	\$0.1125 #	C		21 and 28 tablet cycles tendered as separate line items
Tab 35 mcg with norethisterone 500 mcg	88,375	\$13,256	\$0.1500 #	C		
Tab 35 mcg with norethisterone 500 mcg and ethinylestradiol 35 mcg with norethisterone 1 mg and 7 inert tab	80,052	\$9,006	\$0.1125 #	C		
Etidronate Disodium						
<u>Tab 200 mg</u>	1,539,584	\$1,693,542	\$1.1000 #	C H	0%	
Fenoterol Hydrobromide						
Aerosol inhaler, 100 mcg per dose	49,800	\$1,494	\$0.0300 #	C		
Ferrous Sulphate						
Tab long-acting 325 mg	5,226,979	\$176,149	\$0.0337 *	C H	0%	
Ferrous Sulphate with Folic Acid						
Tab long-acting 325 mg with folic acid 350 mcg	880,493	\$52,918	\$0.0601 *	C H	0%	
Fexofenadine						
Tab 120 mg	520,156	\$246,554	\$0.4740	C H	0%	
Tab 60 mg	348,875	\$75,706	\$0.2170 *	C		
Flucloxacillin						
Grans for oral liq 125 mg per 5 ml	4,795,395	\$170,237	\$0.0355 # ▼	C H	0%	

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Flucloxacillin					
Grans for oral liq 250 mg per 5 ml	4,589,384	\$275,363	\$0.0600 # ▼	C H	0%
Flucloxacillin Sodium					
<u>Cap 250 mg</u>	980,919	\$100,937	\$0.1029 # ▼	C H	0%
<u>Cap 500 mg</u>	3,325,567	\$530,760	\$0.1596 ▼	C H	0%
<u>Inj 1 g</u>	19,575	\$39,933	\$2.0400 # ▼	C H	0%
<u>Inj 250 mg</u>	776	\$784	\$1.0100 ▼	C H	0%
<u>Inj 500 mg</u>	3,115	\$4,236	\$1.3600 ▼	C H	0%
Fluconazole					
Cap 150 mg	37,182	\$625,029	\$16.8100 #	C H	
Cap 200 mg	15,309	\$343,134	\$22.4139 #	C H	
Cap 50 mg	80,879	\$453,157	\$5.6029 #	C H	
Inj 2 mg per ml, 50ml IV				H	0%
Flucytosine					
Tab 500 mg	480	\$1,230	\$2.5615 # ▼	C	
Fludarabine Phosphate					
Cap 10 mg				H	0%
Inj 50 mg				H	0%
Fludrocortisone Acetate					
Tab 100 mcg	655,046	\$49,915	\$0.0762 # ▼	C H	0%
Flumetasone Pivalate					
Ear drops 0.02% with clioquinol 1%	88,480	\$52,619	\$0.5947 *	C	
Fluocinolone Acetonide					
Crm 0.025%	61,936	\$11,105	\$0.1793	C	
Gel 0.02%	57,720	\$10,061	\$0.1743	C	
Oint 0.025%	24,510	\$4,395	\$0.1793	C	
Fluorometholone					
Eye drops 0.1%	46,715	\$42,044	\$0.9000 #	C H	0%
Fluorouracil Sodium					
Crm 5%	182,820	\$218,378	\$1.1945 #	C H	0%
Flupenthixol Decanoate					
Inj 100 mg per ml, 1 ml	9,042	\$0	\$0.0000 # ▼	C H	0%
Inj 20 mg per ml, 1 ml	10,617	\$27,901	\$2.6280 # ▼	C H	0%
Inj 20 mg per ml, 2 ml	10,515	\$43,953	\$4.1800 # ▼	C H	0%
Fluphenazine Decanoate					
Inj 25 mg per ml, 2 ml	827	\$16,127	\$19.5000 # ▼	C H	0%
Flutamide					
Tab 250 mg	733,977	\$506,444	\$0.6900 #	C H	0%
Fluticasone					
Aerosol inhaler 125 mcg per dose	28,897,800	\$5,487,692	\$0.1899 ▼	C H	0%
Aerosol inhaler, 25 mcg per dose	3,105,240	\$224,198	\$0.0722	C H	0%
Aerosol inhaler, 250 mcg per dose	31,092,600	\$10,869,973	\$0.3496 ▼	C H	0%
Aerosol Inhaler, 50 mcg per dose	10,748,400	\$898,566	\$0.0836	C H	0%
Powder for inhalation, 100 mcg per dose	528,360	\$59,441	\$0.1125 *	C H	0%
Powder for inhalation, 250 mcg per dose	29,728	\$28,658	\$0.9640 *	C H	0%
Powder for inhalation, 50 mcg per dose	220,860	\$14,356	\$0.0650 *	C H	0%

Chemical Name						
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments
Fluvastatin						
Cap 20 mg	365,990	\$77,773	\$0.2125 #		C H	0%
Cap 40 mg	402,910	\$100,889	\$0.2504 # *		C H	0%
Folic Acid						
Inj 15 mg per ml 1 ml	119	\$262	\$2.2000 * ▼		C H	0%
Tab 0.8 mg	181,497	\$2,722	\$0.0150		C H	0%
<u>Tab 5 mg</u>	2,656,794	\$35,070	\$0.0132		C H	0%
Formaldehyde Solution						
Solution 37%	124,277	\$2,113	\$0.0170 # *		C	
Framycetin Sulphate						
Ear/Eye drops 0.5%	89,664	\$46,285	\$0.5162 *		C H	0%
Ear/Eye oint 0.5%	38,860	\$28,368	\$0.7300 *		C H	0%
Framycetin Sulphate with Gramicidin						
Oint 1.5% with gramicidin 0.005%	108,900	\$47,916	\$0.4400 # *		C H	0%
Frusemide						
Infusion 10 mg per ml, 25 ml	58	\$508	\$8.7520 # ▼		C H	0%
Inj 10 mg per ml, 2 ml	18,776	\$13,706	\$0.7300 # ▼		C H	0%
Inj 20 mg per ml, 2 ml					H	0%
Oral liq 10 mg per ml	82,679	\$26,705	\$0.3230 # ▼		C H	0%
<u>Tab 40 mg</u>	29,126,128	\$320,387	\$0.0110 # ▼		C H	0%
<u>Tab 500 mg</u>	201,064	\$22,519	\$0.1120 # ▼		C H	0%
Fusidic Acid						
Eye drops 1%	257,680	\$231,912	\$0.9000 *		C H	0%
Gel 2 %	307,500	\$135,300	\$0.4400 #		C H	0%
Oral liq 250 mg per 5 ml	8,617	\$4,801	\$0.5572 #		C H	0%
Tab 250 mg	34,295	\$98,598	\$2.8750 #		C H	0%
Gamma Benzene Hexachloride						
Crn 1%	199,400	\$12,762	\$0.0640 *		C H	0%
Gemfibrozil						
Cap 300 mg					C	
Gentamicin Sulphate						
Eye drops 0.3%	1,005	\$2,291	\$2.2800 #		C H	0%
Inj 10 mg per ml, 2 ml					H	0%
Inj 40 mg per ml, 2ml					H	0%
Gestrinone						
Cap 2.5 mg	14,841	\$188,982	\$12.7338 #		C H	0%
Glycerol						
Liquid	923,235	\$12,279	\$0.0133 #		C H	0%
Suppos 2.55 g	39,518	\$10,275	\$0.2600 #		C H	0%
Suppos 3.6 g	328,595	\$84,613	\$0.2575 # *		C H	0%
Glycerol with Paraffin and Cetyl Alcohol						
Lotn 5% with paraffin liq 5% and cetyl alcohol 2%	560,129	\$3,137	\$0.0056 # *		C	
Glyceryl Trinitrate						
Inj 1 mg per 1 ml, 5ml					H	0%
Inj 50 mg per 10 ml					H	0%

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Glyceryl Trinitrate					
Tab 600 mcg	338,657	\$11,074	\$0.0327 #	C H	0%
Transdermal delivery system 10mg				H	0%
Transdermal delivery system 5mg				H	0%
Goserelin Acetate					
Inj 10.8 mg	2,554	\$1,888,938	\$739.6000 #	C	
Inj 3.6 mg	1,566	\$433,782	\$277.0000 #	C	
Guanethidine Sulphate					
Inj 10 mg per ml 1 ml	15	\$38	\$2.5600 *	C H	0%
Haloperidol					
Inj 5 mg per ml, 1 ml	30,111	\$43,902	\$1.4580 #	C H	0%
Oral liq 2 mg per ml	102,544	\$18,304	\$0.1785 #	C H	0%
Tab 1.5 mg	399,480	\$30,041	\$0.0752 #	C H	0%
Tab 5 mg	362,023	\$86,451	\$0.2388 #	C H	0%
Tab 500 mcg	1,299,391	\$62,371	\$0.0480 #	C H	0%
Heparin Sodium					
Inj 1,000 iu per ml, 1 ml				H	0%
Inj 1,000 iu per ml, 35 ml	2,302	\$16,690	\$7.2500 ▼	C H	0%
Inj 1,000 iu per ml, 5 ml	6,367	\$8,532	\$1.3400 * ▼	C H	0%
Inj 10,000 iu per ml, 0.5 ml				H	0%
Inj 25,000 iu per ml, 0.2 ml	4,857	\$7,286	\$1.5000 # ▼	C H	0%
Inj 25,000 iu per ml, 5 ml	363	\$4,257	\$11.7280 # * ▼	C H	0%
Inj 5,000 iu per ml, 0.2 ml				H	0%
Inj 5,000 iu per ml, 1 ml	12,499	\$23,998	\$1.9200 ▼	C H	0%
Inj 5,000 iu per ml, 5 ml	12,373	\$34,310	\$2.7730 ▼	C H	0%
Heparinised Saline					
Inj 100 iu per ml, 5 ml	2,717	\$5,244	\$1.9300	C H	0%
Hexamine Hippurate					
Tab 1 g	122,695	\$22,576	\$0.1840 *	C H	0%
Homatropine Hydrobromide					
Eye drops 2%	7,065	\$3,382	\$0.4787 *	C H	0%
Eye drops 5%	240	\$140	\$0.5820 *	C H	0%
Hyaluronidase					
Inj 1,500 iu per ml	730	\$1,337	\$1.8320 *	C H	0%
Hydralazine					
Inj 20 mg per ml 1 ml	145	\$885	\$6.1000 *	C H	0%
Hydrocortisone					
Crn 1%	10,082,141	\$249,029	\$0.0247 # ▼	C H	0%
<u>Inj 50 mg per ml, 2 ml</u>	7,701	\$28,648	\$3.7200 # ▼▲	C H	5%
Tab 20 mg	112,816	\$18,536	\$0.1643 # ▼	C H	0%
Tab 5 mg	1,580,742	\$139,580	\$0.0883 # ▼	C H	0%
Hydrocortisone Acetate					
Rectal foam 10 %	187,073	\$168,983	\$0.9033	C H	0%
Hydrocortisone Butyrate					
Crn 0.1%	1,755,028	\$292,563	\$0.1667	C H	0%
Lipocream 0.1%	10,204,609	\$1,701,108	\$0.1667	C H	0%

Chemical Name						
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments
Hydrocortisone Butyrate						
Milky Emulsion 0.1%	753,210	\$125,560	\$0.1667		C	
Oint 0.1%	900,450	\$135,068	\$0.1500		C H	0%
Scalp lotn 0.1%	4,136,805	\$296,195	\$0.0716		C H	0%
Hydrocortisone Butyrate with Chlorquinaldol						
Crn 0.1% with chlorquinaldol 3%	123,345	\$40,297	\$0.3267 # *		C	
Hydrocortisone with Natamycin and Neomycin						
Crn 1% with natamycin 1% and neomycin sulphate 0.5%	1,446,270	\$472,496	\$0.3267 # *		C	
Oint 1% with natamycin 1% and neomycin sulphate 0.5%	527,175	\$172,228	\$0.3267 # *		C	
Hydrocortisone with Wool Fat and Mineral Oil						
<u>Lotn 1% with wool fat hydrous 3% and mineral oi</u>	10,684,662	\$253,226	\$0.0237 #		C	
Hydrogen Peroxide						
Solution 10 vols	31,712	\$238	\$0.0075 #		C	
Solution 20 vols	82,804	\$522	\$0.0063 # *		C	
Hydroxocobalamin						
Inj 1 mg per ml, 1 ml	131,536	\$122,763	\$0.9333 * ▼		C H	0%
Hydroxychloroquine Sulphate						
Tab 200 mg	1,199,493	\$338,977	\$0.2826		C H	0%
Hyoscine (Scopolamine)						
Patches, 1.5 mg	4,138	\$19,780	\$4.7800 # *		C	
Hyoscine Hydrobromide						
Eye drops 0.25%	300	\$136	\$0.4527		C H	0%
Inj 400 mcg per ml, 1 ml	3,020	\$3,624	\$1.2000		C H	0%
Hyoscine N-Butylbromide						
Inj 20 mg 1 ml	50,239	\$61,794	\$1.2300 #		C H	0%
Tab 10 mg	1,373,944	\$93,840	\$0.0683 *		C H	0%
Hypromellose						
<u>Eye drops 0.5%</u>	30,795	\$3,674	\$0.1193		C H	0%
<u>Eye drops 1%</u>	21,847	\$2,781	\$0.1273		C H	0%
Ibuprofen						
Tab 400 mg	955,761	\$33,930	\$0.0355 #		C H	0%
Tab 600 mg	216,871	\$11,538	\$0.0532 #		C H	0%
Tab long-acting 800 mg	3,169,372	\$159,102	\$0.0502 #		C H	0%
Imipramine Hydrochloride						
Tab 10 mg	573,889	\$57,159	\$0.0996		C H	0%
Tab 25 mg	1,728,020	\$691,208	\$0.4000		C H	0%
Indapamide						
<u>Tab 2.5 mg</u>	2,129,523	\$83,690	\$0.0393		C H	0%
Ipecacuanha						
Ipecacuanha tincture	150	\$12	\$0.0824 *		C	
Ipratropium Bromide						
Aerosol inhaler, 20 mcg per dose	6,055,600	\$408,753	\$0.0675		C H	0%
Aerosol inhaler, 40 mcg per dose	13,098,200	\$978,436	\$0.0747		C H	0%
Nebuliser solution 2ml 250mcg					H	0%

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Ipratropium Bromide					
Nebuliser solution 2ml 500mcg				H 0%	
Irinotecan Hydrochloride					
Inj 100 mg				H 0%	
Inj 40 mg per 2 ml				H 0%	
Iron Polymaltose					
Inj 50 mg per ml 2 ml	17,682	\$137,814	\$7.7940	C H 0%	
Isoconazole Nitrate					
Pessaries 600 mg with applicator	388	\$0	\$0.0000	C	
Isoniazid					
Tab 100 mg with rifampicin 150 mg	24,283	\$21,864	\$0.9004 #	C	
Tab 150 mg with rifampicin 300 mg	100,171	\$179,877	\$1.7957 #	C	
Isoorbide Mononitrate					
<u>Tab 20 mg</u>	764,706	\$137,647	\$0.1800 # ▼	C H 0%	
Tab long-acting 40 mg	1,004,620	\$496,986	\$0.4947 #	C H 0%	
<u>Tab long-acting 60 mg</u>	12,131,937	\$788,576	\$0.0650 # ▼	C H 0%	
Isotretinoin					
Cap 10 mg	702,045	\$982,863	\$1.4000 # ▼	C H 0%	
Cap 20 mg	3,267,646	\$7,188,821	\$2.2000 # ▼	C H 0%	
Itraconazole					
Cap 100 mg	885,050	\$2,188,463	\$2.4727 #	C H 0%	
Ketamine Hydrochloride					
Inj 100 mg per ml				H 0%	
Inj 50 mg per ml				H 0%	
Ketoconazole					
Crn 2%	37,972	\$2,533	\$0.0667 # *	C H 0%	
Tab 200 mg	44,389	\$56,405	\$1.2707 #	C H 0%	
Ketoprofen					
Cap 100 mg	12,226	\$822	\$0.0672 #	C H 0%	
Cap 50 mg	14,250	\$758	\$0.0532 #	C H 0%	
Cap long-acting 100 mg	311,584	\$20,938	\$0.0672 #	C H 0%	
Cap long-acting 200 mg	499,370	\$67,115	\$0.1344 #	C H 0%	
Suppos 100 mg	17,600	\$8,290	\$0.4710 #	C H 0%	
Tab EC 100 mg	114,722	\$7,709	\$0.0672 #	C H 0%	
Ketotifen					
Oral liq 1 mg per 5 ml	3,777,829	\$75,557	\$0.0200	C H 0%	
Labetalol					
Inj 5 mg per ml, 20 ml	1,542	\$18,214	\$11.8120 # *	C H 0%	
Tab 100 mg	1,032,240	\$99,405	\$0.0963 # ▼	C H 0%	
Tab 200 mg	1,002,413	\$168,305	\$0.1679 # ▼	C H 0%	
Tab 400 mg	83,532	\$26,154	\$0.3131 # ▼	C H 0%	
Tab 50 mg	303,196	\$23,862	\$0.0787 # ▼	C H 0%	
Lansoprazole					
Cap 30 mg	51,863	\$47,507	\$0.9160 # *	C H 0%	

Chemical Name						
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments
Latanoprost						
Eye drops 50 mcg per ml, 2.5ml	156,282	\$2,159,192	\$13.8160 #		C H	0%
Leflunomide						
Tab 10 mg	2,419	\$14,248	\$5.8900 #		? C H	0%
Tab 100 mg	338	\$13,672	\$40.4500 #		? C	
Tab 20 mg	13,614	\$109,865	\$8.0700 #		? C H	0%
Leuprorelin						
Inj 11.25 mg	2,111	\$1,561,296	\$739.6000 #		C H	0%
Inj 3.75 mg	1,174	\$325,198	\$277.0000 #		C H	0%
Levobunolol						
Eye drops 0.25%	51,935	\$83,096	\$1.6000 #		C H	0%
Eye drops 0.5 %	84,242	\$138,157	\$1.6400 #		C H	0%
Levodopa with Benserazide						
Cap 100 mg with benserazide 25 mg	1,051,131	\$262,783	\$0.2500 #	▼	C	
Cap 200 mg with benserazide 50 mg	146,745	\$58,698	\$0.4000 #	▼	C	
Cap 50 mg with benserazide 12.5 mg	976,092	\$136,653	\$0.1400 #	▼	C	
Cap long-acting 100 mg with benserazide 25 mg	790,426	\$197,607	\$0.2500 #	▼	C	
Tab dispersible 50 mg with benserazide 12.5 mg	614,978	\$86,097	\$0.1400 #	▼	C	
Levonorgestrel						
Tab 30 mcg	1,262,575	\$130,803	\$0.1036 #		C H	0%
Tab 750 mcg	217,944	\$926,262	\$4.2500 #	▼	C H	0%
Levonorgestrel with Ethinyloestradiol						
Tab 100 mcg with ethinyloestradiol 20 mcg and 7 inert tab	7,365,719	\$828,643	\$0.1125 # *		C	
Tab 125 mcg with ethinyloestradiol 50 mcg and 7 inert tab 28	501,815	\$56,454	\$0.1125 #		C	
Tab 150 mcg with ethinyloestradiol 30 mcg	877,296	\$131,594	\$0.1500 #		C	21 and 28 tablet cycles tendered as separate line items
Tab 150 mcg with ethinyloestradiol 30 mcg and 7 inert tab	19,298,311	\$2,171,060	\$0.1125 #		C	21 and 28 tablet cycles tendered as separate line items
Tab 250 mcg with ethinyloestradiol 50 mcg	20,055	\$3,008	\$0.1500 #		C	21 and 28 tablet cycles tendered as separate line items
Tab 250 mcg with ethinyloestradiol 50 mcg and 7 inert tab	47,872	\$5,386	\$0.1125 #		C	21 and 28 tablet cycles tendered as separate line items
Tab 50 mcg with ethinyloestradiol 30 mcg and levonorgestrel 75 mcg with ethinyloestradiol 40 mcg, and levonorgestrel 125 mcg and ethinyloestradiol 30 mcg and 7 inert tab	3,959,159	\$445,405	\$0.1125 #		C	21 and 28 tablet cycles tendered as separate line items
Tab 50 mcg with ethinyloestradiol 30 mcg and levonorgestrel 75 mcg with ethinyloestradiol 40 mcg, and levonorgestrel 125 mcg and ethinyloestradiol 30 mcg	256,702	\$0	\$0.0000		C	21 and 28 tablet cycles tendered as separate line items
Tab 50 mcg with ethinyloestradiol 50 mcg and levonorgestrel 125 mcg with ethinyloestradiol 50 mcg and 7 inert tab	70,084	\$7,884	\$0.1125 *		C	
Lignocaine Hydrochloride						
Inj 0.5%, 5 ml vial	6,571	\$7,463	\$1.1358 #		C	
Inj 1% 20 ml vial	1,135	\$5,380	\$4.7400 # *		C H	0%
Inj 1% 50 ml vial	101	\$711	\$7.0400 # *		C H	0%
Inj 2% 100ml					H	0%
Lignocaine Hydrochloride 2% with Chlorhexidine gluconate 0.05%						
Tube					H	0%

Chemical Name						
Line Item	Units	Cost	Unit Subsidy	DV Limit	Comments	
Lignocaine with Prilocaine Hydrochloride						
Crn 2.5% with prilocaine hydrochloride 2.5%	990	\$1,519	\$1.5340 #	C		
Crn 2.5% with prilocaine hydrochloride 2.5% 5 g	2,274	\$21,626	\$9.5100 #	C		
Liothyronine						
Tab 20 mcg	150,719	\$46,376	\$0.3077	? C H	0%	
Lisinopril						
Tab 10 mg	484,884	\$115,402	\$0.2380	C H	0%	
Tab 20 mg	404,176	\$136,086	\$0.3367	C H	0%	
Tab 5 mg	485,583	\$79,490	\$0.1637	C H	0%	
Lisinopril with Hydrochlorothiazide						
Tab 20 mg with hydrochlorothiazane 12.5 mg	1,215	\$433	\$0.3567 *	C		
Lisuride Hydrogen Maleate						
Tab 200 mcg	126,279	\$115,760	\$0.9167 #	C H	0%	
Lodoxamide trometamol						
Eye drops 0.1%	110,320	\$96,089	\$0.8710	C H	0%	
Loratadine						
Oral liq 1 mg per ml	2,476,820	\$99,073	\$0.0400 *	C H	0%	
Lorazepam						
<u>Tab 1 mg</u>	2,940,397	\$48,223	\$0.0164 #	C H	0%	
<u>Tab 2.5 mg</u>	268,166	\$11,263	\$0.0420 #	C H	0%	
Lormetazepam						
Tab 1 mg	90,858	\$9,422	\$0.1037 # *	C H	0%	
Magnesium Hydroxide						
Magnesium hydroxide paste	74,826	\$3,382	\$0.0452 *	C		
Tab	203,328	\$28,669	\$0.1410 #	C		
Magnesium Sulphate						
Inj 49.3%, 5ml				H	0%	
Paste BPC	110,940	\$4,127	\$0.0372 *	C H	0%	
Maprotiline Hydrochloride						
Tab 25 mg	149,860	\$50,773	\$0.3388 # *	C H	0%	
Tab 75 mg	35,428	\$33,611	\$0.9487 # *	C H	0%	
Mebendazole						
Oral liq 100 mg per 5 ml	62,617	\$9,098	\$0.1453 *	C H	0%	
Mebeverine Hydrochloride						
Tab 135 mg	879,042	\$104,694	\$0.1191 # *	C H	0%	
Medroxyprogesterone Acetate						
Tab 10 mg	667,182	\$336,727	\$0.5047	C H	0%	
Tab 2.5 mg	631,632	\$86,976	\$0.1377	C H	0%	
Tab 200 mg	2,733	\$7,111	\$2.6018 #	C H	0%	
Tab 400 mg	0	\$0	\$0.0000 #	C		
Tab 5 mg	1,697,051	\$466,519	\$0.2749	C H	0%	
Tab 500 mg	1,118	\$4,226	\$3.7800 #	C H	0%	
Mefenamic Acid						
Cap 250 mg	247,484	\$6,187	\$0.0250 #	C H	0%	

Chemical Name		Units	Cost	Unit Subsidy		DV Limit	Comments
Line Item							
Melphalan							
Tab 2 mg		9,699	\$12,147	\$1.2524 #	▼ ?	C H	0%
Tab 5 mg		6,411	\$13,002	\$2.0280 #	▼ ?	C H	0%
Menthol							
Menthol		20,190	\$6,501	\$0.3220 # *		C	
Mercaptopurine							
Tab 10 mg		28,049	\$11,424	\$0.4073 #	▼ ?	C H	0%
Tab 50 mg		69,007	\$129,899	\$1.8824 #	▼ ?	C H	0%
Mesalazine							
Enema 1 g per 100 ml		36,724	\$298,566	\$8.1300 #	▼	C H	0%
Suppos 500 mg		76,899	\$107,466	\$1.3975	▼	C	
Tab 400 mg		699,995	\$478,797	\$0.6840 #	▼	C H	0%
Tab long-acting 500 mg		6,216,977	\$5,315,515	\$0.8550 #	▼	C H	0%
Metaraminol Tartrate							
Inj 10 mg per ml, 1 ml		5,857	\$24,599	\$4.2000		C H	0%
Metformin Hydrochloride							
<u>Tab 500 mg</u>		22,947,370	\$637,937	\$0.0278	▼ ?	C H	0%
<u>Tab 850 mg</u>		6,520,116	\$303,837	\$0.0466	▼ ?	C H	0%
Methadone Hydrochloride							
Inj 10 mg per ml, 1 ml		17,532	\$66,446	\$3.7900 #	▼	C H	0%
Oral liq 10 mg per ml		2,051,729	\$97,457	\$0.0475 #	▼	C H	0%
Oral liq 2 mg per ml		2,501,758	\$82,058	\$0.0328 #	▼	C H	0%
Oral liq 5 mg per ml		12,785,490	\$438,542	\$0.0343 #	▼	C H	0%
Powder		65,077	\$696,324	\$10.7000 #	▼	C	
Tab 5 mg		818,216	\$497,475	\$0.6080 #	▼	C H	0%
Methotrexate							
Inj 10ml 100mg/ml						H	0%
Inj 2.5 mg per ml, 2ml						H	0%
Inj 25 mg per ml, 2 ml						H	0%
Inj 25 mg per ml, 20 ml						H	0%
Inj 25 mg per ml, 4 ml						H	0%
Methotrimoprazine							
Inj 25 mg per ml, 1 ml		16,052	\$107,516	\$6.6980 #		C H	0%
Tab 100 mg		79,592	\$31,805	\$0.3996 #		C H	0%
Tab 25 mg		352,528	\$54,254	\$0.1539 #		C H	0%
Methoxsalen							
Cap 10 mg		36,473	\$17,011	\$0.4664 #		C H	0%
Methyl Hydroxybenzoate							
Methyl hydroxybenzoate		22,187	\$13,862	\$0.6248 *		C	
Methylcellulose							
Methylcellulose		14,267	\$2,298	\$0.1611 *		C	
Methylphenidate Hydrochloride							
<u>Tab 10 mg</u>		2,386,907	\$547,318	\$0.2293 #	▼	C H	0%
Methylprednisolone Aceponate							
Crn 0.1%		328,304	\$108,340	\$0.3300		C	
Oint 0.1%		340,634	\$112,409	\$0.3300		C H	0%

Chemical Name						
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments
Methylprednisolone Acetate						
Inj 20 mg per ml, 1 ml					H 0%	
Inj 20 mg per ml, 5 ml					H 0%	
Inj 40 mg per ml, 1 ml					H 0%	
Inj 40 mg per ml, 2ml					H 0%	
Inj 40 mg per ml, 5ml					H 0%	
Methylprednisolone Acetate with Lignocaine hydrochloride						
Inj 40 mg per ml, 1 ml					H 0%	
Methylprednisolone Sodium Succinate						
Inj 1 g					H 0%	
Inj 2g					H 0%	
Inj 40 mg per ml, 1 ml					H 0%	
Inj 500 mg					H 0%	
Inj 62.5 mg per ml, 2ml					H 0%	
Metoclopramide Hydrochloride						
Oral liq 5 mg per 5 ml	994,392	\$27,246	\$0.0274 # *		C H 0%	
Tab 10 mg	3,216,050	\$96,482	\$0.0300		C H 0%	
Metoprolol Succinate						
Tab long-acting High Dose (180-200 mg)	2,222,297	\$926,031	\$0.4167 # ▼	?	C H 0%	
Tab long-acting Low Dose (40-50 mg)	10,088,896	\$1,513,334	\$0.1500 # ▼	?	C H 0%	
Tab long-acting Medium Dose (90-100 mg)	7,447,261	\$1,837,239	\$0.2467 # ▼	?	C H 0%	
Tab long-acting Very Low Dose (20-25 mg)	513,226	\$61,741	\$0.1203 # ▼	?	C H 0%	
Metoprolol Tartrate						
Inj 1 mg per ml 5 ml	829	\$3,992	\$4.8160 # * ▼		C H 0%	
Tab long-acting 200 mg	63,396	\$51,395	\$0.8107 #	?	C	
Metronidazole						
Inj 500 mg per 100ml					H 0%	
Oral liq 200 mg per 5 ml	317,677	\$56,578	\$0.1781 *		C H 0%	
Suppos 1 g	3,812	\$10,494	\$2.7530		C H 0%	
Suppos 500 mg	3,687	\$7,459	\$2.0230		C H 0%	
Tab 200mg					H 0%	
Tab 400mg					H 0%	
Metyrapone						
Cap 250 mg	9,940	\$35,963	\$3.6180 #		C	
Mianserin Hydrochloride						
Tab 30 mg	54,320	\$52,962	\$0.9750 #		C H 0%	
Miconazole Nitrate						
Lotn 2%	14,640	\$2,127	\$0.1453 # *		C H 0%	
Tincture 2%	29,310	\$4,259	\$0.1453 # *		C H 0%	
Vaginal crm 2% with applicator	375,020	\$25,801	\$0.0688		C H 0%	
Midazolam						
Tab 7.5 mg	339,393	\$35,229	\$0.1038 # *		C H 0%	
Minocycline Hydrochloride						
Cap 100 mg	1,150,461	\$222,269	\$0.1932 *		C H 0%	
Tab 50 mg	2,099,246	\$202,577	\$0.0965 *		C H 0%	

Chemical Name							
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments	
Minoxidil							
Tab 10 mg	571	\$0	\$0.0000 #		C		
Moclobemide							
Tab 150 mg	2,570,429	\$66,060	\$0.0257 #		C		
Tab 300 mg	373,156	\$13,919	\$0.0373 #		C		
Morphine Hydrochloride							
Oral liq 1 mg per ml					H	0%	
Oral liq 10 mg per ml					H	0%	
Oral liq 2 mg per ml					H	0%	
Oral liq 5 mg per ml					H	0%	
Powder					H	0%	
Morphine Sulphate							
Cap long-acting 10 mg	415,756	\$166,302	\$0.4000 #	▼	C H	0%	
Cap long-acting 100 mg	181,112	\$461,836	\$2.5500 #	▼	C H	0%	
Cap long-acting 20 mg	668,320	\$534,656	\$0.8000 #	▼	C H	0%	
Cap long-acting 30 mg			\$1.2000 #	▼	C H	0%	Cap and Tab tendered as separate line items. See data for tablet
Cap long-acting 50 mg	191,687	\$306,699	\$1.6000 #	▼	C H	0%	
Cap long-acting 60 mg			\$1.6750 #	▼	C H	0%	Cap and Tab tendered as separate line items. See data for tablet
Inj 1 mg per ml, 50ml					H	0%	
Inj 10 mg per ml 1 ml	161,182	\$153,123	\$0.9500 #	▼	C H	0%	
Inj 10 mg per ml, 5 ml	181	\$272	\$1.5000 #	▼	C		
Inj 15 mg per ml, 1 ml	23,857	\$22,426	\$0.9400 #	▼	C H	0%	
Inj 2 mg per ml, 1 ml	25	\$36	\$1.4460 #	▼	C		
Inj 30 mg per ml, 1 ml	72,631	\$74,955	\$1.0320 #	▼	C H	0%	
Inj 5 mg per ml, 1 ml	15,863	\$16,402	\$1.0340 #	▼	C		
Suppos 10 mg	3,089	\$4,927	\$1.5950 #	▼	C H	0%	
Suppos 20 mg	1,420	\$2,403	\$1.6925 #	▼	C H	0%	
Suppos 30 mg	1,504	\$3,934	\$2.6158 #	▼	C		
Suppos 5 mg	3,510	\$5,189	\$1.4783 #	▼	C H	0%	
Tab immediate release 10 mg	542,710	\$174,210	\$0.3210 #	▼	C H	0%	
Tab immediate release 20 mg	332,480	\$213,452	\$0.6420 #	▼	C H	0%	
Tab long-acting 10 mg	1,978,221	\$791,288	\$0.4000 #	▼	C H	0%	
Tab long-acting 100 mg	308,986	\$787,914	\$2.5500 #	▼	C H	0%	
Tab long-acting 20 mg			\$0.8000 #	▼	C H	0%	Cap and Tab tendered as separate line items. See data for capsule
Tab long-acting 200 mg	54,014	\$242,847	\$4.4960 #	▼	C H	0%	
Tab long-acting 30 mg	849,583	\$1,019,500	\$1.2000 #	▼	C H	0%	
Tab long-acting 50 mg			\$1.6000 #	▼	C H	0%	Cap and Tab tendered as separate line items. See data for capsule
Tab long-acting 60 mg	446,726	\$748,266	\$1.6750 #	▼	C H	0%	
Morphine Tartrate							
Inj 80 mg per ml, 1.5ml					H	0%	
Inj 80 mg per ml, 5 ml					H	0%	
Mucilaginous Laxatives							
Dry	34,361,575	\$604,764	\$0.0176 #				
Dry-original flavour, regular texture only	20,123,051	\$354,166	\$0.0176 # *				

Chemical Name							
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments	
Mucilaginous Laxatives							
Sachets	3,777	\$0	\$0.0000 #				
Sugar Free	1,287,975	\$22,668	\$0.0176 # *				
Mucilaginous Laxatives with Stimulants							
Dry	10,683,800	\$188,035	\$0.0176 *		C		
Sachets	2,430	\$0	\$0.0000		C		
Mupirocin							
Oint 2%	1,583,115	\$696,571	\$0.4400 *		C		
Nafarelin Acetate							
Nasal soln 2 mg per ml	2,110	\$58,447	\$27.7000 #		C H	0%	
Naloxone Hydrochloride							
Inj 20 mcg per ml, 2 ml	929	\$5,565	\$5.9900 # ▼		C H	0%	Min-I-Jet would not be DV Pharmaceutical
Inj 200 mcg per ml, 2 ml					H	0%	Min-I-Jet would not be DV Pharmaceutical
Inj 400 mcg per ml, 1 ml	5,942	\$35,593	\$5.9900 # ▼		C H	0%	Min-I-Jet would not be DV Pharmaceutical
Nandrolone Decanoate							
Inj 50 mg per ml, 1 ml	1,196	\$25,295	\$21.1500 #		C H	0%	
Naproxen							
Oral liq 125 mg per 5 ml	81,114	\$2,669	\$0.0329 #		C H	0%	
Nefazodone							
Tab 100 mg	607,773	\$15,437	\$0.0254 #		C H	0%	
Tab 200 mg	392,179	\$13,020	\$0.0332 #		C H	0%	
Nefopam Hydrochloride							
Tab 30 mg	1,769,890	\$459,994	\$0.2599		C H	0%	
Neostigmine							
Inj 2.5 mg per ml, 1ml	23,603	\$11,235	\$0.4760 *		C		
Nevirapine							
Tab 200 mg	63,704	\$339,542	\$5.3300 # ▼		C H	0%	
Nifedipine							
Tab long-acting 10 mg	147,898	\$8,534	\$0.0577 *	?	C H	0%	
<u>Tab long-acting 20 mg</u>	675,010	\$46,913	\$0.0695		C H	0%	
Tab long-acting 30 mg	1,032,305	\$143,490	\$0.1390 #	?	C H	0%	
Tab long-acting 60 mg	378,475	\$88,450	\$0.2337 #	?	C H	0%	
Nimodipine							
Inj 200 mcg per ml, 50 ml					H	0%	
Inj 40 mcg per ml, 2 ml					H	0%	
Tablets 30mg					H	0%	
Nitrofurantoin							
Oral liq 25 mg per 5 ml	397,244	\$24,828	\$0.0625		C H	0%	
Tab 100 mg	155,229	\$39,894	\$0.2570		C H	0%	
Tab 50 mg	1,116,333	\$164,101	\$0.1470		C H	0%	
Nonoxynol 9							
Pessary	1,836	\$1,034	\$0.5633 #		C		

Chemical Name						
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments
Norethisterone with Mestranol						
Tab 1 mg with mestranol 50 mcg	30,274	\$4,541	\$0.1500 #		C	21 and 28 tablet cycles tendered as separate line items
Tab 1 mg with mestranol 50 mcg and 7 inert tab	100,692	\$11,328	\$0.1125 #		C	21 and 28 tablet cycles tendered as separate line items
Norgestrel with Ethinyloestradiol						
Tab 500 mcg with ethinyloestradiol 50 mcg	31,917	\$4,788	\$0.1500 #		C	
Nystatin						
Crn 100,000 u per g	53,337	\$3,558	\$0.0667 # *		C H	0%
Oint 100,000 u per g	22,171	\$1,479	\$0.0667 # *		C H	0%
Oral powder 5,980 u per mg (for reconstitution)	17,712	\$37,785	\$2.1333		C	
Paste 100,000 u per g	870	\$29	\$0.0333 # *		C	
Pastilles 100,000 u	354,707	\$79,809	\$0.2250 *		C H	0%
Vaginal crm 100,000 u per 5 g with applicator(s)	112,050	\$6,577	\$0.0587 *		C H	0%
Octreotide (somatostatin analogue)						
Inj 100 mcg per ml, 1 ml	10,592	\$171,590	\$16.2000 #	▼	C	
Inj 50 mcg per ml, 1 ml	1,468	\$12,772	\$8.7000 #	▼	C	
Inj 500 mcg per ml, 1 ml	523	\$41,735	\$79.8000 #	▼	C	
LAR inj 10 mg	87	\$154,208	\$1,772.5000 #	▼	C	
LAR inj 20 mg	381	\$898,684	\$2,358.7500 #	▼	C	
LAR inj 30 mg	228	\$672,885	\$2,951.2500 #	▼	C	
Oestradiol						
Implant 100 mg	519	\$25,353	\$48.8500		C H	0%
Implant 50 mg	655	\$14,738	\$22.5000		C H	0%
Tab 1 mg	820,316	\$120,668	\$0.1471 # *		C H	0%
Tab 2 mg	1,687,478	\$421,870	\$0.2500 #		C H	0%
TDDS 100 mcg per day	28,831	\$25,406	\$0.8812 # *		C H	0%
TDDS 25 mcg per day	89,592	\$33,705	\$0.3762 #		C H	0%
TDDS 3.9 mg (releases 50 mcg of oestradiol per day)	184,718	\$190,260	\$1.0300 #		C H	0%
TDDS 50 mcg per day	145,735	\$75,054	\$0.5150 # *		C H	0%
TDDS 7.8 mg (releases 100 mcg of oestradiol per day)	56,894	\$100,276	\$1.7625 #		C H	0%
Oestradiol Valerate						
Tab 1 mg	466,554	\$68,630	\$0.1471 #		C H	0%
Tab 2 mg	445,119	\$111,280	\$0.2500 #		C H	0%
Oestradiol with Levonorgestrel						
Tab 2 mg with 75 mcg levonorgestrel tab 12 and 2 mg oestradiol tab 16	258,724	\$64,681	\$0.2500 #		C	
Oestradiol with Norethisterone						
Tab 1 mg with 0.5 mg norethisterone acetate	1,681,533	\$420,383	\$0.2500 # *		C	
Tab 2 mg with 1 mg norethisterone acetate	2,989,388	\$747,347	\$0.2500 #		C	
Tab 2 mg with 1 mg norethisterone acetate 10, and 2 mg oestradiol tab 12 and 1 mg oestradiol tab 6	1,381,795	\$345,449	\$0.2500 # *		C	
TDDS 50 mcg 10, and 1 mg norethisterone tab 12	3,041	\$21,287	\$7.0000 # *		C	
Oestriol						
Crn 1 mg per g with applicator	760,860	\$355,093	\$0.4667		C H	0%
Pessaries 500 mcg	199,947	\$96,634	\$0.4833		C H	0%

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Oestriol					
Tab 2 mg	401,974	\$93,781	\$0.2333	C H	0%
Oestrogens					
Conjugated, equine tab 1.25 mg	1,331,334	\$335,230	\$0.2518 #	C H	0%
Conjugated, equine tab 300 mcg	3,200,702	\$344,075	\$0.1075 #	C H	0%
Conjugated, equine tab 625 mcg	5,423,979	\$797,867	\$0.1471 #	C H	0%
Conjugated, equine vaginal crm 625 mcg per g with applicator	264,634	\$0	\$0.0000	C H	0%
Oestrogens with Medroxyprogesterone					
Tab 625 mcg conjugated equine 14 and 5 mg medroxyprogesterone acetate tab 14	408,597	\$102,149	\$0.2500 # *	C	
Tab 625 mcg conjugated equine 28 and 10 mg medroxyprogesterone acetate tab 14	654,808	\$109,156	\$0.1667 # *	C	
Tab 625 mcg conjugated equine 28 and 5 mg medroxyprogesterone acetate tab 28	3,566,025	\$445,753	\$0.1250 # *	C	
Tab 625 mcg conjugated equine and 2.5 mg medroxyprogesterone acetate tab 28	748,992	\$187,248	\$0.2500 # *	C	
Tab 625 mcg conjugated equine and 5 mg medroxyprogesterone acetate tab 28	1,629,117	\$407,279	\$0.2500 # *	C	
Oestrogens with norgestrel					
Tab 1.25 mg conjugated equine 28 and 150 mcg norgestrel tab 12	316,160	\$55,328	\$0.1750 # *	C	
Tab 625 mcg conjugated equine 28 and 150 mcg norgestrel tab 12	1,142,650	\$199,964	\$0.1750 # *	C	
Oil in Water Emulsion					
Crm	6,593,922	\$36,926	\$0.0056	C	
Oily Cream BP					
Oily cream BP	1,315,685	\$7,368	\$0.0056 # *	C H	0%
Omeprazole					
Cap 10 mg	2,142,076	\$1,240,262	\$0.5790	C H	0% Implementation date would be subject to the provisions in current agreements
Cap 20 mg	30,566,320	\$25,278,347	\$0.8270	C H	0% Implementation date would be subject to the provisions in current agreements
Cap 40 mg	2,314,231	\$3,445,196	\$1.4887	C H	0% Implementation date would be subject to the provisions in current agreements
Inj 40 mg	1,406	\$27,037	\$19.2300	C H	0% Implementation date would be subject to the provisions in current agreements
Omeprazole, Amoxicillin and Metronidazole					
Omeprazole cap 40 mg x 7, amoxicillin cap 500 mg x 21, metronidazole tab 400 mg x 21	894	\$51,852	\$58.0000	C	
Orphenadrine Citrate					
Inj 30 mg per ml, 2 ml	170	\$544	\$3.2000 *	C H	0%
Tab 100 mg	1,048,780	\$194,444	\$0.1854	C H	0%
Orphenadrine Hydrochloride					
Tab 50 mg	560,559	\$71,583	\$0.1277	C H	0%
Oxprenolol					
Tab 40 mg	160,435	\$9,546	\$0.0595 #	C H	0%
Tab 80 mg	151,123	\$14,901	\$0.0986 #	C H	0%
Tab long-acting 160 mg	241,011	\$73,701	\$0.3058 # *	C H	0%

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Oxycodone Pectinate					
Suppos 30 mg	41,505	\$40,330	\$0.9717 # *	C	
Oxypentifylline					
Tab 400 mg	74,253	\$54,866	\$0.7389 #	C	
Oxytocin					
Inj 10 iu per ml, 1 ml	2,424	\$2,424	\$1.0000 # * ▼	C	
Inj 5 iu per ml, 1 ml	1,003	\$802	\$0.8000 # * ▼	C	
Inj 5 iu with ergometrine maleate 500 mcg per ml, 1 ml	2,268	\$3,084	\$1.3600 # * ▼	C	
Pamidronate Disodium					
Inj 3 mg per ml, 5ml	9	\$461	\$51.1900 #	C	
Inj 6 mg per ml, 10ml	35	\$7,166	\$204.7500 #	C	
Paracetamol					
Suppos 125 mg				H	5%
Suppos 250 mg				H	5%
Suppos 500 mg	177,818	\$80,018	\$0.4500 ▼	C H	5%
Tab 500 mg				H	5%
Paraffin					
White soft	2,579,235	\$18,570	\$0.0072 #	C H	0%
Paraffin Liquid with Soft White Paraffin					
Eye oint with soft white paraffin	50,690	\$52,571	\$1.0371	C	
Paraffin Liquid with Wool Fat Liquid					
Eye oint 3% with wool fat liq 3%	31,167	\$32,323	\$1.0371	C	
Paroxetine					
Tab 20 mg	13,963,174	\$16,299,213	\$1.1673 #	C	Only patients with appropriate endorsement receive full subsidy
Penicillamine					
Tab 125 mg	64,137	\$36,109	\$0.5630 # *	C H	0%
Tab 250 mg	100,859	\$90,753	\$0.8998 # *	C H	0%
Perhexiline Maleate					
Tab 100 mg	278,832	\$111,115	\$0.3985 # * ▼	? C H	0%
Pericyazine					
Tab 10 mg	119,644	\$48,348	\$0.4041 #	C H	0%
Tab 2.5 mg	326,943	\$37,108	\$0.1135 #	C H	0%
Perindopril					
Tab 2 mg	121,505	\$12,151	\$0.1000 #	C H	0%
Tab 4 mg	208,585	\$28,159	\$0.1350 #	C H	0%
Permethrin					
Lotion 5%	1,250	\$113	\$0.0900 # *	C	
Pethidine Hydrochloride					
Inj 50 mg per ml, 1.5 ml	977	\$850	\$0.8700 #	C H	0%
Tab 100 mg	140,535	\$91,348	\$0.6500 #	C	
Pheniramine Maleate					
Tab long acting 75 mg	46,623	\$3,320	\$0.0712 *	C	

Chemical Name						
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments
Phenoxybenzamine						
Cap 10 mg	76,661	\$19,970	\$0.2605		C H 0%	
Phenoxymethylpenicillin (Penicillin V)						
Cap potassium salt 250 mg	512,403	\$41,402	\$0.0808 #	▼	C	
Cap potassium salt 500 mg	1,188,149	\$184,876	\$0.1556	▼	C	
Phentolamine Mesylate						
Inj 10 mg per ml, 1 ml	882	\$3,170	\$3.5940 *		C H 0%	
Phenylephrine Hydrochloride						
Eye drops 0.12%	36,885	\$7,993	\$0.2167		C H 0%	
Inj 1%, 1 ml					H 0%	
Phenylephrine Hydrochloride with Zinc Sulphate						
Eye drops 0.12% with zinc sulphate 0.25%	15,555	\$4,677	\$0.3007		C	
Phenytoin Sodium						
Cap 100 mg					H 10%	
Cap 30 mg					H 10%	
Inj 50 mg per ml, 2ml					H 10%	
Inj 50 mg per ml, 5 ml					H 10%	
Oral liq 100 mg per 5 ml					H 10%	
Oral liq 30 mg per 5 ml					H 10%	
Tab 50 mg					H 10%	
Physostigmine Salicylate						
Inj 500 mcg per ml, 2 ml	5	\$55	\$11.0400		C	
Phytomenadione						
Inj 10 mg per ml, 1 ml	1,483	\$2,732	\$1.8420 #		C H 0%	
Inj 2 mg per 0.2 ml	5,474	\$8,758	\$1.6000 #		C H 0%	
Tab 10 mg	11,109	\$6,221	\$0.5600		C H 0%	
Pilocarpine						
Eye drops 2% single dose	720	\$1,150	\$1.5975 # *		C H 0%	
Pimozide						
Tab 2 mg	324,793	\$95,619	\$0.2944 #		C H 0%	
Piperacillin						
Inj 1 g					H 0%	
Inj 2 g					H 0%	
Inj 4 g					H 0%	
Piperacillin 2g with Tazobactam 25mg						
Inj 2.25 g					H 0%	
Inj 4.5 g					H 0%	
Pipothiazine Palmitate						
Inj 50 mg per ml, 1 ml	4,091	\$66,376	\$16.2250 #	▼	C H 0%	
Inj 50 mg per ml, 2 ml	1,624	\$52,163	\$32.1200 #	▼	C H 0%	
Piroxicam						
<u>Tab dispersible 10 mg</u>	85,020	\$4,931	\$0.0580		C H 0%	
<u>Tab dispersible 20 mg</u>	575,218	\$29,796	\$0.0518		C H 0%	
Podophyllotoxin						
Soln 0.5%	17,916	\$163,804	\$9.1429 #		C H 0%	

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Polynoxylin					
Gel	3,120	\$728	\$0.2333 # *	C H	0%
Polysiloxane					
Tab aluminium hydroxide 250 mg with magnesium trisil 120 mg, magnesium hydroxide 120 mg and polysiloxane 10 mg	59,506	\$1,785	\$0.0300 *	C	
Polyvinyl Alcohol					
Eye drops 1.4%	289,185	\$69,780	\$0.2413	C H	0%
Eye drops 1.4% Preservative free				C	See data for Polyvinyl Alcohol 1.4% eye drops
Eye drops 3%	58,575	\$15,153	\$0.2587	C H	0%
Polyvinyl Alcohol with Povidone					
Eye drops 1.4% with povidone 0.6%	240,150	\$57,948	\$0.2413	C	
Potassium Bicarbonate					
Tab 315 mg with sodium acid phosphate 1.937 g and sodium bicarbonate 350 mg, effervescent	45,394	\$34,046	\$0.7500 #	C	
Potassium Chloride					
Tab 548 mg (14 m eq) with chloride 285 mg (8 m eq) effervescent	436,070	\$38,243	\$0.0877 *	C	
Tab long-acting 600 mg	13,650,936	\$335,813	\$0.0246	C H	0%
Potassium Permanganate					
Potassium permanganate	17,035	\$606	\$0.0356 *	C H	0%
Povidone Iodine					
Alcohol skin preparation 10%	495,700	\$8,080	\$0.0163	C H	0%
Antiseptic Soln 10%	1,044,208	\$13,366	\$0.0128 *	C H	0%
Oint 10%	183,025	\$21,084	\$0.1152 #	C H	0%
Pravastatin					
Tab 10 mg	2,334	\$0	\$0.0000 #	C H	0%
Tab 20 mg	20,292	\$0	\$0.0000 #	C H	0%
Prazosin Hydrochloride					
Tab 0.5 mg	108,005	\$4,288	\$0.0397	C H	0%
Prednisolone Acetate					
Eye drops 0.12%	22,590	\$20,331	\$0.9000 # *	C H	0%
Eye drops 1%	89,090	\$80,181	\$0.9000 # *	C H	0%
Eye drops 1% Preservative free			# *	C	See data for Prednisolone acetate 1% eye drops
Prednisolone Acetate with Phenylephrine and Sulphacetamide					
Eye drops 0.2% with sulphacetamide sodium 10% and phenylephrine hydrochloride 0.12%	22,630	\$0	\$0.0000 #	C	
Prednisolone Sodium Phosphate					
Enema 20 mg 100 ml	42,712	\$105,742	\$2.4757	C H	0%
Oral liq 5 mg per ml	1,510,404	\$501,001	\$0.3317 # ▼	C H	0%
Prednisone					
Tab 10 mg	1,370	\$0	\$0.0000 #	C	
Probenecid					
Tab 500 mg	22,408	\$12,324	\$0.5500 #	C H	0%
Prochlorperazine					
Inj 12.5 mg per ml, 1 ml	44,995	\$67,088	\$1.4910 # *	C H	0%

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Prochlorperazine					
Suppos 25 mg	28,650	\$71,854	\$2.5080 *	C H	0%
Suppos 5 mg	20,356	\$38,737	\$1.9030 *	C H	0%
Tab 3 mg buccal	205,904	\$24,585	\$0.1194 *	C H	0%
Procyclidine Hydrochloride					
Tab 5 mg	672,694	\$49,779	\$0.0740	C H	0%
Progesterone					
Inj 25 mg per ml, 1 ml	133	\$305	\$2.2900	C	
Inj 50 mg per ml, 2 ml	987	\$3,550	\$3.5970 *	C	
Promethazine Hydrochloride					
Inj 25 mg per ml, 1 ml	23,393	\$29,662	\$1.2680 # *	C H	0%
Inj 25 mg per ml, 2 ml	422	\$654	\$1.5500 #	C H	0%
Oral liq 5 mg per 5 ml	6,234,723	\$220,086	\$0.0353 # *	C H	0%
Tab 10 mg	661,026	\$31,333	\$0.0474 *	C H	0%
Tab 25 mg	626,785	\$59,419	\$0.0948 *	C H	0%
Promethazine Theoclate					
Tab 25 mg	4,291	\$515	\$0.1200 *	C	
Propamide Isethionate					
Eye drops 0.1 %	1,270	\$377	\$0.2970 *	C H	0%
Propranolol					
Cap long-acting 160 mg	745,631	\$95,664	\$0.1283 #	C H	0%
Tab 10 mg	1,580,827	\$35,094	\$0.0222 #	C H	0%
Tab 40 mg	1,705,251	\$47,406	\$0.0278 #	C H	0%
Propylene Glycol					
Propylene Glycol	39,211	\$1,270	\$0.0324 *	C H	0%
Protamine Sulphate					
Inj 10 mg per ml, 5 ml	7,584	\$16,988	\$2.2400 * ▼	C H	0%
Pyrazinamide					
Tab 500 mg	88,852	\$39,708	\$0.4469 # ▼	C H	0%
Pyridostigmine Bromide					
Tab 60 mg	325,130	\$92,987	\$0.2860 # ▼	C H	0%
Quinapril					
Tab 10 mg	14,105,261	\$2,359,810	\$0.1673	C H	0%
Tab 20 mg	13,305,079	\$4,235,007	\$0.3183	C H	0%
Tab 5 mg	10,599,323	\$1,109,749	\$0.1047	C H	0%
Quinapril with Hydrochlorothiazide					
Tab 10 mg with hydrochlorothiazide 12.5 mg	455,431	\$85,302	\$0.1873	C	
Tab 20 mg with hydrochlorothiazide 12.5 mg	762,682	\$258,015	\$0.3383	C	
Quinine Sulphate					
<u>Tab 200 mg</u>	1,118,108	\$69,323	\$0.0620 #	C H	0%
<u>Tab 300 mg</u>	3,317,943	\$220,975	\$0.0666 #	C H	0%
Ranitidine Hydrochloride					
Oral liq 150 mg per 10 ml	973,322	\$65,018	\$0.0668 #	C H	0%
Rifabutin					
Cap 150 mg	9,480	\$59,882	\$6.3167 #	C H	0%

Chemical Name							
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments	
Rifampicin							
Cap 150 mg	37,171	\$21,805	\$0.5866 #	▼	C H	0%	
Cap 300 mg	77,251	\$94,524	\$1.2236 #	▼	C H	0%	
Oral liq 100 mg per 5 ml	153,079	\$32,300	\$0.2110 #	▼	C H	0%	
Tab 600 mg	17,362	\$66,207	\$3.8133 #	▼	C H	0%	
Ritonavir							
Cap 100 mg	122,274	\$176,539	\$1.4438 #	▼	? C H	0%	
Oral liq 80 mg per ml	240	\$277	\$1.1553 #	▼	C		
Roxithromycin							
Tab 150 mg	654,786	\$195,781	\$0.2990 *		C H	0%	
Tab 300 mg	271,035	\$162,079	\$0.5980 *		C H	0%	
Salbutamol							
Aerosol inhaler, 100 mcg per dose	252,292,182	\$7,568,765	\$0.0300 #	▼	C		
Inj 1 mg per ml, 5 ml	371	\$4,392	\$11.8380 *		C H	5%	
Inj 500 mcg per ml, 1 ml	3,353	\$8,651	\$2.5800 #		C H	5%	
Salbutamol Sulphate							
Inhaler breath act. 100mcg/dose					H	5%	
Nebuliser solution 2.5ml 1mg/ml					H	5%	
Nebuliser solution 2.5ml 2mg/ml					H	5%	
Salbutamol with Ipratropium Bromide							
Aerosol inhaler, 100 mcg with ipratropium bromide 20 mcg per dose	46,172,200	\$2,811,887	\$0.0609	▼	C H	0%	
Salicylic Acid							
Powder	124,461	\$7,343	\$0.0590 #		C		
Selegiline Hydrochloride							
<u>Tab 5 mg</u>	232,014	\$20,649	\$0.0890 #		C H	0%	
Senna							
Tab standardised	1,548,428	\$33,601	\$0.0217 # *		C		
Silver Sulphadiazine							
Crn 1% with chlorhexidine digluconate 0.2% 50 or 100g	388,900	\$65,724	\$0.1690 # *		C H	0%	
Crn 1% with chlorhexidine digluconate 0.2% 500 g	388,900	\$65,724	\$0.1690 # *		C H	0%	
Simethicone							
Oral liq aluminium hydroxide 200 mg with magnesium hydroxide 200 mg and activated simethicone 20 mg per 5 ml	21,157,459	\$63,472	\$0.0030 *		C		
Tab aluminium hydroxide 200 mg with magnesium hydroxide 200 mg and activated simethicone 20 mg	961,910	\$14,429	\$0.0150 *		C		
Sodium Alginate							
Oral liq 500 mg with sodium bicarbonate 267 mg per 10 ml	11,506,017	\$34,518	\$0.0030 *		C		
Sodium Aurothiomalate							
Inj 10 mg per 0.5 ml	317	\$2,215	\$6.9880 #		C		
Inj 20 mg per 0.5 ml	293	\$3,014	\$10.2880 #		C		
Inj 50 mg per 0.5 ml	5,414	\$106,916	\$19.7480 #		C		
Sodium Bicarbonate							
Inj 8.4% 10 ml	8,186	\$16,470	\$2.0120		C H	0%	
Inj 8.4% 100 ml	10,666	\$115,193	\$10.8000		C H	0%	

Chemical Name						
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments
Sodium Calcium Edetate						
Inj 200 mg per ml, 5 ml	2	\$18	\$8.8850 *		C	
Sodium Carboxymethylcellulose						
With pectin and gelatin paste	17,405	\$5,345	\$0.3071		C	
With pectin and gelatin powder	534	\$162	\$0.3029 *		C	
Sodium Chloride						
Inf 0.9% 1000 ml	34,851,339	\$212,593	\$0.0061 # ▼		C	Units and cost data aggregated for all pack sizes
Inf 0.9% 500 ml	34,851,339	\$212,593	\$0.0061 # ▼		C	Units and cost data aggregated for all pack sizes
Inj 0.9%, 20ml					H	0%
Inj 20%, 10 ml	2,128	\$6,379	\$2.9976		C H	0%
Sodium Citrate with Sodium Lauryl Sulphoacetate						
Enema 90 mg with sodium lauryl sulphoacetate 9 mg per ml, 5 ml	329,531	\$225,465	\$0.6842 #		C	
Sodium Citro-Tartrate						
Grans effervescent 4 g sachets	1,035,054	\$132,487	\$0.1280 *		C	
Sodium Fluoride						
Tab 1.1 mg	19,002	\$570	\$0.0300		C	
Sodium Hyaluronate						
Ophthalmic solution 10mg/ml					H	0%
Ophthalmic solution 12mg/ml					H	0%
Ophthalmic solution 14mg/ml					H	0%
Ophthalmic solution 16mg/ml					H	0%
Syringe 1%					H	0%
Sodium Hypochlorite						
Soln	248,750	\$274	\$0.0011 #		C	
Sodium Nitroprusside						
Urine diagnostic strips, buffered	97,500	\$6,620	\$0.0679 # *		C	
Sodium Polystyrene Sulphonate						
Powder	144,644	\$28,640	\$0.1980 # ▼		C H	0%
Sodium Tetradecyl Sulphate						
Inj 0.5% 2 ml	25	\$116	\$4.6400 *		C	
Inj 1% 2 ml	26	\$130	\$5.0000 *		C	
Inj 3% 2 ml	50	\$285	\$5.7000 *		C H	0%
Sodium Valproate						
Inj 100 mg per ml, 4 ml					H	5%
Oral liq 200 mg per 5 ml					H	5% Prefer sugar free
Tab crushable 100 mg					H	5%
Tab EC 200 mg					H	5%
Tab EC 500 mg					H	5%
Sotalol						
Inj 10 mg per ml, 4 ml	665	\$4,229	\$6.3600 # ▼		C H	0%
Tab 160 mg	754,884	\$131,501	\$0.1742 # ▼	?	C H	0%
Tab 80 mg	5,851,064	\$585,106	\$0.1000 # ▼	?	C H	0%

Chemical Name		Units	Cost	Unit Subsidy		DV Limit	Comments
Line Item							
Spirolactone							
<u>Tab 100 mg</u>		1,118,642	\$206,949	\$0.1850	▼ ? C H	0%	
<u>Tab 25 mg</u>		3,939,446	\$220,609	\$0.0560	▼ ? C H	0%	
Stavudine (d4T)							
Cap 30 mg		10,220	\$64,352	\$6.2967 #	▼ ? C		
Cap 40 mg		89,920	\$755,031	\$8.3967 #	▼ ? C H	0%	
Streptokinase							
Inj 1,500,000 iu						H	0%
Inj 250,000 iu						H	0%
Inj 750,000 iu						H	0%
Sucralfate							
Tab 1 g		115,287	\$34,102	\$0.2958 *		C H	0%
Sulindac							
Tab 100 mg		305,512	\$16,253	\$0.0532 #		C H	0%
Tab 200 mg		301,926	\$20,289	\$0.0672 #		C H	0%
Sulphasalazine							
Enema 3 g per 100 ml		336	\$1,795	\$5.3429 # *		C	
Suppos 500 mg		2,267	\$1,585	\$0.6990 *		C H	0%
Sulphinpyrazone							
Tab 100 mg		3,677	\$0	\$0.0000		C	
Tab 200 mg		6,929	\$0	\$0.0000		C	
Sulphur							
Precipitated		6,719	\$532	\$0.0792 # *		C	
Sumatriptan							
Inj 12 mg per ml, 0.5 ml		71,908	\$2,876,320	\$40.0000 #	▼	C H	0%
Tab 100 mg		174,906	\$2,798,496	\$16.0000		C H	0%
Tab 50 mg		443,476	\$3,769,546	\$8.5000		C H	0%
Tamoxifen Citrate							
<u>Tab 10 mg</u>		188,805	\$16,369	\$0.0867		C H	0%
<u>Tab 20 mg</u>		1,973,160	\$196,724	\$0.0997		C H	0%
Tar with Cade Oil							
Bath emulsion 7.5% coal tar 2.5% cade oil 7.5% compound		23,815	\$660	\$0.0277 *		C	
Tenoxicam							
Inj 10 mg per ml, 2 ml		63,600	\$127,200	\$2.0000 #		C H	0%
Suppos 20 mg		19,304	\$10,231	\$0.5300 #		C H	0%
Tab 20 mg		2,142,620	\$508,872	\$0.2375 #		C H	0%
Terazosin Hydrochloride							
Tab 2 mg						C	
Tab 5 mg						C	
Terbutaline Sulphate							
Aerosol inhaler, 250 mcg per dose		6,394,000	\$118,928	\$0.0186	▼	C H	0%
Inj 500 mcg per ml, 1 ml		29	\$59	\$2.0420		C H	0%
Nebuliser soln, 10 mg per ml		2,200	\$705	\$0.3204		C H	0%
Powder for inhalation, 250 mcg per dose		28,004,000	\$1,895,871	\$0.0677		C H	0%

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Testosterone Enanthate					
Inj long-acting 250 mg - pre-filled syringe	2,774	\$41,610	\$15.0000 #	C H	0%
Testosterone Esters					
Inj 250 mg per ml, 1 ml	10,657	\$138,328	\$12.9800 #	C H	0%
Testosterone Undecanoate					
Cap 40 mg	665,950	\$673,808	\$1.0118 #	C H	0%
Tetrabenazine					
Tab 25 mg	85,130	\$184,698	\$2.1696	C H	0%
Tetracosactrin					
Inj 1mg per ml, 1ml	511	\$11,446	\$22.4000	C H	0%
Inj 250 mcg	319	\$4,710	\$14.7650	C H	0%
Tetracycline Hydrochloride					
Cap 250 mg	162,180	\$0	\$0.0000	C H	0%
Theophylline					
Oral liq 80 mg per 15 ml	140,119	\$1,135	\$0.0081 # *	C H	0%
Tab long-acting 175 mg	134,147	\$21,651	\$0.1614	C H	0%
Tab long-acting 250 mg	1,313,410	\$282,514	\$0.2151	C H	0%
Tab long-acting 300 mg	231,188	\$32,528	\$0.1407	C H	0%
Tab long-acting 350 mg	390,304	\$114,281	\$0.2928	C H	0%
Tab long-acting 500 mg	171,788	\$70,090	\$0.4080	C H	0%
Thioridazine Hydrochloride					
Oral liq 1%	327,783	\$17,045	\$0.0520 #	C H	0%
Tab 10 mg	917,091	\$65,022	\$0.0709 #	C H	0%
Tab 100 mg	228,922	\$42,328	\$0.1849 #	C H	0%
Tab 25 mg	885,327	\$72,331	\$0.0817 #	C H	0%
Tab 50 mg	457,702	\$51,675	\$0.1129 #	C H	0%
Tab long-acting 200 mg	27,832	\$12,524	\$0.4500 # *	C	
Thiothixene					
Tab 10 mg	118,976	\$38,667	\$0.3250 #	C H	0%
Tab 2 mg	159,384	\$17,883	\$0.1122 #	C H	0%
Thymol Glycerin					
Compound, BPC	480,189	\$7,011	\$0.0146 *	C	
Tiaprofenic Acid					
Cap long-acting 300 mg	665,094	\$44,761	\$0.0673 #	C H	0%
Tab 200 mg	74,176	\$3,323	\$0.0448 #	C H	0%
Tab 300 mg	247,372	\$16,623	\$0.0672 #	C H	0%
Timolol					
Tab 10 mg	402,523	\$45,163	\$0.1122 #	C H	0%
Timolol Maleate					
Eye drops 0.25%, gel forming	9,709	\$31,069	\$3.2000 #	C H	0%
Eye drops 0.5%, gel forming	32,829	\$111,619	\$3.4000 #	C H	0%
Timolol Maleate with Pilocarpine					
Eye drops 0.5% with pilocarpine 2%	29,475	\$82,235	\$2.7900 #	C H	0%
Eye drops 0.5% with pilocarpine 4%	9,860	\$27,509	\$2.7900 #	C H	0%

Chemical Name	Units	Cost	Unit Subsidy	DV Limit	Comments
Line Item					
Tinidazole					
Tab 500 mg	86,126	\$89,717	\$1.0417	C H	0%
Tioconazole					
Crn 1%	2,310	\$0	\$0.0000 #	C H	0%
Pessaries 100 mg with applicator	32	\$29	\$0.9167 *	C	
Vaginal oint 6.5% with applicator	14,247	\$8,517	\$0.5978 *	C H	0%
Vaginal oint 6.5% with applicator	14,247	\$8,517	\$0.5978 *	C H	0%
Tobramycin					
Eye drops 0.3%	10,720	\$24,613	\$2.2960 #	C H	0%
Eye oint 0.3%	2,500	\$7,464	\$2.9857 #	C	
Tobramycin Sulphate					
Inj 10 mg per ml, 2 ml				H	0%
Inj 40 mg per ml, 1 ml				H	0%
Inj 40 mg per ml, 2 ml				H	0%
Tolbutamide					
Tab 500 mg	302,383	\$20,502	\$0.0678	? C H	0%
Tolciclate					
Crn 1%	50,280	\$1,674	\$0.0333 # *	C H	0%
Tramadol Hydrochloride					
Cap 50 mg				H	10%
Inj 50 mg per ml, 1 ml				H	0%
Inj 50 mg per ml, 2 ml				H	0%
Tab sustained release 100 mg				H	10%
Tab sustained release 150 mg				H	10%
Tablets sustained release 200mg				H	10%
Trandolapril					
Cap 0.5 mg	16,558	\$1,106	\$0.0668 #	C H	0%
Cap 1 mg	83,535	\$9,130	\$0.1093 #	C H	0%
Cap 2 mg	115,899	\$18,335	\$0.1582 #	C H	0%
Tranexamic acid					
Inj 100 mg per ml				▲ H	0%
Tab 500 mg				H	0%
Tranlycypromine Sulphate					
Tab 10 mg	232,102	\$106,488	\$0.4588	C H	0%
Triamcinolone Acetonide					
Crn 0.02%	526,452	\$33,956	\$0.0645 *	C H	0%
Inj 10 mg per ml, 5 ml	472	\$5,900	\$12.5000	C H	0%
Inj 40 mg per ml, 5 ml	416	\$11,819	\$28.4100	C H	0%
Oint 0.02%	143,025	\$9,225	\$0.0645 *	C	
Triamcinolone Acetonide with Gramicidin, Neomycin and Nystatin					
Ear drops 1 mg with nystatin 100,000 u, neomycin sulphate 2.5 mg and gramicidin 250 mcg per g	93,438	\$45,719	\$0.4893	C	
Triamterene with Hydrochlorothiazide					
<u>Tab 50 mg with hydrochlorothiazide 25 mg</u>	550,024	\$19,801	\$0.0360	C	
Trifluoperazine Hydrochloride					
Cap long-acting 15 mg	44,399	\$29,348	\$0.6610 # *	C H	0%

Chemical Name						
Line Item	Units	Cost	Unit Subsidy		DV Limit	Comments
Trifluoperazine Hydrochloride						
Oral liq 1 mg per ml	27,053	\$2,024	\$0.0748 #		C H	0%
Tab 1 mg	367,998	\$36,174	\$0.0983 # *		C H	0%
Tab 2 mg	386,085	\$52,623	\$0.1363 # *		C H	0%
Tab 5 mg	671,812	\$106,079	\$0.1579 # *		C H	0%
Trimeprazine Tartrate						
Oral liq 30 mg per 5 ml	429,076	\$11,971	\$0.0279 # *		C H	0%
Trimethoprim						
Tab 100 mg	807,576	\$134,461	\$0.1665		C H	0%
Tripotassium Dicitratobismuthate						
Tab 120 mg	91,036	\$30,889	\$0.3393		C	
Tropicamide						
Eye drops 0.5%	720	\$343	\$0.4767		C H	0%
Eye drops 1%	2,430	\$1,403	\$0.5773		C H	0%
Tropisetron						
Cap 5 mg	4,767	\$147,605	\$30.9640 #		C H	0%
Tyloxapol						
Eye drops 0.25%	6,885	\$3,961	\$0.5753		C	
Ursodeoxycholic Acid						
Cap 300 mg	151,805	\$453,199	\$2.9854 #		C	
Vancomycin Hydrochloride						
Cap 125 mg					H	0%
Cap 250mg					H	0%
Inj 50 mg per ml, 10 ml				▲	H	10%
Vecuronium						
Inj 10 mg					H	0%
Inj 4 mg					H	0%
Verapamil Hydrochloride						
Inj 2.5 mg per ml 2 ml	1,088	\$1,643	\$1.5100 #		C H	0%
Tab 120 mg	64,389	\$16,303	\$0.2532		C H	0%
<u>Tab 40 mg</u>	421,276	\$21,064	\$0.0500		? C H	0%
<u>Tab 80 mg</u>	410,400	\$26,676	\$0.0650		? C H	0%
<u>Tab long-acting 240 mg</u>	2,439,452	\$287,855	\$0.1180		? C H	0%
Vitamin A with Vitamin D						
Cap 4500 iu with Vitamin D 450 iu	441,669	\$12,764	\$0.0289 *		C	
Vitamin A with Vitamins D and C						
Soln 1000 u with Vitamin D 400 u and ascorbic acid 30 mg per 10 drops	126,640	\$55,468	\$0.4380 * ▼		C	
Vitamin B Complex						
<u>Tab. strong. BPC</u>	2,557,539	\$61,892	\$0.0242		C H	0%
Water						
Injection 20ml					H	0%
Purified for inj 2 ml	2,901	\$1,271	\$0.4380 #		C	
Wool Fat with Mineral Oil						
Lotn hydrous 3% with mineral oil	18,208,246	\$101,966	\$0.0056 # *		C	

Chemical Name							
Line Item	Units	Cost	Unit Subsidy		DV Limit		Comments
Zinc Oxide							
Oint zinc oxide with balsam peru	61,400	\$5,526	\$0.0900	*	C H	0%	
Suppos zinc oxide with balsam peru	26,715	\$9,951	\$0.3725	*	C		
Zinc Sulphate							
Cap 220 mg	278,518	\$15,486	\$0.0556	*	C		

Schedule 3: Tender Process

1. General

1.1 Sole Supply Period and Hospital Supply Status Period

- (a) Hospital Tender Bids are to be submitted on the basis that if your Hospital Tender Bid is accepted, you will have Hospital Supply Status for the particular Tender Item for the Hospital Supply Status Period.
- (b) Community Tender Bids are to be submitted on the basis that if your Community Tender Bid is accepted, you will have Sole Supply Status for the particular Tender Item for the Sole Supply Period.
- (c) Combined Tender Bids are to be submitted on the basis that if your Combined Tender Bid is accepted, you will have Hospital Supply Status for the particular Tender Item for the Hospital Supply Status Period and Sole Supply Status for the particular Tender Item for the Sole Supply Period.

1.2 HSS Renewed Term

Hospital Tender Bids and Combined Tender Bids are to be submitted on the basis that if that Tender Bid is accepted and PHARMAC, with your prior written consent, chooses to extend the Hospital Supply Status Period for the HSS Renewed Term, you will have Hospital Supply Status for that HSS Renewed Term for the particular Tender Item at the Price.

1.3 Transition Periods

- (a) In relation to hospital supply:
 - (i) there will be two Transition Periods (the First Transition Period and the Final Transition Period) during which the successful tenderer's brand is to be available for supply and purchased by DHB Hospitals;
 - (ii) the First Transition Period is intended to allow for an orderly transition to the arrangements that will apply during the Hospital Supply Status Period;
 - (iii) the Final Transition Period is intended to allow for an orderly transition to any new arrangements following the end of the Hospital Supply Status Period;
 - (iv) DHB Hospitals may purchase DV Pharmaceuticals at any time within the First Transition Period and Final Transition Period without any requirement to comply with the DV Limit.
- (b) Subject to paragraph (d) below, in relation to community supply:
 - (i) there will be three Transition Periods (the First Transition Period, the Second Transition Period and the Final Transition Period) during which the successful tenderer's brand is to be available for supply and subsidised, but may not be the sole subsidised brand of that Tender Item;

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- (ii) the First Transition Period and Second Transition Period are intended to allow for an orderly transition to the arrangements that will apply during the Sole Supply Period;
 - (iii) the Final Transition Period is intended to allow for an orderly transition to any new arrangements following the end of the Sole Supply Period.
- (c) In relation to community and/or hospital supply, PHARMAC may, in its sole discretion:
- (i) determine a different commencement date for the First Transition Period and/or Second Transition Period, as applicable, including where it considers that a different commencement date is necessary to ensure appropriate stock management or appropriate supply of the Tender Item; and/or
 - (ii) extend the period of the First Transition Period and/or Second Transition Period, as applicable, by determining a different end date, and may do so before or after the commencement date of the relevant First Transition Period or Second Transition Period. For the avoidance of doubt, in the event that PHARMAC extends the Second Transition Period under this clause 1.5(c)(ii):
 - (A) the delisting of all other brands of that form and strength of the Chemical Entity is to be deferred until the actual commencement date of the Sole Supply Period, notwithstanding any date previously notified to suppliers by PHARMAC as being the intended date of delisting;
 - (B) all other brands of that form and strength of the Chemical Entity are to remain listed in accordance with the terms of any existing contract between PHARMAC and the particular pharmaceutical supplier in respect of the relevant brand(s) until such time as that supplier's brand of that form and strength of the Chemical Entity is actually delisted.
- (d) In relation to community supply, if the successful tenderer's brand is the only brand of the Tender Item listed on the Pharmaceutical Schedule as at the time PHARMAC notifies the market that a Tender has been accepted for a Tender Item, then the First Transition Period and clauses 2.1(a) and 5.4 of Schedule Six will not apply and, subject to paragraph (c) above, the Second Transition Period is to begin on the first day of the second month following the date of such notification.
- (e) For the avoidance of doubt, any notification by PHARMAC of the delisting of all other brands of that form and strength of the Chemical Entity on the first day of the Sole Supply Period operates solely as advance notice of the intended delisting of those pharmaceuticals and does not constitute a notice of termination of any existing contract for the supply of those other brands.

1.4 Contract

If PHARMAC accepts your:

- (a) Community Tender Bid, then a contract on the terms and conditions set out in:
 - (i) your Tender Bid (incorporating any variations as a result of negotiations or discussions under clause 1.7 of this Schedule); and
 - (ii) Schedule Six; and
 - (iii) if PHARMAC accepts a Foreign Exchange Bid from you, Schedule Nine,

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will be deemed to have been entered into between you and PHARMAC for Sole Supply Status for the relevant Pharmaceutical and, where applicable, its listing on the Pharmaceutical Schedule;

- (b) Hospital Tender Bid, then a contract on the terms and conditions set out in:
- (i) your Tender Bid (incorporating any variations as a result of negotiations or discussions under clause 1.7 of this Schedule); and
 - (ii) Schedule Five; and
 - (iii) if PHARMAC accepts a Foreign Exchange Bid from you, Schedule Nine,

will be deemed to have been entered into between you and PHARMAC for Hospital Supply Status for the relevant Pharmaceutical and, where applicable, its listing on the Pharmaceutical Schedule;

- (c) Combined Tender Bid, then:
- (i) a contract on the terms and conditions set out in:
 - (A) your Tender Bid, to the extent applicable (incorporating any variations as a result of negotiations or discussions under clause 1.7 of this Schedule); and
 - (B) for the Hospital Tender Bid element of that Combined Tender Bid, Schedule Six; and
 - (C) if PHARMAC accepts a Foreign Exchange Bid from you, Schedule Nine,

will be deemed to have been entered into between you and PHARMAC for Hospital Supply Status for the relevant Pharmaceutical and, where applicable, its listing on the Pharmaceutical Schedule; and

- (ii) a separate contract on the terms and conditions set out in:
 - (A) your Tender Bid, to the extent applicable (incorporating any variations as a result of negotiations or discussions under clause 1.7 of this Schedule); and
 - (B) for the Community Tender Bid element of that Combined Tender Bid, Schedule Five; and
 - (C) if PHARMAC accepts a Foreign Exchange Bid from you, Schedule Nine,

will be deemed to have been entered into between you and PHARMAC for Sole Supply Status for the relevant Pharmaceutical and, where applicable, its listing on the Pharmaceutical Schedule.

For the avoidance of doubt, the terms and conditions specified in Schedule Five, Schedule Six and Schedule Nine, as applicable, apply from the date when PHARMAC notifies you in accordance with clause 7.2 of this Schedule of its acceptance of your Tender Bid, and do not apply solely for the Sole Supply Period or Hospital Supply Status Period, as applicable.

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1.5 Extension of Hospital Supply Status to include Sole Supply Status

- (a) You acknowledge and agree that if:
- (i) your Hospital Tender Bid is for a Tender Item that is specified in the product list in clause 2 of Schedule Two as being a Tender Item for which you may submit a Tender Bid for Hospital Supply Status; and
 - (ii) your brand of that Tender Item is awarded Hospital Supply Status by PHARMAC,
- you may agree (such consent not to be unreasonably withheld), if so requested by PHARMAC, to supply the Tender Item for use in the community under Sole Supply Status as soon as practicable after such requirement is notified to you, and in any case no later than three months after that notification, under a separate contract for Sole Supply Status:
- (iii) at a price that is equal to the Price specified for that Pharmaceutical in your Hospital Tender Bid; and
 - (iv) on the other terms and conditions set out in your Hospital Tender Bid (incorporating any variations as a result of negotiations or discussions under clause 1.7 of this Schedule), as applicable; and
 - (v) in accordance with Schedule Six; and
 - (vi) in such quantities as are required for use in the community.
- (b) This clause confers a benefit on, and is enforceable by, the Funder in accordance with the Contracts (Privity) Act 1982.

1.6 Extension of Sole Supply Status to include Hospital Supply Status

- (a) You acknowledge and agree that if:
- (i) your Community Tender Bid is for a Tender Item that is specified in the product list in clause 2 of Schedule Two as being a Tender Item for which you may submit a Tender Bid for Sole Supply Status; and
 - (ii) your brand of that Tender Item is awarded Sole Supply Status by PHARMAC,
- you may agree (such consent not to be unreasonably withheld), if so required by PHARMAC, to supply the Tender Item for use in DHB Hospitals under Hospital Supply Status as soon as practicable after such requirement is notified to you, and in any case no later than three months after that notification, under a separate contract for Hospital Supply Status:
- (iii) at a price that is equal to the Price specified for that Pharmaceutical in your Community Tender Bid; and
 - (iv) on the other terms and conditions set out in your Community Tender Bid (incorporating any variations as a result of negotiations or discussions under clause 1.7 of this Schedule), as applicable; and
 - (v) in accordance with Schedule Five; and

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- (vi) in such quantities as are required for use in DHB Hospitals.
- (b) This clause confers a benefit on, and is enforceable by, DHB Hospitals in accordance with the Contracts (Privity) Act 1982.

1.7 PHARMAC may initiate limited negotiations

- (a) Notwithstanding clause 2.5 of this Schedule, PHARMAC may, in its sole discretion, initiate negotiations or discussions with you in relation to your Tender Bid about:
 - (i) any of the terms and conditions to apply if your Tender Bid is accepted;
 - (ii) the proposed packaging or pack size of the Tender Item;
 - (iii) your ability to ensure continued availability of the Tender Item throughout the Hospital Supply Status Period and/or Sole Supply Period, as applicable;
 - (iv) the price of the Tender Item, but only where PHARMAC determines, in its sole discretion, that an increased price for the Tender Item may be necessary for practicality of supply of the Tender Item (for example, because of particular packaging requirements);
 - (v) DV Limits and/or DV Pharmaceuticals, in relation to hospital supply; or
 - (vi) any other matter that PHARMAC considers necessary or appropriate.
- (b) If PHARMAC initiates negotiations or discussions with you under paragraph (a), and as a result there is a change to any of the terms and conditions relating to the supply of a Tender Item, PHARMAC is not obliged to inform the other tenderers of that change, nor give those tenderers an opportunity to amend their bid for that Tender Item.
- (c) The initiation and pursuit of any negotiations or discussions under this clause shall not constitute a counter-offer and your original Tender Bid will remain open for acceptance in accordance with clause 4.2(b) of this Schedule in the absence of agreement or any variation to that Tender Bid.

1.8 Termination and amendment of Invitation

PHARMAC may:

- (a) amend this Invitation at any time up to five business days before the Deadline; and/or
- (b) terminate this Invitation at any time before the acceptance of any Tender Bid by giving five business days' written notice.

2. Information about submitting a Tender Bid

2.1 Choice of forms and strengths

Where a Tender Item includes different forms and strengths of a Chemical Entity or entities, your Tender Bid may, but does not need to, include all of the forms and strengths of the Chemical Entity or entities contained in that Tender Item.

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2.2 Consents not yet held

You may submit a Tender Bid for a Tender Item where your brand of the Tender Item is yet to obtain all necessary Consents. In those circumstances, you may be required to demonstrate your ability to obtain those consents within a time frame acceptable to PHARMAC. For example, you may be required to demonstrate that you have the dossier for that brand of the Tender Item ready to submit to Medsafe within one month of such a request being made by PHARMAC.

2.3 Individual Tender Bids

You may submit more than one bid for a Tender Item (for example, you may submit separate bids for different pack sizes of a Tender Item) provided that each bid is submitted on a separate Tender Submission Form.

2.4 Aggregated Tender Bids

- (a) You may, in addition to submitting a separate Tender Bid for each Tender Item, submit an Aggregated Tender Bid, provided that:
 - (i) each brand contained in an Aggregated Tender Bid is only a different form and strength of the same Chemical Entity;
 - (ii) you may not aggregate within a single Tender Item;
 - (iii) where your Aggregated Tender Bid is a Combined Tender Bid, you must also submit a separate Community Tender Bid and Hospital Tender Bid for each particular Tender Item; and
 - (iv) where your Aggregated Tender Bid is for different forms and strengths of the same Chemical Entity, you must also submit a separate Community Tender Bid and/or Hospital Tender Bid, as applicable, for each particular Tender Item.
- (b) Where a Tender Item includes different forms and strengths of a Chemical Entity or different entities and you bid for the whole Tender Item, that is not an Aggregated Tender Bid.
- (c) You must clearly indicate on your Tender Submission Form if your Tender Bid is an Aggregated Tender Bid.

2.5 No conditions

You cannot make a conditional Tender Bid nor qualify a Tender Bid in any way.

2.6 Separate offers

PHARMAC will treat each Tender Bid as a separate offer.

2.7 Tender Bid prices

You must:

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- (a) submit, for each Tender Bid, in New Zealand dollars a single price in New Zealand dollars (exclusive of GST), which will be the Price at which you will supply the Tender Item;
- (b) not submit a Tender Bid that contains only a price in foreign currency.

3. What to include in your Offer Letter and Tender Submission Form

3.1 Compulsory use of Offer Letter and Tender Submission Form

- (a) You must submit your Tender Bid by completing and signing the Offer Letter and completing a separate Tender Submission Form for each Tender Item for which you wish to submit a bid.
- (b) An electronic version of these forms is available on disc from PHARMAC or on PHARMAC's website at <www.pharmac.govt.nz>.

3.2 Information that must be supplied about you

In the Offer Letter, you must supply the following information about you:

- (a) your company structure;
- (b) your management and technical skills;
- (c) your financial resources;
- (d) your (or your supplier's) existing supply commitments;
- (e) your (or your supplier's) previous supply performance;
- (f) your quality assurance processes, where applicable;
- (g) for any Hospital Tender Bids, your drug information and interaction support services; and
- (h) for any Hospital Tender Bids, any other benefits to PHARMAC and DHB Hospitals in selecting you as the supplier of a Tender Item, including details of how you have added value to your customers' business in the past.

3.3 Information that must be supplied about the Tender Item

In your Tender Submission Form, you must supply the following information about the Tender Item:

- (a) the chemical, form, strength, brand name, pack size and type of packaging;
- (b) a single price in New Zealand dollars (exclusive of GST) at which you will supply the Tender Item:

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- (i) to wholesalers and other distributors during the Sole Supply Period in respect of a Community Tender Bid; or
- (ii) to, at a DHB Hospital's discretion, Designated Delivery Points, and/or Contract Manufacturers (expressly for the purpose of compounding), in respect of a Hospital Tender Bid;
- (c) whether it has all necessary Consents (and if not, what the status of registration is);
- (d) whether it has IMM status, and if so, to which brand and presentation;
- (e) for any Community Tender Bids, the approximate lead times for supply (on the basis of the Unit Volume figures in Schedule Two);
- (f) for any Hospital Tender Bids, the approximate lead times for both initial and ongoing supply (on the basis of your assessment of the size of the market for the Tender Item);
- (g) the name and location of:
 - (i) the manufacturer(s) of the finished product (and name and location of the packaging site, if different); and
 - (ii) the manufacturer(s) of the active ingredients; and
 - (iii) alternative manufacturers of the finished product and active ingredients (if any);
- (h) for any Hospital Tender Bids, the Pharmacode for your brand of that Tender Item, if available; and
- (i) for any Community Tender Bids, your proposed distribution and supply arrangements for the Tender Item.

3.4 Foreign Exchange Bid

- (a) In addition to specifying prices in New Zealand dollars, Tender Bids may also specify prices in a Permitted Currency. If PHARMAC accepts your Tender Bid, PHARMAC will, in its sole discretion, decide whether to accept the Foreign Exchange Bid or whether to accept the price for the Tender Item submitted in New Zealand dollars.
- (b) If you submit a Foreign Exchange Bid, you must supply the following additional information:
 - (i) the price in the Permitted Currency; and
 - (ii) your Risk Sharing Percentage.

3.5 PHARMAC may request further information

- (a) PHARMAC may request such further information as it considers necessary from or about you for the purposes of clarifying or evaluating your Tender Bid, including (but not limited to):
 - (i) information about your credit status;

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- (ii) information on the price of a Tender Item, but only where PHARMAC requires clarification to confirm the exact price being offered, or where PHARMAC initiates negotiations with you under clause 1.7 of this Schedule;
 - (iii) where a Tender Item is a controlled drug, information about the form in which the Tender Item will be supplied, in which case you must supply that information within 10 business days of PHARMAC requesting the information; and
 - (iv) a sample pack or container of the Tender Item (and if you intend supplying it in a different form from that sample pack or container, information about the form in which it will be supplied), in which case you must supply that sample pack or container or information within 10 business days of PHARMAC requesting it.
- (b) If PHARMAC requests further information from or about you it is not obliged to request the same or any other information from or about any other party.

4. How to submit a Tender Bid

4.1 Submission of Tender Bids

As this tender is a closed tender, no Tender Bids will be opened until after the Deadline. Therefore, it is important that all Tender Bids must:

- (a) be contained in a sealed envelope marked "TENDER FOR THE SUPPLY OF CERTAIN PHARMACEUTICALS - COMMERCIAL IN CONFIDENCE", and, if you wish to be notified of the receipt of the Tender Bid immediately, the sealed envelope must have your return address stated clearly on the outside of the envelope and be marked "FOR IMMEDIATE NOTIFICATION OF RECEIPT"; and
- (b) be delivered in the specially marked envelope either in person, by courier or by post (**and not by facsimile or email**) to:

The Chief Executive
c/- Legal Counsel
Pharmaceutical Management Agency
Level 1, Old Bank Chamber
98 Customhouse Quay
PO Box 10-254
WELLINGTON

4.2 Key dates

Your Tender Bid must:

- (a) be received by PHARMAC no later than the Deadline; and
- (b) be irrevocable and remain open for acceptance by PHARMAC until, as applicable:
 - (i) Friday, 1 August, 2003;
 - (ii) the date specified for a Tender Item in Schedule Two (if any); or
 - (iii) if PHARMAC so requests at any time, such later date as you agree in writing.

5. Evaluation

5.1 Process of evaluation

The Evaluation Committee, taking such regulatory, legal, medical and other advice as it considers appropriate, will evaluate all conforming Tender Bids that have been checked for conformity under clause 6.1(a) of this Schedule, and any non-conforming Tender Bids that are admitted for consideration under clause 6.1(b) of this Schedule.

5.2 Matters for evaluation

The matters to be taken into account by the Evaluation Committee, the weight to be attached to them, and the basis on which it will evaluate Tender Bids, are all to be determined by the Evaluation Committee in its sole discretion. The matters taken into account by the Evaluation Committee will, however, include:

- (a) your ability to ensure continued availability of the Tender Item throughout the Sole Supply Period and/or Hospital Supply Status Period and each of the Transition Periods, as applicable, taking into account each of the following separate points:
 - (i) your financial resources;
 - (ii) your management and technical skills;
 - (iii) your, or your supplier's, existing supply commitments;
 - (iv) your, or your supplier's, previous supply performance;
 - (v) your quality assurance processes, where applicable;
 - (vi) the site of manufacture and packaging of the Pharmaceutical, and site of manufacture of the active ingredient;
 - (vii) your proposed distribution and supply arrangements for the Tender Item; and
 - (viii) your approximate lead times for both initial and ongoing supply;
- (b) the pack size of the Tender Item and the type of packaging;
- (c) the price of the Tender Item (including the price in a Permitted Currency if a Foreign Exchange Bid is submitted);
- (d) the amount and timing of savings, including non-pharmaceutical savings accruing to the Funder or PHARMAC during the Hospital Supply Status Period and/or the Second Transition Period and the Sole Supply Period, as applicable;
- (e) either:
 - (i) evidence that you have obtained, and still have, market approval for your brand of the Tender Item, and all necessary Consents; or

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- (ii) evidence that will enable the Evaluation Committee to form a view on the likelihood and timing of your brand of the Tender Item gaining all necessary Consents;
- (f) whether your brand of the Tender Item has IMM status, or is likely to gain IMM status;
- (g) the name and location of the manufacturer of the finished product and active ingredients of the Tender Item;
- (h) for a Hospital Tender Bid, your drug and interaction support services; and
- (i) any other benefits to the Funder of selecting you as the supplier of the Tender Item.

6. Conformity

6.1 Conformity

- (a) PHARMAC may, in its sole discretion, check your Tender Bid for conformity with this Invitation. If PHARMAC does elect to check your Tender Bid, it is not obliged to check all or any other Tender Bids for conformity. A Tender Bid will conform if it:
 - (i) is received by the Deadline;
 - (ii) is submitted on the Tender Submission Form and attached to the Offer Letter;
 - (iii) has no conditions or qualifications attached;
 - (iv) includes all information required under clauses 3.2 and 3.3, and if applicable clause 3.4, of this Schedule; and
 - (v) otherwise complies, both as to form and substance, with the requirements of this Invitation.
- (b) PHARMAC may, in its sole discretion:
 - (i) exclude any non-conforming Tender Bid from consideration; or
 - (ii) consider, and accept, any non-conforming Tender Bid.

7. Decision

7.1 Decision on acceptance of Tender Bid

- (a) The Evaluation Committee will make a recommendation as to which Tender Bid should be accepted to PHARMAC's board of directors (or chief executive acting under delegated authority pursuant to section 61 of the New Zealand Public Health and Disability Act 2000, where applicable).
- (b) PHARMAC's board of directors (or chief executive, where applicable) will then have the sole discretion to decide whether or not to accept a Tender Bid for any Tender Item.

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- (c) PHARMAC's board of directors (or chief executive, where applicable):
 - (i) will use the decision criteria in PHARMAC's then current OPPs, including the Hospital Pharmaceutical Supplement, as applicable, in deciding whether or not to accept a Tender Bid for any Tender Item; and
 - (ii) is not obliged to act in accordance with any recommendation of the Evaluation Committee.

7.2 Notification of acceptance

- (a) Once PHARMAC's board of directors (or chief executive, where applicable) has decided under clause 7.1 above which Tender Bid (if any) to accept for a Tender Item, PHARMAC will, within a reasonable period of time, notify the successful tenderer in writing that it has been successful and in addition:
 - (i) subject to paragraph (b) below, if the successful Tender Bid is unconditionally accepted, PHARMAC will, within a reasonable period of time, notify each unsuccessful tenderer in writing of the identity of the successful tenderer; or
 - (ii) subject to paragraph (b) below, if the successful Tender Bid is conditionally accepted, PHARMAC will, within a reasonable period of time of that tender becoming unconditionally accepted, notify each unsuccessful tenderer in writing of the identity of the successful tenderer.
- (b) If for any reason you do not receive written notification from PHARMAC in accordance with paragraph (a) above, you will be deemed to have received the required notification on the date that each Tender Item you bid for is notified in the Pharmaceutical Schedule.

7.3 PHARMAC's rights reserved

- (a) PHARMAC reserves the right to accept or reject any Tender Bid, and is not obliged to give reasons for its decision.
- (b) While it is PHARMAC's current intention, unless specified otherwise in Schedule Two, to enter into an agreement to award Hospital Supply Status and/or Sole Supply Status for each Tender Item, PHARMAC will not in any circumstances be bound to accept any or all Tender Bids and, in particular, PHARMAC will not be bound to accept the lowest or any other Tender Bid for a Tender Item.
- (c) Acceptance only occurs if, and when, PHARMAC's board of directors (or chief executive, where applicable) resolves to accept a Tender Bid and this acceptance is notified to the successful tenderer.
- (d) PHARMAC may take any action, including making any adjustments to the tender process that it considers appropriate, or do anything, that is incidental to the process described in this Invitation, at any time during the process, except to the extent that such action is explicitly precluded by this Invitation.

7.4 Conditional acceptance

- (a) Where the successful tenderer's brand of a Tender Item is yet to receive all necessary Consents:

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- (i) the contract referred to in clause 1.4 of Schedule Three will be conditional upon such Consents being received within a time period specified by PHARMAC; and
 - (ii) PHARMAC may terminate the contract if such Consents have not been obtained, or in PHARMAC's view are unlikely to be obtained, within the period specified by PHARMAC.
- (b) Acceptance of a Tender Bid by PHARMAC's board of directors (or chief executive, where applicable), and the contract referred to in clause 1.4 of Schedule Three, may be conditional upon you satisfying PHARMAC that you will have sufficient stock of the Tender Item available to commence supply as at a date reasonably determined by PHARMAC.

8. Additional terms for back-up supply

8.1 Community Back-up Supply Bids

Where a Tender Item is indicated in Schedule Two as being an item that may require a contract for Community Back-up Supply Status, then in addition to, or instead of, submitting a bid for Sole Supply Status for that Tender Item, you may submit a Community Back-up Supply Bid.

8.2 Hospital Back-up Supply Proposals

- (a) Where a Tender Item is indicated in Schedule Two as being an item that may require a contract for Hospital Back-up Supply Status, then in addition to, or instead of, submitting a bid for Hospital Supply Status for that Tender Item, you may submit a Hospital Back-up Supply Proposal.
- (b) This request to submit a Hospital Back-up Supply Proposal is a request for proposals and is not an invitation to tender. Any such proposal you make is not an offer capable of being converted into a contract by PHARMAC's apparent acceptance and instead a separate agreement needs to be negotiated in accordance with the process outlined in clause 8.9 of Schedule Three.

8.3 Terms applicable to Back-up Supply

- (a) If you submit a Community Back-up Supply Bid for a Tender Item, the terms applicable to (and the process to be followed by PHARMAC for) a bid for Sole Supply Status in this Invitation will apply equally to the Community Back-up Supply Bid as if the Community Back-up Supply Bid was a Tender Bid, except as expressly stated in this clause 8.
- (b) If you submit a Hospital Back-up Supply Proposal for a Tender Item the minimum terms applicable to (and the process to be followed by PHARMAC for) a proposal for Hospital Back-up Supply Status are as follows:
 - (i) Schedule One;
 - (ii) Schedule Two;
 - (iii) clause 2 (Information about submitting a Tender Bid) of Schedule Three;
 - (iv) clause 3 (What to include in your Offer Letter and Tender Submission Form) of Schedule Three;

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- (v) clause 4 (How to submit Tender Bid) of Schedule Three;
- (vi) clause 5 (Evaluation) of Schedule Three;
- (vii) clause 7 (Decision) of Schedule Three;
- (viii) clause 9 (Dealing with information) of Schedule Three;
- (ix) clause 10 (Miscellaneous) of Schedule Three;
- (x) Schedule Four;
- (xi) Schedule Seven (Standard Hospital Back-up Supply Status terms), subject to additional terms agreed between you and PHARMAC,

unless qualified by this clause 8, and all references in the above provisions to Tender Bids, Hospital Supply Status and Tender Submission Form shall be read as referring to Hospital Back-up Supply Proposals, Hospital Back-up Supply Status and Hospital Back-up Supply Proposal Submission Form, where applicable.

8.4 Contract

- (a) If a Community Back-up Supply Bid is accepted, a contract on the terms set out in your Community Back-up Supply Bid and Schedule Eight will be deemed to have been entered into between you and PHARMAC.
- (b) If Hospital Back-up Supply Status is awarded to you by PHARMAC (on behalf of the Funder) it will be awarded on the terms agreed between us, being the standard Hospital Back-up Supply Status terms specified in Schedule Seven of this Agreement, subject to any additional terms agreed between you and PHARMAC.

8.5 Consents must be held

You must only submit a Community Back-up Supply Bid and/or a Hospital Back-up Supply Proposal where your brand of the Tender Item has all necessary Consents.

8.6 No Aggregated Tender Bid

You must not submit a Community Back-up Supply Bid and/or a Hospital Back-up Supply Proposal that is an Aggregated Tender Bid.

8.7 Compulsory use of Offer Letter and back-up supply submission forms

You must submit your Community Back-up Supply Bid and/or Hospital Back-up Supply Proposal, as applicable, by completing a separate Community Back-up Supply Submission Form and/or Hospital Back-up Supply Proposal Submission Form, as applicable, for each Tender Item for which you wish to submit a proposal and attaching that form to the Offer Letter.

8.8 Information that must be supplied about the Tender Item

- (a) In addition to the information to be supplied under clause 3.3 of this Schedule, for Community Back-up Supply Bids you must supply details of the level of stock (in number of Units) of the Tender Item that you will hold in New Zealand during the Sole

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Supply Period if your Community Back-up Supply Bid is accepted. This level must not be less than three months' stock of the Pharmaceutical (on the basis of the Unit Volume figures specified in Schedule Two).

- (b) In addition to the information to be supplied under clause 3.3 of this Schedule, for Hospital Back-up Supply Proposals you must:
 - (i) supply details of the level of stock (in number of Units) and the shelf-life of the Tender Item that you will hold (whether in New Zealand or off-shore) during the Hospital Supply Status Period if your Hospital Back-up Supply Proposal is accepted;
 - (ii) specify the maximum lead time for supply of the Tender Item to the New Zealand market;
 - (iii) specify any terms and conditions proposed by you with respect to Unsold Stock; and
 - (iv) set out any other terms and conditions or information in relation to your Hospital Back-up Supply Proposal.

8.9 Negotiation for Hospital Back-up Supply Status

- (a) PHARMAC may, in its sole discretion, initiate negotiations or discussions with you and/or other suppliers in relation to Hospital Back-up Supply Proposals.
- (b) Negotiations are to proceed on the basis that the standard Hospital Back-up Supply Status terms specified in Schedule Seven will apply and may be added to by the indicative terms specified in your Hospital Back-up Supply Proposal or any other terms, by agreement between you and PHARMAC.
- (c) PHARMAC may enter into a provisional agreement with you or any other supplier for Hospital Back-up Supply Status on whatever terms PHARMAC considers appropriate.
- (d) Any provisional agreement for Hospital Back-up Supply Status will be conditional on such consultation, if any, as PHARMAC considers appropriate, and on approval by PHARMAC's board of directors (or chief executive acting under delegated authority, where applicable) and otherwise in accordance with the process set out in clause 7 of this Schedule Three.
- (e) If you and PHARMAC are unable to reach a provisional agreement for Hospital Back-up Supply Status within what PHARMAC considers to be a reasonable time, PHARMAC may terminate negotiations with you and may continue or initiate negotiations for Hospital Back-up Supply Status with any other suppliers, as it sees fit.

8.10 No Foreign Exchange Bid

You must not submit a Community Back-up Supply Bid and/or a Hospital Back-up Supply Proposal that contains a Foreign Exchange Bid.

8.11 Evaluation

- (a) In evaluating your Community Back-up Supply Bid, the Evaluation Committee will not take into account the amount and timing of savings accruing to the Funder or PHARMAC during the Second Transition Period and the Sole Supply Period.

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- (b) In evaluating your Hospital Back-up Supply Proposal, the Evaluation Committee will not take into account the amount and timing of savings accruing to the Funder or PHARMAC during the Hospital Supply Status Period.

9. Dealing with information

9.1 Confidentiality

Subject to clause 9.2 below, all Confidential Information is confidential to us and our employees, legal advisers and other consultants (including HPAC, PTAC and its sub-committees), the Ministry of Health, DHBs and the Funder. You acknowledge that it may be necessary or appropriate for PHARMAC to disclose Confidential Information:

- (a) pursuant to the Official Information Act 1982; or
- (b) in publicly notifying any acceptance of your Tender Bid; or
- (c) otherwise pursuant to PHARMAC's public law or any other legal obligations.

PHARMAC may consult with you before deciding whether to disclose Confidential Information for the purposes described in paragraphs (a) and (c) above, in order to ascertain any objections you may have to the disclosure of any of the Confidential Information. You acknowledge, however, that it is for PHARMAC to decide, in its absolute discretion, whether it is necessary or appropriate to disclose information for any of the above purposes, provided that PHARMAC shall act in good faith in disclosing any Confidential Information. Outside the circumstances described in paragraphs (a) and (c) above, Confidential Information must not be disclosed by either of us (or by our employees, legal advisers and other consultants) unless:

- (d) the information is publicly available without any cause attributable to the disclosing party; or
- (e) the other party has been reasonably informed prior to disclosure, and the disclosure is:
 - (i) for the purposes of this Agreement; or
 - (ii) required by law; or
 - (iii) in a form, and of content, agreed to by us.

For the avoidance of doubt, information released by PHARMAC in accordance with paragraphs (a) to (c) above ceases to be Confidential Information and you agree that PHARMAC may release that information again at any time in future without consulting with you or obtaining your prior agreement.

9.2 Use of information

Generalised aggregated information regarding your Tender Bid that does not identify you or that can not reasonably be expected to identify you or lead to the connection of you with your Tender Bid is not Confidential Information and PHARMAC may use and publish such information as it sees fit.

10. Miscellaneous

10.1 Costs

PHARMAC is not liable for any direct or indirect costs incurred, or loss sustained, by you in respect, or arising out, of this tendering process or the obtaining or granting of Hospital Supply Status and/or Sole Supply Status, as applicable, for your supply of the Tender Item including, without limitation, costs of obtaining all necessary Consents for any Tender Item.

10.2 No reliance

Your Tender Bid is submitted in reliance on your own knowledge, skill and independent advice, and not in reliance on any representations made by PHARMAC (including for these purposes the sales and market information (if any) provided in Schedule Two).

10.3 No further liability

PHARMAC's liability (if any) under, or in relation to, the tendering process is limited to the obligations expressly contained in this Invitation, and no further private law liability exists in relation to the process.

10.4 No lobbying

- (a) You are not to initiate any communication with PHARMAC, the Minister of Health (or any Associate Ministers), the Ministry of Health, or a District Health Board or any of their officers or directors, at any time with a view to influencing the outcome of the tendering process.
- (b) Failure to comply with this clause will entitle PHARMAC, in its sole discretion, to disqualify you from this tendering process.

10.5 Enquiries

If you have any enquiries about this Invitation you should contact Cristine Della Barca, Matthew Perkins, Sarah Schmitt or Andrew Davies at PHARMAC. Any additional information that PHARMAC gives to you as a result of your enquiry will also be given by PHARMAC to other potential tenderers, if PHARMAC determines that such information is material.

10.6 Jurisdiction and governing law

We each submit to the exclusive jurisdiction of the New Zealand courts and agree that this Invitation is governed by New Zealand law.

Schedule 4: Offer Letter, Tender Submission Form, Hospital Back-up Supply proposal Submission Form and Community Back-up Supply Bid Submission Form

1. Offer Letter

<Insert today's date>

Chief Executive
c/- Legal Counsel
PHARMAC
PO Box 10-254
(or for courier delivery:
Level 1, Old Bank Chambers
98 Customhouse Quay)
Wellington
New Zealand

Dear Sir/Madam

Tender for the supply of certain pharmaceuticals - commercial in confidence

In response to your invitation to tender dated <insert date>, we offer to provide the tender items specified in the attached form(s), in the presentations and strengths set out in the attached form(s), on the terms and conditions contained in the invitation.

Set out below (or, where applicable, attached to this offer letter) is further information in support of our tender bid.

- (a) information about our company structure:

- (b) information about our management and technical skills:

- (c) information about our financial resources:

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(d) information about our, or our supplier's, existing supply commitments:

--

(e) information about our, or our supplier's, previous supply performance:

--

(f) information about our quality assurance processes (where applicable):

--

(g) for hospital supply, information about our drug information and interaction support services:

--

(h) for hospital supply, information about any other benefits to the Funder in selecting us as the supplier of a Tender Item (including details of how we have added value to our customer's business in the past):

--

(i) our contact details (i.e., who communications relating to the attached bid(s) should be made to):

Name	
Title	
Address	
Phone	
Facsimile	
Email address	

Signed for and on behalf of **<insert name of tenderer>** by

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<Insert name>
<Insert designation>

Please find attached **<insert number>** Tender Submission Forms.

Please find attached **<insert number>** Back-Up Supply Submission Forms (where applicable).

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2. Tender Submission Form

Note: You must submit a separate form for each Tender Item for which you wish to submit a Tender Bid (except in the case of an Aggregated Tender Bid) and attach all forms to the Offer Letter.

Supplier's name

Bid type
Hospital Tender Bid / Community Tender Bid / Combined Tender Bid <i>(delete as applicable)</i>

Tender Item(s)

Chemical	Strength	Unit type/ form	Product name (brand name)	Pack size	Packaging type	Pharmacode	Pack Price (\$NZ)	Pack Price for aggregate bid (if applicable)	Permitted Currency (if applicable)	Pack Price in Permitted Currency (if applicable)	Risk Sharing Percentage (if applicable)
Tender Item 1 <i>(specify Tender Item)</i>											
<i>Tender Item 2 (if aggregate)</i>											
<i>Tender Item 3 (if aggregate) etc.</i>											

(If Aggregated Tender Bid, please complete the above rows as often as necessary in the same Tender Submission Form and clearly indicate that it is an Aggregated Tender Bid)

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Product approval status (please complete only one of the following three options)

Date of market approval (please attach copy of Medsafe Gazette notice)	OR Date of submission of dossier (please attach confirmation from Medsafe that dossier has been submitted)	OR Expected date of dossier submission to Medsafe

Miscellaneous

IMM status (if so, interchangeability with which brand and presentation)	Approximate lead times for initial and ongoing supply (on the basis of your assessment of the size of the market for the Tender Item) – for Hospital Tender Bids only	Approximate lead time for supply (on the basis of the Unit Volume figures in Schedule Two in respect of the Tender Item) – for Community Tender Bids only

Name and location of manufacture

Name and location of manufacturer(s) of finished product	Name and location of packaging site (if different)	Name and location of manufacturer(s) of active ingredients	Alternative name and location of manufacturer(s) of finished product (if any)	Alternative name and location of manufacturer(s) of active ingredients (if any)

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Proposed supply and distribution arrangements for the Tender Item

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3. Hospital Back-up Supply Proposal Submission Form

Note: You must submit a separate form for each Tender Item which is indicated in Schedule Two as being an item that may require a contract for Hospital Back-up Supply Status and for which you wish to submit a Hospital Back-up Supply Proposal and attach all forms to the Offer Letter.

Supplier's name

Tender item	
Chemical name, e.g. paracetamol	
Strength, e.g. 500 mg	
Unit type (form/presentation), e.g. capsule and, where applicable, whether an ampoule or vial of an injectable controlled drug is glass or plastic, e.g. glass vial	
Product name (brand name)	
Pack size, e.g. 30's	
Packaging type, e.g. blister	
Pharmacode	
Stock holding level (number of Units)	
Location of stock holding	
Expiry of stock	

Pricing	
Pack price in \$NZ	
Reimbursement price for unsold stock (if applicable)	

Product approval status	
Date of market approval (please attach copy of Medsafe Gazette notice)	

Miscellaneous	
IMM status (if so, interchangeability with which brand and presentation)	
Maximum lead time for supply (once notification of an out of stock had occurred)	

Name and location of manufacture	
Name and location of manufacturer(s) of finished product	
Name and location of packaging site (if different from above)	
Name and location of manufacturer(s) of active ingredients	

Terms and conditions associated with Unsold Stock
<p><i>These details may be submitted as an attachment to the Hospital Back-up Supply Proposal Submission Form.</i></p>

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Any other terms and conditions of Hospital Back-up Supply Status, or related information
<p><i>These details may be submitted as an attachment to the Hospital Back-up Supply Proposal Submission Form.</i></p>

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4. Community Back-up Supply Bid Submission Form

Note: You must submit a separate form for each Tender Item for which you wish to submit a Community Back-up Supply Bid and attach all forms to the Offer Letter.

Tender item	
Chemical name, e.g. paracetamol	
Strength, e.g. 500 mg	
Unit type (form/presentation), e.g. capsule	
Product name (brand name)	
Pack size, e.g. 30's	
Packaging type, e.g. blister	
Pack price in \$NZ	
Stock holding level (number of Units)	

Product approval status	
Date of market approval (please attach copy of Medsafe Gazette notice)	

Miscellaneous	
IMM status (if so, interchangeability with which brand and presentation)	
Maximum lead time (once notification of an out of stock had occurred)	

Name and location of manufacture	
Name and location of manufacturer(s) of finished product	
Name and location of packaging site (if different from above)	
Name and location of manufacturer(s) of active ingredients	

Proposed supply and distribution arrangements for the Tender Item

Schedule 5: Contract terms for Hospital Supply Status

1. General

1.1 Operating Policies and Procedures

- (a) You acknowledge that:
- (i) PHARMAC is required to pursue the objectives, carry out the functions, and otherwise comply with the statutory obligations, prescribed for PHARMAC in the New Zealand Public Health and Disability Act 2000;
 - (ii) PHARMAC is subject to other statutory and public law obligations, which govern PHARMAC's decision-making processes;
 - (iii) PHARMAC has OPPs, as supplemented by the Hospital Pharmaceuticals Supplement, which provide guidance on the way in which PHARMAC carries out its statutory responsibilities in relation to the management of the Pharmaceutical Schedule;
 - (iv) PHARMAC's OPPs may be amended or updated from time to time, following consultation with relevant groups;
 - (v) the actions which PHARMAC may take under its OPPs include (without limitation):
 - (A) listing new pharmaceuticals;
 - (B) changing guidelines or restrictions on the purchasing of listed pharmaceuticals;
 - (C) changing the market dynamics for pharmaceuticals as a result of PHARMAC adopting one of the strategies set out in the OPPs;
 - (vi) any action taken by PHARMAC pursuant to its OPPs may impact on the listing of the Pharmaceutical.
- (b) PHARMAC agrees not to apply, amend or update its OPPs in order to avoid any of PHARMAC's obligations under Schedule Five of this Agreement.

1.2 Amendments to Pharmaceutical Schedule

PHARMAC will consult with you before amending Section H of the Pharmaceutical Schedule if a proposed amendment would have a material adverse effect on the listing of the Pharmaceutical.

2. Effect of Hospital Supply Status

2.1 Pricing arrangements

- (a) Subject to PHARMAC's other rights under this Agreement, during the First Transition Period and the Hospital Supply Status Period the Pharmaceutical is to be:
 - (i) listed at the Price set out in Section H of the Pharmaceutical Schedule;
 - (ii) supplied by you to, at a DHB Hospital's discretion, any Designated Delivery Points, and/or Contract Manufacturers (expressly for the purpose of compounding), at the Price.
- (b) Subject to PHARMAC's other rights under this Agreement in relation to the Pharmaceutical (including under clause 2.6 of this Schedule), and provided that there are no Alternative Pharmaceuticals listed in Section H of the Pharmaceutical Schedule at the start of the Final Transition Period, the Pharmaceutical:
 - (i) is to continue to be listed, sold and purchased at the Price referred to in clauses 2.1(a)(i) and (ii) above during the Final Transition Period and beyond; and
 - (ii) is not to be delisted during the Final Transition Period.

2.2 Supplier for Hospital Supply Status Period

- (a) Subject to:
 - (i) PHARMAC's other rights under this Agreement in relation to the Pharmaceutical; and
 - (ii) clauses 2.5 and 2.6 of this Schedule relating to the DV Limit for the Pharmaceutical,

your brand of the Pharmaceutical will be the brand listed in Section H of the Pharmaceutical Schedule, and purchased by DHB Hospitals at any time during the Hospital Supply Status Period, as the brand having Hospital Supply Status.
- (b) This clause does not prohibit PHARMAC (on behalf of DHB Hospitals) from entering into negotiations or arrangements with, or inviting tenders from, other suppliers to be the supplier of any forms and strengths of the particular Pharmaceutical with Hospital Supply Status, or a relevant Alternative Pharmaceutical having a status equivalent to Hospital Supply Status, if notification of such an arrangement (once finalised) occurs, and such supply commences, after the end of the Hospital Supply Status Period.

2.3 Renewal of Hospital Supply Status Period

PHARMAC may, following your prior written consent, extend the Hospital Supply Status Period for the Pharmaceutical for the HSS Renewed Term. In that event your brand of the Pharmaceutical will be the brand having Hospital Supply Status on the same basis as under clause 2.1 above. For the avoidance of doubt, your provision of consent to the extension of the Hospital Supply Status Period in accordance with this clause does not entitle you to renegotiate any of the existing terms of this Agreement or introduce any new terms.

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2.4 DV Pharmaceuticals

- (a) PHARMAC may amend the relevant list of DV Pharmaceuticals specified in Section H of the Pharmaceutical Schedule, from time to time, in accordance with this clause 2.4, whereby:
 - (i) PHARMAC is only to remove a pharmaceutical listed as a DV Pharmaceutical if PHARMAC has a direction from Medsafe or its successor, or a recommendation from HPAC, PTAC or its sub-committees, based on a significant clinical issue;
 - (ii) PHARMAC may add a pharmaceutical to the relevant list of DV Pharmaceuticals specified in Section H of the Pharmaceutical schedule if such pharmaceutical is identified as a DV Pharmaceutical during the Hospital Supply Status Period or the First Transition Period by PHARMAC following a recommendation from HPAC, PTAC or its sub-committees.
- (b) PHARMAC must consult with you prior to the addition or removal of any pharmaceutical from the relevant list of DV Pharmaceuticals specified in Section H of the Pharmaceutical Schedule.

2.5 DV Limit

- (a) PHARMAC may, from time to time during the Hospital Supply Status Period or the First Transition Period, amend the DV Limit of the Pharmaceutical following what PHARMAC considers to be appropriate consultation with HPAC, PTAC or its sub-committees, provided that PHARMAC may only increase the DV Limit without your prior agreement if it has a direction from Medsafe or its successor, or a recommendation from HPAC, PTAC or its sub-committees, based on a significant clinical issue.
- (b) Subject to clause 2.4 of this Schedule you acknowledge and agree that while you have Hospital Supply Status:
 - (i) DHB Hospitals may purchase DV Pharmaceuticals at any time within the First Transition Period and Final Transition Period without any requirement to comply with the DV Limit;
 - (ii) provided that DHB Hospitals collectively do not exceed the National DV Limit for the relevant Pharmaceutical, a DHB Hospital may purchase DV Pharmaceuticals at any time within the Hospital Supply Status Period;
 - (iii) without derogating from any other rights available to PHARMAC or DHB Hospitals under this Agreement or otherwise, if you fail to supply the Pharmaceutical in accordance with this Agreement (other than for a reason PHARMAC considers to be wholly outside your control) within the Hospital Supply Status Period, then the relevant DHB Hospital is not required to comply with the DV Limit for the Pharmaceutical during that period of non-supply and the calendar month during which that non-supply occurred will be excluded in any review of the DV Limit in accordance with clause 2.6 below;
 - (iv) if a DHB Hospital's usage of any DV Pharmaceuticals, in percentage terms, reaches or exceeds the percentage at which the Individual DV Limit is set for the relevant Pharmaceutical, that DHB Hospital may negotiate with you to agree to vary the application of the Individual DV Limit to the DHB Hospital in respect of particular patients with exceptional needs.

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2.6 DV Limit Compliance

- (a) For the purposes of this clause 2.6:
- (i) **“Relevant Period”** means:
- (A) the initial period starting on the day that the Hospital Supply Status Period begins up to and including 30 June 2004; or
- (B) the period commencing on 1 July 2004 and ending on 30 June 2005; or
- (C) if PHARMAC renews the term of the Hospital Supply Status Period for the Pharmaceutical for the HSS Renewed Term in accordance with clause 2.3 of this Schedule, the period commencing on 1 July 2005 and ending on 30 June 2006,

provided that for the purposes of carrying out the calculations in this clause 2.6 any calendar months that fall within those periods when there is any failure to supply the Pharmaceutical in accordance with this Agreement will be excluded.

- (ii) **“Actual National DV Limit Indicator”** means, for a particular Pharmaceutical in any Relevant Period, such sum, expressed as a percentage, as is equal to:

$$\frac{\text{Total DV Pharmaceuticals Volume}}{\text{Total DV Pharmaceuticals Volume} + \text{Total Pharmaceutical Volume}} \times 100;$$

- (iii) **“Total DV Pharmaceuticals Volume”** means, for a particular Pharmaceutical in any Relevant Period, the total number of Units of all DV Pharmaceuticals of the relevant Pharmaceutical with Hospital Supply Status purchased by DHB Hospitals, as calculated by PHARMAC, following your request in accordance with clause 2.6(b) below, on the basis of the electronic records used by it; and
- (iv) **“Total Pharmaceutical Volume”** means, for a particular Pharmaceutical with Hospital Supply Status in any Relevant Period, the total number of Units of that Pharmaceutical purchased by DHB Hospitals, as calculated by PHARMAC following your request in accordance with clause 2.6(b) below, on the basis of the electronic records used by it.
- (b) If you reasonably believe that DHB Hospitals' percentage usage of DV Pharmaceuticals collectively exceeds the National DV Limit for a particular Pharmaceutical, you may at any time, but not more often than three-monthly, request that PHARMAC carry out calculations in accordance with the procedure set out in this clause 2.6 for the proportion of the Relevant Period that has passed to the date of your request, and PHARMAC may, in its discretion, agree to carry out the calculations for the Total DV Pharmaceuticals Volume, the Total Pharmaceutical Volume and the Actual National DV Limit Indicator, provided that if PHARMAC refuses to carry out such calculations, it will provide you with the reasons for refusing to do so.
- (c) It is acknowledged, for the avoidance of doubt, that if the Actual National DV Limit Indicator is less than the National DV Limit specified for the relevant Chemical Entity in Schedule Two then, regardless of whether an individual DHB Hospital's percentage usage of DV Pharmaceuticals has exceeded the National DV Limit percentage for that Pharmaceutical, PHARMAC may decide, in its sole discretion, not to take any further action.

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- (d) If the Actual National DV Limit Indicator is greater than the National DV Limit, PHARMAC will use its best endeavours to identify which individual DHB Hospitals' percentage usage of DV Pharmaceuticals have exceeded the Individual DV Limit percentage for that Pharmaceutical. You acknowledge that if PHARMAC cannot do this on the basis of information held by it, it may be necessary to obtain any further information you can provide. If neither of us can establish or quantify non-compliance by an individual DHB Hospital with the Individual DV Limit, then you acknowledge that PHARMAC may not be able to calculate and obtain financial compensation for you under clause 2.6(f)(ii) below. In that event you acknowledge, for the avoidance of doubt, that PHARMAC is not liable to pay any financial compensation on behalf of the relevant DHB.
- (e) If an individual DHB Hospital's percentage usage of DV Pharmaceuticals has exceeded the Individual DV Limit percentage for that Pharmaceutical as a result of DV Pharmaceutical usage that has been agreed to by you in accordance with clause 2.5(b)(iv) above then PHARMAC will not take any further action.
- (f) Subject to paragraph (e) above, PHARMAC will address the issue of non-compliance with any individual DHB Hospital or DHB Hospitals identified in accordance with paragraph (d) above by:
- (i) using its best endeavours to ensure that the relevant DHB Hospital complies with the DV Limit for that Pharmaceutical in the remainder of that Relevant Period (if applicable) and in any subsequent Relevant Period or Relevant Periods; and/or
 - (ii) following the end of a Relevant Period, and only once in respect of any Relevant Period, requiring financial compensation by that DHB for its contribution towards exceeding the National DV Limit (where PHARMAC is able to quantify this based on the information available to it), being the greater amount of \$5,000 or such sum as is equal to:

DHB Deviation x Adjusted Price

where:

- (A) "**Adjusted Price**" means the Unit Price, for a particular Pharmaceutical in any Relevant Period, divided by two;
- (B) "**DHB Deviation**" is equal to:

(Total Contribution for DHB_x ÷ Total Contribution for Exceeding DHBs) x Total DV Pharmaceuticals Volume in Excess of DV Limit

where:

"**Total Contribution for DHB_x**" means, for:

- (a) a particular Pharmaceutical; and
- (b) a particular DHB Hospital,

in any Relevant Period, the total number of Units of all DV Pharmaceuticals of the relevant Pharmaceutical with Hospital Supply Status purchased by that DHB Hospital minus the number of Units of DV Pharmaceuticals that corresponds to the percentage of the Individual Total Market Volume represented by the Individual DV Limit percentage for that Pharmaceutical,

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as calculated by PHARMAC for such Relevant Period on the basis of the electronic records used by it;

“Total Contribution for Exceeding DHBs” means, for a particular Pharmaceutical in any Relevant Period, the sum of the Total Contribution for DHB_x for each DHB Hospital identified by PHARMAC in accordance with paragraph (d) above as exceeding the Individual DV Limit for that Relevant Period, as calculated by PHARMAC for such Relevant Period on the basis of the electronic records used by it;

“Total DV Pharmaceuticals Volume in Excess of DV Limit” means, for a particular Pharmaceutical in any Relevant Period, the total number of Units of all DV Pharmaceuticals of the relevant Pharmaceutical with Hospital Supply Status purchased by DHB Hospitals in excess of the National DV Limit for that Relevant Period, as calculated by PHARMAC on the basis of the electronic records used by it;

- (iii) PHARMAC will seek payment of any DV Limit compensation payable in accordance with clause 2.6(f)(ii) above from the relevant DHB, and will forward that sum to you as soon as reasonably practicable following receipt from the relevant DHB.
- (iv) If PHARMAC has not received the amount of any DV Limit compensation payable in accordance with clause 2.6(f)(ii) above from the DHB within 60 business days of notifying that DHB of the amount owing, then you may take such actions (other than ceasing to supply) directly with the DHB as you consider appropriate to recover the amount owing to you. In that event you acknowledge, for the avoidance of doubt, that PHARMAC is not liable to pay any financial compensation on behalf of the relevant DHB.
- (v) For the avoidance of doubt, for the purposes of calculating the Total DV Pharmaceuticals Volume, the Total Contribution for DHB_x and the Total DV Pharmaceuticals Volume in Excess of DV Limit in this clause 2.6, if a pharmaceutical is added to, or removed from, the list of DV Pharmaceuticals during the Relevant Period in accordance with clause 2.4 of this Schedule, then only the number of Units of that pharmaceutical purchased by DHB Hospitals during the portion of the Relevant Period in which that pharmaceutical was a DV Pharmaceutical are to be included in those calculations.

2.7 Supply arrangements after the End Date

- (a) Subject to paragraph (b) below, the Pharmaceutical is to continue to be the subject of a listing agreement between you and PHARMAC with effect from the End Date, and accordingly:
 - (i) you will cease to have Hospital Supply Status for that form and strength of the Pharmaceutical;
 - (ii) the Pharmaceutical will remain listed in Section H of the Pharmaceutical Schedule subject to PHARMAC's standard terms of supply for pharmaceuticals used in DHB Hospitals (as recorded in the then current Annex Three of PHARMAC's standard hospital contract template);
 - (iii) you may increase the price (exclusive of GST) at which you supply the Pharmaceutical to, at a DHB Hospital's discretion, any Designated Delivery Points, and/or Contract Manufacturers (expressly for the purpose of compounding), on giving PHARMAC six months' written notice of that price

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increase. You may provide PHARMAC with this written notice at any time after, but not before, the End Date;

- (iv) you may withdraw the Pharmaceutical from supply on not less than two years' prior written notice (except where the withdrawal is for reasons that PHARMAC considers to be wholly outside of your control, in which case you must first provide to PHARMAC such information as it may require from you in order to satisfy it, in its sole discretion, that you are required to withdraw supply); and
 - (v) if at the time of providing notice under paragraph (a)(iii) above, you advise PHARMAC that you are required to purchase a significant quantity of extra stock of the Pharmaceutical to enable you to continue to supply for the two-year period, and you advise PHARMAC of the total cost of that stock, PHARMAC will either:
 - (A) use reasonable endeavours to enter into an agreement to reimburse you for stock that remains unsold at the end of that two-year period; or
 - (B) release you from your obligations to supply under this paragraph (a).
- (b) PHARMAC may, at its sole discretion, with effect from the End Date:
- (i) require that the Pharmaceutical does not continue to be the subject of a listing agreement, in which case PHARMAC will give you written notice not less than three months prior to the End Date; and/or
 - (ii) apply any of the strategies under PHARMAC's then current OPPs to the Pharmaceutical (including delisting the Pharmaceutical after the Final Transition Period).

2.8 Withdrawal of Hospital Supply Status

- (a) PHARMAC may withdraw Hospital Supply Status in relation to your supply of the Pharmaceutical (in which case clauses 2.1, 2.2, 23 and 2.4 of this Schedule will no longer apply), by written notice to you at any time during the Hospital Supply Status Period or (in anticipation) during the First Transition Period if:
- (i) you have failed to notify PHARMAC as required under clause 8.1 of this Schedule;
 - (ii) you fail, for a period of 30 days, to supply the Pharmaceutical in accordance with this Agreement to any of the DHB Hospitals including to, at a DHB Hospital's discretion, any Designated Delivery Points, and/or Contract Manufacturers (expressly for the purpose of compounding);
 - (iii) any Consent for the Pharmaceutical required under clause 3 of this Schedule is withdrawn;
 - (iv) you have failed to comply with clause 7 of this Schedule on more than one occasion; or
 - (v) you otherwise fail to supply the Pharmaceutical in accordance with this Agreement.
- (b) Any withdrawal of Hospital Supply Status is without prejudice to PHARMAC's rights under clauses 8.2 and 8.3 of this Schedule.

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2.9 Suspension of Hospital Supply Status

- (a) If, at any time during the Hospital Supply Status Period or (in anticipation) during the First Transition Period, you are unable to meet demand for the Pharmaceutical, or you notify PHARMAC under clause 8.1 of this Schedule of a Potential Out-of-Stock Event, or you otherwise fail to supply the Pharmaceutical in accordance with this Agreement, then:
 - (i) PHARMAC may suspend Hospital Supply Status in relation to your supply of the Pharmaceutical for the period of such inability; and
 - (ii) DHB Hospitals may purchase DV Pharmaceuticals during the period when Hospital Supply Status is suspended without the requirement to comply with the DV Limit for the relevant Pharmaceutical.
- (b) Any suspension of Hospital Supply Status is without prejudice to PHARMAC's rights under clauses 8.2 and 8.3 of this Schedule.
- (c) PHARMAC may, at any time, in its sole discretion, notify you of the date on which the suspension of Hospital Supply Status under this clause 2.9 ceases and on which date:
 - (i) Hospital Supply Status is to be re-implemented in respect of the Pharmaceutical; or
 - (ii) Hospital Supply Status is to be withdrawn in accordance with clause 2.8 of Schedule Five.

3. Consents

3.1 Warranty and indemnity that Consents are held

You warrant that you have, and will maintain, all necessary Consents. If a Consent is not held by you or is withdrawn or the Pharmaceutical is no longer approved for the treatment of any indication for which it is listed in Section H of the Pharmaceutical Schedule, then:

- (a) PHARMAC is entitled to terminate this Agreement by 14 days' written notice to you; and
- (b) whether or not PHARMAC terminates this Agreement under paragraph (a) above, you are to indemnify the Funder for any additional costs incurred by it (or by PHARMAC on its behalf) as a result of that withdrawal. This clause confers a benefit on (and is enforceable by) the Funder in accordance with the Contracts (Privity) Act 1982.

3.2 Changed medicine notification

If the Ministry of Health approves any changed medicine notification for the Pharmaceutical, or for a variant of the Pharmaceutical:

- (a) you must immediately notify PHARMAC; and
- (b) PHARMAC may take such action as it considers appropriate in relation to that Pharmaceutical or variant of the Pharmaceutical including (but not limited to):
 - (i) withdrawing Hospital Supply Status for the Pharmaceutical;

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- (ii) reviewing the terms of listing of that Pharmaceutical; and
- (iii) determining the extent to which DHB Hospitals may purchase the variant of that Pharmaceutical.

3.3 Pharmacode

You agree to obtain and notify PHARMAC of the Pharmacode for the Pharmaceutical as soon as the Pharmacode is notified to you, and in any event before the date on which the Pharmaceutical is listed in Section H of the Pharmaceutical Schedule.

4. Price

4.1 Price change

You must change the price at which you supply the Pharmaceutical to, at a DHB Hospital's discretion, any Designated Delivery Points, and/or Contract Manufacturers (expressly for the purpose of compounding), to the Price with effect from the beginning of the First Transition Period.

4.2 Supply price

During each of the First Transition Period, the Hospital Supply Status Period and the Final Transition Period, if applicable in accordance with clause 2.1(b) of this Schedule, the price at which the Pharmaceutical is supplied by you to, at a DHB Hospital's discretion, any Designated Delivery Points, and/or Contract Manufacturers (expressly for the purpose of compounding), must not exceed the Price.

4.3 Warranty that not less than cost price

You warrant that the Price at which you are required to supply the Pharmaceutical under this Agreement is greater than the cost price of the Pharmaceutical (including, without limitation, the costs of manufacturing the Pharmaceutical and of supplying it to you for supply in New Zealand).

5. Invoicing and Payment

5.1 Invoice

You are to invoice DHB Hospitals at the end of each month, but no later than the second business day following the month to which the invoice in respect of the Pharmaceutical relates, specifying for the Pharmaceutical supplied during that month:

- (a) your delivery note reference number;
- (b) the particular DHB's purchase order reference number (if applicable);
- (c) the net amount payable in respect of the Pharmaceutical supplied to that DHB in accordance with this Agreement;
- (d) full details in respect of the Pharmaceutical supplied to that DHB in accordance with this Agreement, including the:

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- (i) DHB's item codes;
- (ii) quantity of the Pharmaceutical supplied;
- (iii) price of the Pharmaceutical;
- (iv) total cost for the total amount of the Pharmaceutical supplied; and
- (e) any other information that DHB Hospital requires you to supply.

5.2 Payment

Provided that the Pharmaceutical has been supplied in accordance with this Agreement, and the particular DHB receives an invoice in accordance with clause 5.1 above, payment by the DHB Hospital to you of the amount required to be paid by it is to occur:

- (a) by electronic funds transfer or such other method of payment as is designated by that DHB Hospital;
- (b) on the 20th day of the month following the month to which the invoice for the Pharmaceutical relates, or, if the 20th day of the month is not a business day, then on the next business day following the 20th of the month.

5.3 Future payment

- (a) A particular DHB Hospital's failure to dispute any invoice prior to payment does not prejudice that DHB Hospital's right subsequently to dispute the correctness of such an invoice, nor its ability to recover any amount of overpayment from you.
- (b) A DHB Hospital may withhold, deduct or set off the amount of any overpayment or any amount recoverable by that DHB Hospital from you under this Agreement from any future amount owing to you.

5.4 Contracts Privity

This clause 5 confers a benefit on (and is enforceable by) DHB Hospitals in accordance with the Contracts (Privity) Act 1982.

6. Emergency and disaster supply

In the event of an emergency or disaster affecting any DHB Hospital, or an emergency or disaster on a national level, you will use your best endeavours to provide such quantities of the Pharmaceutical as are required by the relevant DHB Hospital(s). Your obligations under this clause include, but are not limited to, using your best endeavours to:

- (a) source the Pharmaceutical from other suppliers and distributors within New Zealand; and
- (b) source the Pharmaceutical or a pharmaceutical that is the same brand as the Pharmaceutical from any overseas manufacturer, supplier or distributor, and air-freighting that stock to New Zealand (for which the relevant DHB Hospital will meet all reasonable costs) for supply, either under Medsafe's explicit consent to import, sell or

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distribute the Pharmaceutical or under section 29 of the Medicines Act 1981, to DHB Hospitals.

7. Defective and short-dated Pharmaceuticals

7.1 Pharmaceutical recall

- (a) In the event that you are required by the Ministry of Health or any other authorities to recall the Pharmaceutical or a particular batch of the Pharmaceutical, you will notify PHARMAC and the relevant DHB Hospitals immediately you become aware of the need to recall the Pharmaceutical or that batch of the Pharmaceutical.
- (b) You will use your best endeavours to provide replacement Pharmaceuticals to DHB Hospitals as soon as possible.
- (c) If you fail to provide replacement Pharmaceuticals or an Alternative Pharmaceutical within what DHBs consider to be a reasonable time frame, then DHB Hospital(s) may purchase an Alternative Pharmaceutical elsewhere. Any reasonable additional costs incurred by DHB Hospital(s) in purchasing such an Alternative Pharmaceutical will be met by you on demand by PHARMAC or the DHB Hospital(s) and will be recoverable from you as a debt due to PHARMAC and to the DHB Hospital(s), as applicable.
- (d) In the event that the Pharmaceutical or a particular batch of the Pharmaceutical is recalled as contemplated by paragraph (a) above, you shall immediately refund to DHB Hospitals all money paid by them to you for or on account of the Pharmaceutical or that batch of the Pharmaceutical and such money will be recoverable from you as a debt due to DHB Hospitals, unless you have provided a replacement Pharmaceutical to the relevant DHB Hospitals' satisfaction.
- (e) This clause confers a benefit on (and is enforceable by) DHB Hospitals in accordance with the Contracts (Privity) Act 1982.

7.2 Refund

In the event that any Pharmaceutical is recalled as contemplated by clause 7.1 of this Schedule, you shall immediately refund to the relevant DHB Hospitals all money paid by them to you for or on account of the Pharmaceutical and such money will be recoverable from you as a debt due to the relevant DHB Hospitals, unless you have provided a replacement Pharmaceutical to the relevant DHB Hospitals' satisfaction.

7.3 Shelf-life of Pharmaceutical

- (a) You will not supply the Pharmaceutical if:
 - (i) the remaining shelf-life of the Pharmaceutical is less than six months; or
 - (ii) where the total shelf-life of the Pharmaceutical is less than six months, the remaining shelf-life is less than 75% of the Pharmaceutical's total shelf-life,without prior agreement from the relevant DHB Hospital.
- (b) If you have an agreement with the relevant DHB Hospital to supply the Pharmaceutical, where the total shelf-life of the Pharmaceutical is less than six months and the remaining shelf-life is less than 75% of the Pharmaceutical's total shelf-life, and that

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DHB Hospital does not use the Pharmaceutical before its expiry or use-by date, you agree to allow that DHB Hospital to return the Pharmaceutical to you and to provide that DHB Hospital with a credit for the Pharmaceutical.

- (c) This clause confers a benefit on (and is enforceable by) DHB Hospitals in accordance with the Contracts (Privity) Act 1982.

8. Out-of-stock arrangements

8.1 Notification of Potential Out-of-Stock Event and supply of Alternative Pharmaceutical

- (a) You must notify PHARMAC in writing as soon as you have reasonable cause to believe at any time that you will fail to supply the Pharmaceutical in accordance with this Agreement and, in any event, you must notify PHARMAC and the relevant DHB Hospitals if at any time a Potential Out-of-Stock Event occurs, including during the Hospital Supply Period or the First Transition Period.
- (b) If a Potential Out-of-Stock Event occurs, or your failure to supply the Pharmaceutical in accordance with this Agreement will result in insufficient stock of the Pharmaceutical being available, then at PHARMAC's option:
 - (i) PHARMAC may implement an arrangement with another supplier to supply an Alternative Pharmaceutical (including an arrangement for back-up supply); and/or
 - (ii) you must use your best endeavours to procure, as soon as practicable, an Alternative Pharmaceutical for supply to at a DHB Hospital's discretion, any Designated Delivery Points, and/or Contract Manufacturers (expressly for the purpose of compounding), at the Price, and if you are unable to do so you will pay to DHB Hospitals any additional costs incurred by DHB Hospitals as a result of the purchase price for the Alternative Pharmaceutical being higher than the Price.

8.2 General indemnity

You agree to indemnify DHB Hospitals and PHARMAC if you fail to supply the Pharmaceutical in accordance with this Agreement (other than for reasons that PHARMAC considers to be wholly outside your control) whether as a result of:

- (a) your inability to meet demand for supply of the Pharmaceutical;
- (b) your withdrawal of the Pharmaceutical from supply;
- (c) any failure to have and maintain a Consent as specified in clause 3 of this Schedule;
- (d) any failure to notify PHARMAC in accordance with clause 8.1 above; or
- (e) or for any other reason.

This indemnity:

- (f) covers all additional costs incurred by DHB Hospitals (or by PHARMAC on their behalf) as a result of your failure that are additional to any costs specified in clause 8.3; and

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- (g) confers a benefit on (and is enforceable by) DHB Hospitals in accordance with the Contracts (Privity) Act 1982.

8.3 Liquidated damages and specific indemnity

- (a) If you fail to supply the Pharmaceutical in accordance with this Agreement (other than for reasons that PHARMAC considers to be wholly outside your control) and:
 - (i) you have not notified PHARMAC and the relevant DHB Hospitals under clause 8.1 of this Schedule, then without prejudice to PHARMAC's and the relevant DHB Hospitals' rights under clause 8.2 above:
 - (A) you must pay to PHARMAC (on behalf of DHB Hospitals) liquidated damages for the administrative and/or operational costs incurred by PHARMAC and DHB Hospitals as a result of your failure to supply in the amount of \$50,000 (plus GST) per Pharmaceutical in respect of which you failed to notify PHARMAC; and
 - (B) you must indemnify DHB Hospitals and PHARMAC for all costs (if any) incurred in securing and purchasing an Alternative Pharmaceutical for the period in which you fail to supply the Pharmaceutical in accordance with this Agreement, provided that such indemnity will not exceed a dollar amount equal to the Unit Price multiplied by the number of Units of the Pharmaceutical estimated by PHARMAC as having been purchased by all DHB Hospitals in the previous 12 months; or
 - (ii) you have notified PHARMAC and the relevant DHB Hospitals under clause 8.1 of this Schedule, then without prejudice to PHARMAC's and the relevant DHB Hospitals' rights under clause 8.2 above:
 - (A) you must pay to PHARMAC (on behalf of DHB Hospitals) liquidated damages for the administrative and/or operational costs incurred by PHARMAC and DHB Hospitals as a result of your failure to supply in the amount of \$5,000 (plus GST) per Pharmaceutical in respect of which you notified PHARMAC; and
 - (B) you must indemnify DHB Hospitals and PHARMAC for all costs (if any) incurred in securing and purchasing an Alternative Pharmaceutical for the period in which you fail to supply the Pharmaceutical in accordance with this Agreement, provided that such indemnity will not exceed a dollar amount equal to one quarter of the Unit Price multiplied by the number of Units of the Pharmaceutical estimated by PHARMAC as having been purchased by all DHB Hospitals in the previous 12 months.
- (b) If, having notified PHARMAC and the relevant DHB Hospitals under clause 8.1 of this Schedule, you remain able to, and you continue to, supply the Pharmaceutical, or an Alternative Pharmaceutical in accordance with clause 8.1(b)(ii) of this Schedule, you will not be liable for any costs unless PHARMAC, in its sole discretion, has considered it necessary to enter into an arrangement with an alternative supplier under which PHARMAC or the relevant DHB Hospitals have agreed to make a payment to that supplier to ensure continuity of supply, in which case you must indemnify the relevant DHB Hospitals and PHARMAC for that payment. Such indemnity will be limited to an amount of \$10,000 (plus GST) per Pharmaceutical.
- (c) You acknowledge and agree that:

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- (i) subject to paragraph (d) below the amounts of liquidated damages in this clause represent a reasonable estimate of the administrative and operational costs incurred by PHARMAC and DHB Hospitals (including the use of staff and loss of opportunity as a result of use of staff time, and communication costs), the estimate being based on PHARMAC's and DHB Hospitals' previous experience; and
- (ii) the amounts referred to as liquidated damages are not intended to include any penalty element nor any amount for costs relating to the securing of an Alternative Pharmaceutical, or the purchasing of an Alternative Pharmaceutical,

provided that PHARMAC may, in its sole discretion, require you to pay less than the amount specified as liquidated damages if it is satisfied that the actual costs in the particular circumstances are less than the relevant amount so specified.

- (d) Where you notify PHARMAC under clause 8.1 above of a Potential Out-of-Stock Event or that you will fail to supply the Pharmaceutical in accordance with this Agreement, PHARMAC agrees to recover as liquidated damages under clause 8.3(a)(ii) of this Schedule only the amounts specified in paragraphs (a)(ii) and (b) of this clause, which represent only a portion of PHARMAC's and DHB Hospitals' costs actually incurred.
- (e) All amounts referred to in this clause are plus GST.

8.4 Limited liability during the First Transition Period

- (a) Notwithstanding any other provision in this Agreement, clauses 8.2 and 8.3 of this Schedule do not apply to the supply of the Pharmaceutical during the First Transition Period.
- (b) During the First Transition Period, you must use your best endeavours to supply sufficient stock of the Pharmaceutical to meet reasonably foreseeable demand for supply of it to DHB Hospitals in New Zealand.

9. Termination, restrictions and Crown Direction

9.1 Termination and restrictions for clinical reasons

PHARMAC reserves the right, but only after consultation with you and a relevant medical adviser (being either the Ministry of Health, HPAC, PTAC, or a sub-committee of HPAC or PTAC), to:

- (a) terminate this Agreement at any time during the Hospital Supply Status Period or the First Transition Period if the medical adviser determines for clinical reasons that it is no longer appropriate to have either:
 - (i) any Pharmaceutical, including the Pharmaceutical or any relevant Alternative Pharmaceutical, having Hospital Supply Status of that form and strength of the Pharmaceutical with Hospital Supply Status; or
 - (ii) the Pharmaceutical as the brand having Hospital Supply Status; and/or
- (b) impose at any time during the Hospital Supply Status Period or the Transition Periods restrictions on the prescribing or dispensing of a Pharmaceutical if those restrictions are necessary for clinical reasons.

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9.2 Crown Direction

- (a) You acknowledge that PHARMAC must comply with any Crown Direction.
- (b) PHARMAC may terminate or amend the Agreement, or impose restrictions on the prescribing or dispensing of a Pharmaceutical, at any time during the Hospital Supply Status Period or the Transition Periods, if the termination, amendment or imposition of restrictions is required to give effect to a Crown Direction.
- (c) In the event that a Crown Direction is issued to PHARMAC that requires an amendment to be made to this Agreement to give effect to that direction:
 - (i) PHARMAC will give you as much notice as practicable of the Crown Direction and of any amendments to this Agreement that are required to give effect to that direction;
 - (ii) the Agreement will be deemed to be amended so as to give effect to the Crown Direction from the date when such direction is due to take effect; and
 - (iii) you may terminate this Agreement on not less than six months' written notice to PHARMAC where the effect of the amendment required under sub-paragraph (ii) above is such that it is no longer viable, financially or otherwise, for you to continue supplying the Pharmaceutical or to perform your obligations under this Agreement.

9.3 Termination following an audit

PHARMAC may terminate the Agreement, or withdraw Hospital Supply Status in relation to, or revise DV Limits for, a Pharmaceutical, at any time during the Hospital Supply Status Period or the Transition Periods, if you fail to remedy any area of non-compliance in accordance with clause 11(b) of this Schedule.

10. Guarantee

- (a) PHARMAC may require an entity acceptable to it to provide a guarantee (in a form satisfactory to PHARMAC) of your performance obligations under clauses 8.2 and 8.3 of this Schedule including, without limitation, the payment of any sum payable under the indemnity or as liquidated damages pursuant to those clauses for any failure to supply the Pharmaceutical in accordance with this Agreement during the Hospital Supply Status Period.
- (b) The guarantor's liability under such a guarantee will be limited to a total of \$100,000 per Pharmaceutical for all claims made by PHARMAC under the guarantee.

11. Audit

- (a) PHARMAC may, from time to time, review your records and any other information you hold that relates to this Agreement with regard to stock levels, registration information and supply issues, for the purposes of auditing your compliance with this Agreement. In these circumstances, PHARMAC, in consultation with you, will determine the terms and manner of any such audit, which as a minimum, must include the following:
 - (i) the audit will be conducted by an auditor authorised by PHARMAC;

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- (ii) you agree to co-operate fully with PHARMAC and provide PHARMAC and the auditor with all reasonable assistance to ensure that any audit conducted under this clause is fully and properly completed to PHARMAC's satisfaction, including:
 - (A) allowing the auditor access to your premises, records and other information you hold that relates to this Agreement with regard to stock levels, registration information and supply issues for the purposes of, and during the course of, conducting the audit;
 - (B) answering promptly any questions from PHARMAC or the auditor concerning any aspect of your compliance with this Agreement;
 - (iii) PHARMAC will give you 10 business days' notice of its intention to conduct an audit under this clause and will ensure that the conduct of any such audit, and access in terms of sub-paragraph (A) above, does not unreasonably disrupt your business operations.
- (b) PHARMAC will notify you in writing if an audit under this clause reveals any non-compliance with this Agreement. You agree to remedy any non-compliance within 10 business days of receiving such notice from PHARMAC.
 - (c) PHARMAC will use its best endeavours to audit compliance by DHB Hospitals with the DV Limits and related requirements set out under this Agreement.

12. Access by PHARMAC to price and volume data

- (a) You acknowledge that PHARMAC and its agents will require access to price and volume data held by you and DHB Hospitals in respect of the Pharmaceutical covered by this Agreement to assist PHARMAC to carry out its statutory function in relation to managing the purchasing of hospital pharmaceuticals on behalf of DHBs.
- (b) Notwithstanding any other provisions in this Agreement, including clauses 9.1 and 9.2 of Schedule Three regarding confidential information, you agree that where the circumstances in this clause apply, a DHB Hospital may provide PHARMAC and its agents with any price and volume data held by that DHB Hospital in respect of a Pharmaceutical covered by this Agreement and PHARMAC and its agents may provide such data on DHBs.
- (c) You agree that within 10 business days following any request from PHARMAC, you will provide PHARMAC with volume data in respect of the Pharmaceutical covered by this Agreement for each month of the period specified in that request.

13. Miscellaneous

13.1 Litigation support

If this Agreement or its terms (including the basis on which the Pharmaceutical is listed):

- (a) give rise to proceedings being issued against PHARMAC; or
- (b) result in PHARMAC being made a party to any proceedings issued by a third party,

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you will give PHARMAC all assistance it reasonably requires to gather evidence (including expert medical and clinical evidence) for the purpose of those proceedings.

13.2 Dispute resolution

If there is a dispute between us arising out of, or in connection with, this Agreement, neither of us is to commence any proceedings relating to that dispute until the following procedure has been complied with:

- (a) the party claiming a dispute has arisen must give written notice to the other party specifying the nature of the dispute;
- (b) we will endeavour, in good faith, to resolve the dispute referred to in the notice by using informal dispute resolution techniques;
- (c) if we do not agree on a dispute resolution technique within 14 days after the date notice of a dispute was given, the dispute is to be mediated according to the standard mediation agreement of LEADR New Zealand Incorporated (Lawyers Engaged in Alternative Dispute Resolution), and the Chair of LEADR (or the Chair's nominee) will select the mediator and determine the mediator's remuneration;
- (d) a party seeking urgent interlocutory relief may, by notice to the other party, elect not to comply with the provisions of this clause, but only to the extent of the relief sought, and only for the period required to dispose of the application for interlocutory relief; and
- (e) pending resolution of the dispute, this Agreement will remain in full effect without prejudicing our respective rights and remedies.

For the avoidance of doubt you acknowledge and agree that PHARMAC may elect to involve any relevant DHB in any part of, or all, of the above procedure.

13.3 Advertising

You must not procure, or in any way participate or assist in, the publishing of any Advertisement that:

- (a) is aimed at consumers of pharmaceuticals; and which
- (b) breaches any applicable:
 - (i) statute or regulation, including the Fair Trading Act 1986, Medicines Act 1981 and Medicines Regulations 1984; or
 - (ii) industry standard, including the Advertising Standards Authority Codes of Practice and the Researched Medicines Industry Code of Practice.

For the purposes of this clause:

- (c) "**Advertisement**" means any words, whether written, printed or spoken, any pictorial representation or design, any sounds or visual images, or combination of sounds and visual images, or any other form of communication used or appearing to be used to promote:
 - (i) the sale of a Pharmaceutical; or

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- (ii) the use of a method of treatment involving a Pharmaceutical; and
- (d) references to a statute, regulation or industry standard include that statute, regulation or industry standard as amended or replaced from time to time.

13.4 **No derogation**

For the avoidance of doubt, the express provision of a remedy for, or consequence of, breach of any term of this Agreement does not derogate from any other legal right or remedy available to PHARMAC under this Agreement or otherwise in respect of such breach.

13.5 **No waiver**

A failure or delay by either of us to exercise any right arising under this Agreement is not a waiver of that right, and a waiver of a breach of this Agreement is not a waiver of any other breach.

13.6 **Agreement prevails**

Where any of your terms of supply, whether recorded on your invoices or in credit arrangements entered into or elsewhere, conflict with or detract from any of the terms of this Agreement, the terms of this Agreement will prevail and will apply to the exclusion of any of your terms or documentation.

13.7 **Entire agreement**

This Agreement:

- (a) is the entire agreement between us regarding the terms on which the Pharmaceutical is listed in Section H of the Pharmaceutical Schedule and purchased by DHB Hospitals; and
- (b) supersedes and extinguishes all prior agreements and understandings between us, and between you and any District Health Board regarding supply of the Pharmaceutical to DHB Hospitals.

13.8 **Amendments**

Amendments to this Agreement are only effective if in writing and signed by both of us.

13.9 **Assignment**

You will not permit any part of this Agreement to be transferred, assigned or sub-contracted (either directly or due to a change of ownership or control) without PHARMAC's prior written consent (such consent not to be unreasonably withheld). Any such consent may be given subject to such reasonable conditions as PHARMAC sees fit but no such consent will relieve you from any liability or obligation under the terms of the Agreement, and you will continue to be responsible for the acts, defaults and neglects of your transferee, assignee or sub-contractor.

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13.10 Further assurances

We both agree to execute any further documents and do any further acts within our power as may be reasonably necessary from time to time to give effect to the terms and intentions of this Agreement.

13.11 Contracts Privity

- (a) For the purposes of the Contracts (Privity) Act 1982, we both acknowledge that your obligations in this Agreement constitute promises which confer or are intended to confer a benefit on DHB Hospitals and related persons, and are enforceable at the suit of any such DHB Hospitals or persons.
- (b) Except as expressly provided in paragraph (a) above, the parties do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, and all the provisions of this Agreement shall be for the sole and exclusive benefit of the parties.

13.12 Jurisdiction and governing law

We each submit to the exclusive jurisdiction of the New Zealand courts and agree that this Agreement is governed by New Zealand law.

Schedule 6: Contract terms for Sole Supply Status

1. General

1.1 Operating Policies and Procedures

- (a) You acknowledge that:
- (i) PHARMAC is required to pursue the objectives, carry out the functions, and otherwise comply with the statutory obligations, prescribed for PHARMAC in the New Zealand Public Health and Disability Act 2000;
 - (ii) PHARMAC is subject to other statutory and public law obligations, which govern PHARMAC's decision-making processes;
 - (iii) PHARMAC has OPPs, which provide guidance on the way in which PHARMAC carries out its statutory responsibilities in relation to the management of the Pharmaceutical Schedule;
 - (iv) PHARMAC's OPPs may be amended or updated from time to time, following consultation with relevant groups;
 - (v) the actions which PHARMAC may take under its OPPs include (without limitation):
 - (A) listing new pharmaceuticals;
 - (B) changing guidelines or restrictions on the prescribing and dispensing of listed pharmaceuticals;
 - (C) changing the subsidy levels for pharmaceuticals as a result of PHARMAC adopting one of the strategies set out in the OPPs or by any other means;
 - (D) amending the basis on which pharmaceuticals are classified into therapeutic groups and sub-groups; and
 - (E) delisting pharmaceuticals, or delisting all or part of a therapeutic group or sub-group; and
 - (vi) any action taken by PHARMAC pursuant to its OPPs may impact on the listing of each Pharmaceutical.
- (b) PHARMAC agrees not to apply, amend or update its OPPs in order to avoid any of PHARMAC's obligations under Schedule Six of this Agreement.

1.2 Amendments to Pharmaceutical Schedule

PHARMAC will consult with you before amending the Pharmaceutical Schedule if a proposed amendment would have a material adverse effect on the listing of the Pharmaceutical.

2. Effect of Sole Supply Status

2.1 Subsidy arrangements

- (a) The Pharmaceutical will be subsidised, and you must supply it, during the First Transition Period:
 - (i) if the Pharmaceutical is already listed, at the price at which it was subsidised at the commencement of the First Transition Period;
 - (ii) if the Pharmaceutical is not already listed, but other brands of the Chemical Entity are listed, at the reference price for the therapeutic sub-group of which the Pharmaceutical is a member as at the date of listing; or
 - (iii) if no brand of the Chemical Entity is listed, at the Price.
- (b) The subsidy payable for the Pharmaceutical will be changed to the Price on the first day of the Second Transition Period and the subsidy payable for all other brands of that form and strength of the Chemical Entity that are listed will be changed accordingly.
- (c) All other brands of that form and strength of the Chemical Entity will be delisted on the first day of the Sole Supply Period, with the result that you will have Sole Supply Status for that form and strength of the Chemical Entity during the Sole Supply Period.
- (d) The Pharmaceutical will continue to be fully subsidised at the Price throughout the Second Transition Period and, subject to PHARMAC's other rights under this Agreement in relation to the Pharmaceutical, throughout the Sole Supply Period.
- (e) Subject to PHARMAC's other rights under this Agreement in relation to the Pharmaceutical, the Pharmaceutical will not be delisted during the Final Transition Period.

2.2 Exclusivity for the Sole Supply Period

- (a) Subject to PHARMAC's other rights under this Agreement in relation to the Pharmaceutical, PHARMAC will not subsidise another supplier's brand of the Pharmaceutical on the Pharmaceutical Schedule at any time during the Sole Supply Period.
- (b) This clause does not prohibit PHARMAC from entering into negotiations or arrangements with, or inviting tenders from, other suppliers to be the sole subsidised supplier of any forms and strengths of the Chemical Entity, if such supply commences after the end of the Sole Supply Period.
- (c) For the avoidance of doubt, PHARMAC may lower the subsidy applicable to a Pharmaceutical during the Final Transition Period as it sees fit, including lowering the subsidy of a Pharmaceutical as a result of the implementation of new tender arrangements.

2.3 Withdrawal of Sole Supply Status

- (a) PHARMAC may withdraw Sole Supply Status in relation to your supply of the Pharmaceutical (in which case clauses 2.1 and 2.2 of this Schedule will no longer

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apply), by written notice to you at any time during the Sole Supply Period or (in anticipation) during the First Transition Period or the Second Transition Period if:

- (i) you have failed to notify PHARMAC as required under clause 5.1 of this Schedule;
 - (ii) you are unable to supply the Pharmaceutical in accordance with this Agreement for a period of 30 days;
 - (iii) any Consent for the Pharmaceutical is withdrawn; or
 - (iv) clause 4(d)(i) of Schedule Nine applies.
- (b) Any withdrawal of Sole Supply Status is without prejudice to PHARMAC's rights under clauses 5.2 and 5.3 of this Schedule.

2.4 Suspension of Sole Supply Status

- (a) If, at any time during the Sole Supply Period or (in anticipation) during the First Transition Period or the Second Transition Period, you are unable to meet demand for the Pharmaceutical, or you notify PHARMAC under clause 5.1 of this Schedule of a Potential Out-of-Stock Event, or you otherwise fail to supply the Pharmaceutical in accordance with this Agreement, PHARMAC may suspend Sole Supply Status in relation to your supply of the Pharmaceutical for the period of such inability.
- (b) Any suspension of Sole Supply Status is without prejudice to PHARMAC's rights under clauses 5.2 and 5.3 of this Schedule.
- (c) PHARMAC may, at any time, in its sole discretion, notify you of the date on which the suspension of Sole Supply Status under this clause 2.4 ceases and on which date:
- (i) Sole Supply Status is to be re-implemented in respect of the Pharmaceutical; or
 - (ii) Sole Supply Status is to be withdrawn in accordance with clause 2.3 of Schedule Six.

2.5 Subsidy arrangements after the End Date

- (a) Subject to paragraph (b) below, the Pharmaceutical is to continue to be the subject of a listing agreement between you and PHARMAC with effect from the End Date, and accordingly:
- (i) you will cease to have Sole Supply Status for that form and strength of the Chemical Entity;
 - (ii) the Pharmaceutical will remain listed in Section B of the Pharmaceutical Schedule subject to PHARMAC's standard terms of supply for pharmaceuticals used in the community (as recorded in the then current Annex Three of PHARMAC's standard community contract template);
 - (iii) you may increase the price ex-manufacturer (exclusive of GST) at which you supply the Pharmaceutical to wholesalers and other such distributors on giving PHARMAC six months' written notice of that price increase. You may provide PHARMAC with this written notice at any time after, but not before, the End Date;

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- (iv) if PHARMAC does not increase the subsidy for the Pharmaceutical to the new price notified under paragraph (a)(iii) above, you may withdraw the Pharmaceutical from supply on not less than six months' prior written notice;
- (v) if PHARMAC does increase the subsidy for the Pharmaceutical to the new price notified under paragraph (a)(iii) above, you may withdraw the Pharmaceutical from supply on not less than two years' prior written notice (except where the withdrawal is for reasons that PHARMAC considers to be wholly outside of your control, in which case you must first provide to PHARMAC such information as it may require from you in order to satisfy it, in its sole discretion, that you are required to withdraw supply); and
- (vi) if at the time of providing notice under paragraph (a)(iii) above, you advise PHARMAC that you are required to purchase a significant quantity of extra stock of the Pharmaceutical to enable you to continue to supply for the two-year period, and you advise PHARMAC of the total cost of that stock, PHARMAC will either:
 - (A) use reasonable endeavours to enter into an agreement to reimburse you for stock that remains unsold at the end of that two-year period; or
 - (B) release you from your obligations to supply under this paragraph (a).
- (b) PHARMAC may at its sole discretion, with effect from the End Date:
 - (i) require that the Pharmaceutical does not continue to be the subject of a listing agreement, in which case PHARMAC will give you written notice not less than three months prior to the End Date; and/or
 - (ii) apply any of the strategies under PHARMAC's then current OPPs to the Pharmaceutical (including delisting the Pharmaceutical after the Final Transition Period).

3. Consents

3.1 Warranty and indemnity that Consents are held

You warrant that you have, and will maintain, all necessary Consents. If a Consent is not held by you or is withdrawn or the Pharmaceutical is no longer approved for the treatment of any indication for which it is subsidised, then:

- (a) PHARMAC is entitled to terminate this Agreement by 14 days' written notice to you; and
- (b) whether or not PHARMAC terminates this Agreement under paragraph (a) above, you are to indemnify the Funder for any additional costs incurred by it (or by PHARMAC on its behalf) as a result of that withdrawal. This clause confers a benefit on (and is enforceable by) the Funder in accordance with the Contracts (Privity) Act 1982.

3.2 Changed medicine notification

If the Ministry of Health approves any changed medicine notification for the Pharmaceutical, or for a variant of the Pharmaceutical:

- (a) you must immediately notify PHARMAC; and

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- (b) PHARMAC may take such action as it considers appropriate in relation to that Pharmaceutical or variant of the Pharmaceutical including (but not limited to):
 - (i) withdrawing Sole Supply Status for the Pharmaceutical; and
 - (ii) delisting the Pharmaceutical.

4. Price

4.1 Price change

You must change the price at which you supply the Pharmaceutical to the Price on the 12th day of the month immediately preceding the beginning of the Second Transition Period.

4.2 Supply price

During each of the Second Transition Period, the Sole Supply Period and the Final Transition Period, the price at which the Pharmaceutical is supplied by you must not exceed the Price.

4.3 Warranty that not less than cost price

You warrant that the price at which you are required to supply the Pharmaceutical under this Agreement is greater than the cost price of the Pharmaceutical (including, without limitation, the costs of manufacturing the Pharmaceutical and of supplying it to you for supply in New Zealand).

4.4 No reference pricing during Sole Supply Period

The subsidy payable for the Pharmaceutical will not be reduced as a result of a reduction in the reference price for the therapeutic sub-group of which it is a member during the Sole Supply Period. For the avoidance of doubt, PHARMAC will not be prevented from applying its reference pricing mechanisms to the Pharmaceutical to reduce the subsidy payable for it from the End Date.

5. Out-of-stock arrangements

5.1 Notification of Potential Out-of-Stock Event and supply of Alternative Pharmaceutical

- (a) You must notify PHARMAC in writing as soon as you have reasonable cause to believe at any time that you will fail to supply the Pharmaceutical in accordance with this Agreement and, in any event, you must notify PHARMAC if at any time a Potential Out-of-Stock Event occurs, including during the Sole Supply Period or the First Transition Period or the Second Transition Period, in which case PHARMAC may suspend Sole Supply Status in relation to your supply of the Pharmaceutical.
- (b) If a Potential Out-of-Stock Event occurs, or your failure to supply the Pharmaceutical in accordance with this Agreement will result in insufficient stock of the Pharmaceutical being available, then at PHARMAC's option:
 - (i) PHARMAC may implement an arrangement with another supplier to supply an Alternative Pharmaceutical (including an arrangement for back-up supply); or

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- (ii) you must use your best endeavours to procure wholesalers and other such distributors to supply, as soon as practicable, an Alternative Pharmaceutical to pharmacies at the Price, and PHARMAC will subsidise the Alternative Pharmaceutical at the Price.

5.2 General indemnity

You agree to indemnify the Funder if you fail to supply the Pharmaceutical in accordance with this Agreement (other than for reasons that PHARMAC considers to be wholly outside your control). This indemnity:

- (a) covers all costs incurred by the Funder (or by PHARMAC on its behalf) as a result of your failure to supply the Pharmaceutical in accordance with this Agreement that are additional to any costs specified in clause 5.3; and
- (b) confers a benefit on (and is enforceable by) the Funder in accordance with the Contracts (Privity) Act 1982.

5.3 Liquidated damages and specific indemnity

- (a) Subject to clause 5.4 below, if you fail to supply the Pharmaceutical in accordance with this Agreement (other than for reasons that PHARMAC considers to be wholly outside your control) and:
 - (i) you have not notified PHARMAC under clause 5.1 of this Schedule, then without prejudice to PHARMAC's rights under clause 5.2:
 - (A) you must pay to PHARMAC liquidated damages for the administrative and/or operational costs incurred by PHARMAC as a result of your failure to supply in the amount of \$50,000 (plus GST) per Chemical Entity; and
 - (B) you must indemnify the Funder or PHARMAC for all costs (if any) incurred in securing and subsidising an Alternative Pharmaceutical for the period in which you fail to supply the Pharmaceutical in accordance with this Agreement, provided that such indemnity will not exceed a dollar amount equal to the Unit Volume multiplied by the Unit Subsidy; and
 - (C) PHARMAC may withdraw Sole Supply Status in relation to your supply of the Pharmaceutical under clause 2.3 of this Schedule; or
 - (ii) you have notified PHARMAC under clause 5.1 of this Schedule, then without prejudice to PHARMAC's rights under clause 5.2:
 - (A) you must pay to PHARMAC liquidated damages for the administrative and/or operational costs incurred by PHARMAC as a result of your failure to supply in the amount of \$5,000 (plus GST) per Chemical Entity; and
 - (B) you must indemnify the Funder or PHARMAC for all costs (if any) incurred in securing and subsidising an Alternative Pharmaceutical for the period in which you fail to supply the Pharmaceutical in accordance with this Agreement, provided that such indemnity will not exceed a dollar amount equal to one quarter of the Unit Volume multiplied by the Unit Subsidy; and
 - (C) if you fail to supply the Pharmaceutical in accordance with this Agreement for more than 30 days, PHARMAC may withdraw Sole Supply Status in

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relation to your supply of the Pharmaceutical under clause 2.3 of this Schedule.

- (b) If, having notified PHARMAC under clause 5.1 of this Schedule, you remain able to, and you continue to supply, the Pharmaceutical, or an Alternative Pharmaceutical in accordance with clause 5.1(b)(ii) of this Schedule, you will not be liable for any costs unless PHARMAC, in its sole discretion, has considered it necessary to enter into an arrangement with an alternative supplier under which PHARMAC has agreed to make a payment to that supplier to ensure continuity of supply, in which case you must indemnify the Funder or PHARMAC for that payment. Such indemnity will be limited to an amount of \$10,000 (plus GST).
- (c) You acknowledge and agree that:
 - (i) the amounts of liquidated damages in this clause represent a reasonable estimate of the administrative and operational costs incurred by PHARMAC (including the use of staff and loss of opportunity as a result of use of staff time, and communication costs), the estimate being based on PHARMAC's previous experience; and
 - (ii) the amounts referred to as liquidated damages are not intended to include any penalty element nor any amount for costs relating to the securing of an Alternative Pharmaceutical, or the subsidisation of an Alternative Pharmaceutical,

provided that PHARMAC may, in its sole discretion, require you to pay less than the amount specified as liquidated damages if it is satisfied that the actual costs in the particular circumstances are less than the relevant amount so specified.

- (d) Where you notify PHARMAC under clause 5.1 above of a Potential Out-of-Stock Event or that you will fail to supply the Pharmaceutical in accordance with this Agreement, PHARMAC agrees to recover as liquidated damages under clause 5.3(a)(ii) of this Schedule only the amounts specified in paragraphs (a)(ii) and (b) of this clause, which represent only a portion of PHARMAC's costs actually incurred.
- (e) All amounts referred to in this clause are plus GST.

5.4 Limited liability during the First Transition Period

- (a) Notwithstanding any other provision in this Agreement, clauses 5.2 and 5.3 of this Schedule do not apply to the supply of the Pharmaceutical during the First Transition Period.
- (b) During the First Transition Period, you must use your best endeavours to supply sufficient stock of the Pharmaceutical to meet reasonably foreseeable demand for supply of it in New Zealand.

6. Termination, restrictions and Crown Direction

6.1 Termination and restrictions for clinical reasons

PHARMAC reserves the right, but only after consultation with you and a relevant medical adviser (being either the Ministry of Health, PTAC or its sub-committees), to:

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- (a) terminate this Agreement at any time during the Sole Supply Period or the First Transition Period or the Second Transition Period if the medical adviser determines for clinical reasons that it is no longer appropriate to have either:
 - (i) a sole subsidised supplier of that form and strength of the Chemical Entity; or
 - (ii) the Pharmaceutical as the sole subsidised brand; and/or
- (b) impose at any time during the Sole Supply Period or the Transition Periods restrictions on the prescribing or dispensing of a Pharmaceutical if those restrictions are necessary for clinical reasons.

6.2 Crown Direction

- (a) You acknowledge that PHARMAC must comply with any Crown Direction.
- (b) PHARMAC may terminate or amend the Agreement, or impose restrictions on the prescribing or dispensing of a Pharmaceutical, at any time during the Sole Supply Period or the Transition Periods, if the termination, amendment or imposition of restrictions is required to give effect to a Crown Direction.
- (c) In the event that a Crown Direction is issued to PHARMAC that requires an amendment to be made to this Agreement to give effect to that direction:
 - (i) PHARMAC will give you as much notice as practicable of the Crown Direction and of any amendments to this Agreement that are required to give effect to that direction;
 - (ii) the Agreement will be deemed to be amended so as to give effect to the Crown Direction from the date when such direction is due to take effect; and
 - (iii) you may terminate this Agreement on not less than six months' written notice to PHARMAC where the effect of the amendment required under sub-paragraph (ii) above is such that it is no longer viable, financially or otherwise, for you to continue supplying the Pharmaceutical or to perform your obligations under this Agreement.

7. Guarantee

- (a) PHARMAC may require an entity acceptable to it to provide a guarantee (in a form satisfactory to PHARMAC) of your performance obligations under clauses 5.2 and 5.3 of this Schedule including, without limitation, the payment of any sum payable under the indemnity or as liquidated damages pursuant to those clauses for any failure to supply the Pharmaceutical in accordance with this Agreement during the Sole Supply Period.
- (b) The guarantor's liability under such a guarantee will be limited to a total of \$100,000 per Chemical Entity for all claims made by PHARMAC under the guarantee.

8. Miscellaneous

8.1 Litigation support

If this Agreement or its terms (including the basis on which the Pharmaceutical is listed):

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- (a) give rise to proceedings being issued against PHARMAC; or
- (b) result in PHARMAC being made a party to any proceedings issued by a third party,

you will give PHARMAC all assistance it reasonably requires to gather evidence (including expert medical and clinical evidence) for the purpose of those proceedings.

8.2 Dispute resolution

If there is a dispute between us arising out of, or in connection with, this Agreement, neither of us is to commence any proceedings relating to that dispute until the following procedure has been complied with:

- (a) the party claiming a dispute has arisen must give written notice to the other party specifying the nature of the dispute;
- (b) we will endeavour, in good faith, to resolve the dispute referred to in the notice by using informal dispute resolution techniques;
- (c) if we do not agree on a dispute resolution technique within 14 days after the date notice of a dispute was given, the dispute is to be mediated according to the standard mediation agreement of LEADR New Zealand Incorporated (Lawyers Engaged in Alternative Dispute Resolution), and the Chair of LEADR (or the Chair's nominee) will select the mediator and determine the mediator's remuneration;
- (d) a party seeking urgent interlocutory relief may, by notice to the other party, elect not to comply with the provisions of this clause, but only to the extent of the relief sought, and only for the period required to dispose of the application for interlocutory relief; and
- (e) pending resolution of the dispute, this Agreement will remain in full effect without prejudicing our respective rights and remedies.

8.3 Advertising

You must not procure, or in any way participate or assist in, the publishing of any Advertisement that:

- (a) is aimed at consumers of pharmaceuticals; and which
- (b) breaches any applicable:
 - (i) statute or regulation, including the Fair Trading Act 1986, Medicines Act 1981 and Medicines Regulations 1984; or
 - (ii) industry standard, including the Advertising Standards Authority Codes of Practice and the Researched Medicines Industry Code of Practice.

For the purposes of this clause:

- (c) "**Advertisement**" means any words, whether written, printed or spoken, any pictorial representation or design, any sounds or visual images, or combination of sounds and visual images, or any other form of communication used or appearing to be used to promote:

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- (i) the sale of a Pharmaceutical; or
 - (ii) the use of a method of treatment involving a Pharmaceutical; and
- (d) references to a statute, regulation or industry standard include that statute, regulation or industry standard as amended or replaced from time to time.

8.4 No derogation

For the avoidance of doubt, the express provision of a remedy for, or consequence of, breach of any term of this Agreement does not derogate from any other legal right or remedy available to PHARMAC under this Agreement or otherwise in respect of such breach.

8.5 No waiver

A failure or delay by either of us to exercise any right arising under this Agreement is not a waiver of that right, and a waiver of a breach of this Agreement is not a waiver of any other breach.

8.6 Entire agreement

This Agreement and, to the extent applicable, the Invitation:

- (a) constitute the entire agreement between us regarding the terms on which the Pharmaceutical is listed and subsidised by the Funder; and
- (b) supersede and extinguish all prior agreements and understandings between us regarding the Pharmaceutical.

8.7 Amendments

Amendments to this Agreement are only effective if in writing and signed by both of us.

8.8 Assignment

You will not permit any part of this Agreement to be transferred, assigned or sub-contracted (either directly or due to a change of ownership or control) without PHARMAC's prior written consent (such consent not to be unreasonably withheld). Any such consent may be given subject to such reasonable conditions as PHARMAC sees fit but no such consent will relieve you from liability or obligation under the terms of the Agreement, and you will continue to be responsible for the acts, defaults and neglects of your transferee, assignee or sub-contractor.

8.9 Further assurances

We both agree to execute any further documents and do any further acts within our power as may be reasonably necessary from time to time to give effect to the terms and intentions of this Agreement.

8.10 Contracts Privity

- (a) For the purpose of the Contracts (Privity) Act 1982, we both acknowledge that your obligations in this Agreement constitute promises which confer or are intended to confer

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a benefit on the Funder and related persons, and are enforceable at the suit of the Funder and any such persons.

- (b) Except as expressly provided in paragraph (a) above, the parties do not intend to create rights in, or grant remedies to, any third party as a beneficiary to this Agreement, and all the provisions of this Agreement shall be for the sole and exclusive benefit of the parties.

8.11 Jurisdiction and governing law

We each submit to the exclusive jurisdiction of the New Zealand courts and agree that this Agreement is governed by New Zealand law.

Schedule 7: Hospital Back-up Supply Status standard terms

1. Standard terms

The following terms contained in clauses 2 to 4 of this Schedule Seven are the standard terms that are to apply to a Pharmaceutical in respect of which PHARMAC awards Hospital Back-up Supply Status. You and PHARMAC may agree to any additional terms, such as the reimbursement of stock and stock-holding arrangements, as a result of any negotiations carried out in accordance with clause 8.9 of Schedule Three.

2. Definitions

For the purposes of this Schedule only:

Agreement means this Schedule Seven, subject to any additional terms agreed between you and PHARMAC; and

Pharmaceutical means the relevant Tender Item for which you have submitted, and PHARMAC has accepted, a Hospital Back-up Supply Proposal.

3. Application of Schedule Five terms

The following terms in Schedule Five form part of this Agreement (incorporating any alterations or modifications necessary to give effect to those provisions in the context of this Schedule):

- (a) clause 1 (OPPs and amendments to the Pharmaceutical Schedule);
- (b) clause 3 (consents);
- (c) clause 4.2 (supply price);
- (d) clause 4.3 (warranty that not less than cost price);
- (e) clause 5 (invoicing and payment);
- (f) clause 6 (emergency and disaster supply);
- (g) clause 7 (defective and short-dated pharmaceuticals);
- (h) clause 8.2 (general indemnity);
- (i) clause 9.2 (Crown direction);
- (j) clause 11 (audit);
- (k) clause 12 (access by PHARMAC to price and volume data); and
- (l) clause 13 (litigation support, dispute resolution, advertising, no derogation, no waiver, agreement prevails, entire agreement, amendments, assignment, further assurances, contracts privity, jurisdiction and governing law).

4. **Notification of need for Hospital Back-up Supply**

At any time during the Hospital Supply Status Period, PHARMAC may notify you in writing that you are to supply the Pharmaceutical with effect from the date specified in the notice (which date will take into account the lead-time specified in your Hospital Back-up Supply Proposal Submission Form), in which case:

- (a) you must supply the Pharmaceutical to, at a DHB Hospital's discretion, any Designated Delivery Points, and/or Contract Manufacturers (expressly for the purpose of compounding), at the Price from the date specified in the notice until PHARMAC advises you to stop supplying the Pharmaceutical;
- (b) you must advise PHARMAC of your stock levels of the Pharmaceutical on a weekly basis, and at such other times as requested by PHARMAC, during that period of supply.

Schedule 8: Community Back-up Supply Status terms

1. Definitions

For the purposes of this Schedule only:

Agreement means this Schedule Eight;

Initial Stock means the number of Units of the Pharmaceutical that you must hold in New Zealand from the beginning of the Sole Supply Period until the earlier of:

- (a) the date on which the Initial Stock is exhausted; or
- (b) the End Date,

(being the same number of Units as specified in your Community Back-up Supply Bid Submission Form, or as otherwise agreed between you and PHARMAC);

Pharmaceutical means the relevant Tender Item for which you have submitted, and PHARMAC has accepted, a Community Back-up Supply Bid;

Reimbursement Sum means the sum to be paid by PHARMAC by way of reimbursement for any Unsold Stock in accordance with this Schedule; and

Unsold Stock means any Units of the Initial Stock (or any additional stock of the Pharmaceutical that PHARMAC has required you to purchase under clause 5 of this Schedule) that has not been sold by you to wholesalers and other distributors during the Sole Supply Period.

2. Application of Schedule Six terms

The following terms in Schedule Six form part of this Agreement (incorporating any alterations or modifications necessary to give effect to those provisions in the context of this Schedule):

- (a) clause 1 (OPPs and amendments to the Pharmaceutical Schedule);
- (b) clause 3 (consents);
- (c) clause 4.2 (supply price);
- (d) clause 4.3 (warranty that not less than cost price);
- (e) clause 5.2 (general indemnity);
- (f) clause 6.2 (Crown direction); and
- (g) clause 8 (litigation support, dispute resolution, advertising, no derogation, no waiver, entire agreement, amendments, assignment, further assurances, contracts privity, jurisdiction and governing law).

3. Initial Stock

- (a) You must ensure that at all times during the Sole Supply Period you have the Initial Stock available for immediate supply to wholesalers and other distributors.
- (b) You must manage the inventory of the Initial Stock so as to ensure that at any time throughout the Sole Supply Period the Initial Stock will not expire in the next 12 months.

4. Notification of need for Community Back-up Supply

At any time during the Sole Supply Period, PHARMAC may notify you in writing that you are to supply the Pharmaceutical with effect from the date specified in the notice (which date will take into account the lead-time specified in your Community Back-up Supply Bid Submission Form), in which case:

- (a) you must supply the Pharmaceutical to wholesalers and other distributors:
 - (i) at the Price; and
 - (ii) from the date specified in the notice until:
 - (A) PHARMAC advises you to stop supplying the Pharmaceutical; or
 - (B) the Initial Stock is exhausted; and
- (b) you must advise PHARMAC of your stock levels of the Pharmaceutical on a weekly basis, and at such other times as requested by PHARMAC, during that period of supply.

5. Additional Supply

PHARMAC may require you to continue to supply the Pharmaceutical after the Initial Stock is exhausted, in which case:

- (a) PHARMAC will give you as much notice as is practicable (and in any case no less than four weeks' notice) of that requirement prior to the exhaustion of the Initial Stock;
- (b) PHARMAC will advise you of the length of time it requires you to continue to supply the Pharmaceutical;
- (c) you must use your best endeavours to purchase additional stock of the Pharmaceutical in order to supply it for that period; and
- (d) PHARMAC will reimburse you:
 - (i) an amount calculated in accordance with clause 6 of this Schedule for any such additional stock that remains unsold at the End Date; and
 - (ii) for any additional costs reasonably incurred by you in purchasing that stock, provided that you have obtained the prior written approval of PHARMAC to such expenditure.

6. Reimbursement for Unsold Stock

Subject to clause 7, PHARMAC agrees to pay to you a Reimbursement Sum equal to the price per Unit of the Pharmaceutical (being the Price divided by the number of Units in the pack), multiplied by the number of Units of the Pharmaceutical that comprise the Unsold Stock (as determined by the independent person in accordance with clause 8 of this Schedule).

7. Conditions of reimbursement

- (a) PHARMAC will pay the Reimbursement Sum to you provided that:
- (i) all necessary Consents for the Pharmaceutical are held until at least 30 June 2006;
 - (ii) the Unsold Stock has an expiry date recommended by the manufacturer that is no earlier than 30 June 2006;
 - (iii) the Unsold Stock is of merchantable quality; and
 - (iv) the Unsold Stock remains in the original packaging in which it was, or was to have been, made available for retail sale and the batch number and recommended expiry date are not obscured or obliterated from that packaging.
- (b) You acknowledge and agree that, immediately following payment by PHARMAC of the Reimbursement Sum, PHARMAC will be deemed to be the owner of all of the Unsold Stock free from any encumbrance.

8. Calculation of reimbursement

The Reimbursement Sum is to be calculated in accordance with the following provisions:

- (a) a stock-take of the Unsold Stock is to be conducted on a date no earlier than the End Date. You are to give PHARMAC at least 20 business days' prior written notice of the date on which that stock-take is to be conducted;
- (b) the stock-take is to be carried out by an independent person appointed by PHARMAC and you or, if agreement on an acceptable person cannot be reached within seven days of the date you notify PHARMAC that you require a stock-take of the Unsold Stock, then by an independent person nominated by the Institute of Chartered Accountants of New Zealand for the purpose of carrying out the stock-take;
- (c) the independent person is to determine the number of Units of the Pharmaceutical comprising the Unsold Stock which (on the basis of the criteria set out in clause 7 of this Schedule) are to be taken into account for the purposes of determining the Reimbursement Sum;
- (d) the independent person will be required to complete his or her inspection, and to provide a written determination in that regard, within seven business days of acceptance of his or her appointment or nomination;
- (e) the independent person's determination is to be binding on both you and PHARMAC. In carrying out his or her inspection, the independent person is to be considered as acting as an expert and not as an arbitrator; and

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- (f) the costs incurred by the independent person in completing his or her inspection are to be met by PHARMAC.

9. Payment of reimbursement amount

The Reimbursement Sum is to be paid to you by PHARMAC within 60 days of the final calculation being made in accordance with this Schedule.

10. PHARMAC's rights in relation to the Unsold Stock

Once PHARMAC has paid the Reimbursement Sum to you, PHARMAC may, at its option:

- (a) take possession of the Unsold Stock;
- (b) list the Pharmaceutical on the Pharmaceutical Schedule and require you to sell the Unsold Stock, in which case you must repay the Reimbursement Sum to PHARMAC, less all reasonable costs incurred by you in selling that stock; or
- (c) take any other action that it sees fit in relation to the Unsold Stock.

11. Payment for stock-holding costs

- (a) In addition to the Reimbursement Sum, PHARMAC agrees to pay you, within 60 days of the End Date, an amount for stock-holding costs for the Unsold Stock equal to:
 - (i) 15% of the Unsold Stock as at 30 June 2004; plus
 - (ii) 15% of the Unsold Stock as at 30 June 2005; plus
 - (iii) 15% of the Unsold Stock as at 30 June 2006.
- (b) For the purposes of calculating the amount of Unsold Stock as at the dates specified under paragraph (a), PHARMAC may, on or about those dates, request a stock-take of the Unsold Stock to be carried out in accordance with the provisions of clause 8 of this Schedule (incorporating any alterations and modifications necessary to give effect to that provision in these circumstances).

Schedule 9: Additional contract terms for foreign exchange bid

1. Introduction

This Schedule sets out terms that will apply to your Tender Bid if you have submitted a Foreign Exchange Bid. The provisions in this Schedule are intended to operate as follows:

- (a) Your Foreign Exchange Bid will be converted into New Zealand dollars in order to establish an initial or base price.
- (b) The timing of this conversion is described in clause 2(a) of this Schedule and depends on whether or not your Tender Bid is accepted conditional on market approval.
- (c) The formula for calculating the base price is set out in clause 2(b) of this Schedule and is based on an average exchange rate over the period shortly before the base price is calculated.
- (d) The base price will be the initial Price under the Agreement.
- (e) The Price will be reviewed periodically under the Agreement.
- (f) The first review of the base price will occur on 30 June 2004.
- (g) After the review on 30 June 2004 (if applicable), a subsequent review will be held on 30 June 2005. For the avoidance of doubt, the review on 30 June 2005 is to occur for a Pharmaceutical with Sole Supply Status, and is only to occur for a Pharmaceutical with Hospital Supply Status if the HSS Renewed Terms applies.
- (h) At each review date, an exchange rate average for the preceding period will be determined.
- (i) The exchange rate average forms part of the formula described in clause 3(a) of this Schedule for calculating a new price.
- (j) If the calculated new price is between 95% and 105% of the price just preceding the review, there will be no change to the Price.
- (k) If the calculated new price is below 95% or above 105% of the Price, then you may supply the Pharmaceutical at a reviewed price that must be *less than or equal to* the price calculated under the formula. PHARMAC will subsidise the pharmaceutical at the level of that reviewed price unless the reviewed price is greater than 120% of the base price. In this case, your Sole Supply Status, or Hospital Supply Status, as applicable, is no longer guaranteed and PHARMAC may apply any of the strategies under its OPPs, and/or it may choose to subsidise the Pharmaceutical with Sole Supply Status at a level that is no more than 120% of the base price, and/or it may review the terms of listing of, and the extent to which DHB Hospitals may purchase a variant of, a pharmaceutical with Hospital Supply Status.
- (l) A reviewed price (if any) will apply until the next review date, at which time the same process will occur to determine another reviewed price (if any), except that the provisions relating to the subsidy cap of 120% will always be based on the base price.
- (m) There is provision in **clause 5** for you and PHARMAC to appoint an independent expert to determine any disputed calculation.

2. Establishment of Base Price in New Zealand dollars.

- (a) PHARMAC will determine the Base Price in New Zealand dollars as soon as practicable after:
- (i) in the case of an unconditional acceptance of your Tender Bid, the date which is 15 days prior to the date that PHARMAC's board of directors (or chief executive, where applicable) determines to accept your Tender Bid; or
 - (ii) in the case of acceptance of your Tender Bid being conditional on you obtaining market approval for the Pharmaceutical, the date on which such market approval is notified in the New Zealand Gazette.
- (b) The Base Price will be determined according to the following formula:
- Base Price = Price in Permitted Currency / Base Exchange Rate.**
- (c) PHARMAC will notify you of the Base Price as soon as practicable after making the calculation.
- (d) If there is a dispute between PHARMAC and you over the calculation of the Base Price, then that dispute will be resolved in accordance with clause 5 of this Schedule.
- (e) Once the Base Price is determined under this clause, it will be the Price under the Agreement until the first Exchange Rate Price Review.

3. Exchange Rate Price Review

- (a) As soon as practicable after the Date of an Exchange Rate Price Review and, in any case, no later than two weeks after that date, you are to:
- (i) calculate a price for the Pharmaceutical in accordance with the following formula:
- $$\text{Calculated Price} = \text{Base Price} \times \left(1 + \frac{\text{Risk Sharing Percentage}}{100} \times \left(\frac{\text{Base Exchange Rate}}{\text{Exchange Rate Average}} - 1 \right) \right)$$
- (ii) notify PHARMAC of the price calculated under sub-clause (a)(i) above (the **Calculated Price**), and provide PHARMAC with a copy of the calculations used to derive the Calculated Price.
- (b) PHARMAC will advise you, as soon as practicable after receiving your notification under paragraph (a)(ii) above, whether it agrees with the Calculated Price. If PHARMAC disputes the Calculated Price, then the price will be determined in accordance with clause 5 below.

4. Reviewed Price

- (a) Subject to paragraph (c) below, you must notify PHARMAC in writing, on the 7th day of the month following agreement on (or determination of) the Calculated Price, of the price (exclusive of GST) at which you will supply the Pharmaceutical until the next Exchange

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Rate Price Review, such price being a price that is less than or equal to the Calculated Price (the **Reviewed Price**).

- (b) The Reviewed Price will become the new Price under the Agreement from the first day of the month following the date on which you notify PHARMAC of the Reviewed Price. Therefore, that price must be effective in the market from the 12th day of the month on which you notify PHARMAC of the Reviewed Price.
- (c) If the Calculated Price is between 95% and 105% of the Base Price (or, if there has been an Exchange Rate Price Review, of the Reviewed Price), then you are to continue to supply the Pharmaceutical at the Base Price, or, if applicable, the Reviewed Price until the next Exchange Rate Price Review, or the end of the Sole Supply Period or the Hospital Supply Status Period, as applicable (whichever is earlier).
- (d) If the Reviewed Price is greater than 120% of the Base Price, then PHARMAC may:
 - (i) withdraw your Sole Supply Status or Hospital Supply Status, as applicable, in which case PHARMAC may, at its sole discretion, require the Pharmaceutical to remain listed subject to the terms of this Agreement, as applicable, from the date on which Sole Supply Status, or Hospital Supply Status, as applicable is withdrawn; and/or
 - (ii) apply any of the strategies under PHARMAC's OPPs to the Pharmaceutical, which may include:
 - (A) entering into negotiations or arrangements with other suppliers for the listing of other brands of the Pharmaceutical at any time on the Pharmaceutical Schedule; and
 - (B) calling for a further tender of the Pharmaceutical, which may result in the delisting of your brand of the Pharmaceutical; and/or
 - (iii) in relation to community supply, subsidise the Pharmaceutical at a subsidy that is no greater than 120% of the Base Price; and/or
 - (iv) in relation to hospital supply, review the terms of listing of, and the extent to which DHB Hospitals purchase that Pharmaceutical.

5. Dispute Over Price

- (a) If there is a dispute between PHARMAC and you over any price calculation, which you and PHARMAC cannot resolve within five days of the dispute arising (the **Initial Period**), then, as soon as possible following the expiry of that Initial Period, PHARMAC and you are to appoint an appropriately qualified independent person to determine the price. If there is no agreement on a mutually acceptable person within 15 days of the end of the Initial Period, then the price is to be determined by an appropriately qualified independent person appointed for that purpose by the President for the time being of the Institute of Chartered Accountants of New Zealand.
- (b) The independent person is to calculate the disputed price and, in doing so, is to be considered as acting as an expert and not an arbitrator.
- (c) As soon as practicable after the date of the independent person's appointment, and in any case no later than three days after that appointment, we shall both submit our

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calculations, in writing, to the independent person, together with any documentation supporting our calculations.

- (d) The independent person is to provide us with a written determination of the price, including the calculations used to derive that price, no later than 14 days from the date of his or her appointment under paragraph (a) above unless we agree otherwise. The independent person's determination of the price is to be final and binding on both of us.
- (e) The costs incurred by the independent person in completing his or her determination are to be shared equally by us, irrespective of the outcome of the determination.