

July 30, 2026

RE: Notice of Service Transition and Agreement Termination

We are writing to provide formal notice regarding the termination of our contract to buy products pursuant to the agreement between the J M Smith Corporation and its subsidiaries Smith Drug Company and Burlington Drug Company (collectively "The Company").

After careful consideration, the Company is moving through a planned business transition process and has made the decision to wind down its operations in a professional manner. As a result, the Company intends to discontinue purchasing all products and services following completion of its planned operational shutdown. Over the course of the next 60 days, the Company will continue to offer products and services to our customers up until the final shipping date of 9/30/2026. This will mean that the Company will discontinue purchasing products from its suppliers sometime during August.

Your organization remains important to supporting ongoing business activities as we work with our customers. The Company expects to continue working with suppliers in an orderly and professional manner through our transition and we expect to continue to purchase and replenish most items for the next several weeks and will look for assistance on the potential return of items remaining at the end of September.

Any outstanding invoices, credits, rebates, chargebacks, or other account balances will continue to be administered in accordance with existing contractual arrangements and applicable law. No issues or disruptions are anticipated during the transition process and our procurement, leadership and accounts payable teams will work with you directly regarding future volume requirements, planning assumptions, and any contract-related considerations.

This letter is intended to satisfy any applicable notice requirements under the Agreement and should be reviewed in conjunction with the specific terms and conditions contained therein.

Our Company appreciates the partnership we have built with you and we look forward to working together throughout this process.

Please contact your account representative with any questions regarding this notice or transition planning activities.

Sincerely,



Wade Lewis
President
Smith Drug Company