

California – Declaration of Compliance

This is a brief overview of the California state law. For complete details and other state laws, visit the [Ethics & Compliance page](#) on MySchein to review the **US Transparency Guidance** section. **Questions?** Please direct them to your manager, or SunshineAct@henryschein.com

What?	TOVs in scope of the \$2,500 aggregate spend limit per HCP and year
California law (California Health & Safety Law §§ 119400-119402) requires HSI to: (1) develop and implement a comprehensive compliance program (“CCP”); (2) establish an annual spending limit on items of value provided to California HCPs (defined below); and (3) annually declare in writing, compliance with the CCP and California law and make it available to the public.	Food and Beverage: food and beverage provided during an accredited/unaccredited educational event or informational presentations Gift: anything of value that is given voluntarily and to the benefit of a practitioner, without compensation or service in return Prohibited: Henry Schein does not allow gifts or entertainment
Who is in scope?	TOVs which may not be provided per HSI policies but would be in scope if an exception was granted by business leader in consultation with Ethics & Compliance Team: <ul style="list-style-type: none"> • Education: free/subsidized accredited/unaccredited education • Educational Materials: reprints with market value, textbooks • Travel and Lodging: for accredited/ unaccredited educational events • Promotional Materials: a giveaway or other promotional item with market value (does not include HSI brochures or product catalog)
All Medical and Health Professionals as defined by California law: <ul style="list-style-type: none"> • persons licensed by California law to prescribe drugs for human patients (e.g., physicians, dentists, physician assistants, advanced practice registered nurses licensed in CA); • medical students; and • members of drug formulary committees. 	TOVs out of scope of the annual aggregate spend limit
Annual Spending Limit Per California HCPs	Product training on the safe and effective use of products, evaluation event for non-portable equipment and associated costs for food, beverages, travel and lodging for such events
<ul style="list-style-type: none"> • The annual aggregate spending limit is \$2,500 per HCP and year. • The aggregate value of items in scope (see overview) may not exceed such limit. 	Evaluation and demonstration product: samples/equipment loaner for evaluation purposes, product for demonstration
How to stay in compliance?	Fee for Service: upfront signed agreement approved by Ethics & Compliance Team, service is necessary and appropriate, paid at fair market value and associated costs for food, beverages, travel and lodging
Understand and comply with our Marketing Code of Conduct, any applicable state and country laws and regulations, as well as company policies and procedures. Before a TOV may be provided you need to confirm that the activity is in compliance with our Marketing Code of Conduct and our gift ban policy.	In-kind item for charitable purpose: in-kind items donated to a practice/HCP to support the mission trip or the care for indigent

Non-compliance and potential consequences

Failure to comply may expose HSI to **severe civil penalties and random audits**. Compliance is **mandatory** and individuals who fail to comply may be **subject to disciplinary action**, up to and including **termination** and recovery of all related penalties. **You must promptly** report known and/or suspected violations to your manager, the [Ethics & Compliance Team](#), or the [compliance helpline](#).