This Agreement (the “Agreement”) governs your pharmacy’s (“Pharmacy,” “You” or “Your”) participation in the below-referenced programs, including, without limitation, the LoyaltyScript® Program (“LoyaltyScript®”) and Trial Scripts® Program (“Trial Scripts®”), each a “Program” and together the “Programs.” The Programs are administered by RxC Acquisition Company d/b/a RxCrossroads by McKesson (as successor in interest to McKesson Specialty Arizona Inc.), having its operations at 5701 North Pima Road, Scottsdale, Arizona 85250 (“Administrator”). Throughout this Agreement, Administrator and Pharmacy may be referred to individually as a “Party” or collectively as “Parties.”

WHEREAS, Administrator offers transaction-adjudication services to certain manufacturers of pharmaceutical products (the “Customer(s)”) and has established electronic systems to process and adjudicate transactions and provide related administrative, marketing, and other services (the “Services”).

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Program Participation. Program benefits may be made available through the use of an identifier, which may come in the form of a plastic or paper card, coupon or voucher in either physical or electronic form (the “Cards”). With respect to each Program, Pharmacy understands and agrees that: (i) the Cards may be pre-activated or require enrollment of the patient in the Program; (ii) participation by Pharmacy and patients in the Program is subject to this Agreement, federal and state law, and any additional criteria established by the Administrator’s Customer(s) (which criteria may vary by Program); (iii) the eligibility criteria are subject to change without notice; and (iv) some patients may not qualify for participation in the Program. Patients eligible to participate in the Program (the “Eligible Patients”) may use the Card at point of sale. Except as expressly permitted by criteria established by Administrator’s Customer, beneficiaries of any state or federally funded healthcare programs, including but not limited to, Medicare, Medicaid, TriCare, VA, DOD, etc., (“Government Beneficiaries”) are ineligible for participation in the Program and Pharmacy will not submit transactions for Government Beneficiaries. Pharmacy will provide the designated pharmaceutical drug product or device for which the respective Customer will provide savings (“Covered Drug”) to Eligible Patients in the same manner as such services are provided in the ordinary course of business absent this Agreement, without preference or discrimination. Prior to submitting a transaction to a Program, Pharmacy will: (i) confirm it has a valid prescription for the Covered Drug; (ii) confirm patient meets all applicable eligibility criteria as set forth on the Card, collateral materials, Customer website or other Program documentation; and (iii) confirm patient is not a Government Beneficiary, unless Program expressly permits Government Beneficiaries to participate. Pharmacy will timely submit the transaction to the Program using the current Administrator’s payor sheet (available upon request) and NCPDP transactional standards. Pharmacy will dispense prescription to the Eligible Patient not more than fourteen (14) calendar days after submitting a transaction to the Program and collect from the Eligible Patient the amount indicated by the online system, if any.

2. Program Payments. On behalf of Customer, Administrator will pay Pharmacy the amount indicated by the transaction response for transactions properly submitted to Administrator in accordance with this Agreement, including the applicable program-specific Exhibit (“Amount Due Pharmacy”). If Pharmacy collects from the Eligible Patient more than the amount indicated on a Program transaction response, such action will constitute a material breach of this Agreement. A transaction response indicating a claim is payable is not a guarantee of payment. Administrator reserves the right to review all claims submitted by Pharmacy, at any time, for compliance with this Agreement and Program requirements. Administrator may deny claims for noncompliance, delay payment for further review of claims, or withhold payment for non-compliant claims prior to remitting payment to Pharmacy. If Administrator has paid to Pharmacy claims it subsequently determines were non-compliant, Administrator may retroactively deny such claims and recoup or offset amounts paid from future Amounts Due Pharmacy, if any. In the event Administrator delays or withholds payment or denies a claim pursuant to this Agreement, Pharmacy may not balance bill the patient or seek to recover any additional payment from the patient for the related claim. If Administrator or Pharmacy terminates Pharmacy’s participation or Administrator determines, in its sole discretion, future Amounts Due Pharmacy, if any, would be less than amounts Administrator intends to recoup, Administrator may send Pharmacy written demand for payment, which Pharmacy will pay in full within fifteen (15) calendar days. Administrator may offset any amounts owed to Administrator by Pharmacy against any amounts due to Pharmacy...
by any Administrator affiliate. Under no circumstances will Pharmacy be entitled to receive any payments other than the Amount Due Pharmacy for the Program under which a Pharmacy is processing the transaction on behalf of the Eligible Patient.

3. Program Participation and Reimbursement. Program participation and reimbursement terms, including those set forth in the applicable program-specific Exhibit, may be revised by Administrator, at any time, in its sole discretion, becoming effective upon publication at http://mckesson.com/mpstnc.

4. Pharmacy Remittance. Administrator may elect to remit payment to Pharmacy by check or electronic funds transfer in its sole discretion. The method of payment may be subject to change at any time.

5. Proprietary Notices. Pharmacy understands and agrees that Pharmacy is not granted any rights, title, interest or licenses in any trademarks, service marks, product names, or business names of Administrator, its Customers, or any affiliates thereof.

6. Communications. Pharmacy will restrict its communications about Programs to those specifically authorized by this Agreement or direction from Administrator. Pharmacy will not advertise the Programs or any waiver or reduction of co-pays or other patient liability in connection with this Agreement without Administrator’s express, written approval.

7. Adverse Events or Product Quality Complaints. You agree to report any adverse event information or product quality complaints to the Customer or manufacturer of the Covered Drug in accordance with applicable law.

8. Insurance. Pharmacy will maintain a general liability insurance policy, a separate products insurance liability policy and a separate pharmacist professional liability insurance policy, with each policy having limits of at least one million U.S. dollars ($1,000,000.00) per occurrence and three million U.S. dollars ($3,000,000.00) in the annual aggregate for personal injury and property damage, and each carried with a company(ies) licensed to provide insurance in the state(s) in which Pharmacy is located. Any insurance carried by Pharmacy hereunder will be on an occurrence basis, and Pharmacy shall notify Administrator at least thirty (30) days prior to the cancellation of such insurance and name Administrator as an additional insured. Upon Administrator’s request, Pharmacy will provide Administrator with a certificate of such insurance.

9. NO WARRANTIES. PHARMACY AGREES THAT ITS PARTICIPATION IN THE PROGRAM IS STRICTLY VOLUNTARY AND AT PHARMACY’S OWN RISK. PHARMACY UNDERSTANDS AND AGREES THAT ADMINISTRATOR, CUSTOMERS, AND PATIENTS DISCLAIM ANY AND ALL WARRANTIES, REPRESENTATIONS AND CONDITIONS, WHETHER EXPRESS OR IMPLIED, WITH RESPECT TO THE PROGRAM AND PHARMACY’S PARTICIPATION IN IT. PHARMACY FURTHER UNDERSTANDS AND AGREES THAT, EXCEPT FOR THE AMOUNT DUE PHARMACY, AS DEFINED HEREIN, PHARMACY IS NOT ENTITLED TO PAYMENT OR COMPENSATION OF ANY KIND.

10. Pharmacy will make no representations or warranties of any kind on behalf of Administrator, its Customers, their respective products or Programs, or patients. Administrator will not be liable for any claim, injury, demand or judgment based on tort or other grounds (including, without limitation, warranty of merchantability) arising out of the sale or dispensing of any prescription drug provided by Pharmacy to any person or arising out of Pharmacy’s negligence, violation of law, or willful misconduct; and Pharmacy agrees to defend Administrator and indemnify and hold Administrator harmless from and against any and all such claims, injuries, demands and judgments, including, without limitation, payment of all costs and attorneys’ fees.

11. Limitation of Liability. PHARMACY UNDERSTANDS AND AGREES THAT IN NO EVENT WILL ADMINISTRATOR, CUSTOMERS, PATIENTS, OR THEIR RESPECTIVE OFFICERS, DIRECTORS, SUBSIDIARIES, AFFILIATES, OR SUPPLIERS BE LIABLE FOR DAMAGES OF ANY KIND, WHETHER DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, OR OTHERWISE, HOWEVER CAUSED AND REGARDLESS OF THE THEORY OF LIABILITY, ARISING OUT OF THESE TERMS OR PHARMACY’S PARTICIPATION IN THE PROGRAM, EVEN IF ADMINISTRATOR HAS BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGES.
12. Termination. Pharmacy understands and agrees Pharmacy’s participation in any or all Programs may be terminated at any time, with or without cause. Notwithstanding the foregoing, Pharmacy will no longer be eligible to participate in the Program or Programs, or receive any Payment, if Administrator, in its sole discretion, determines Pharmacy has failed to comply with the terms of this Agreement with respect to any Program or Programs. Administrator will not be liable to Pharmacy or any third party for damages resulting from termination of the Program, or Pharmacy’s participation in it. Pharmacy may terminate its participation in the Program at any time by giving ten (10) days’ prior, written notice to Administrator. If Pharmacy continues to submit Program transactions to Administrator after giving Administrator notice of termination, Pharmacy’s notice will become null and void and of no further force or effect. Administrator will process such transactions at the then current Amount Due Pharmacy calculation in effect for the Program. Sections 5, 7, 8, 9, 10, 11, 13, 15 and 16 of this Agreement, and any other provisions which by their terms are intended to survive, will survive the termination of the Program and Pharmacy’s participation in it.

13. Audit and Review Rights. Administrator or its designee will have the right upon prior written notice, and during normal business hours, during the term of this Agreement and for a period of two (2) years thereafter, subject to applicable law (including those governing confidentiality), to audit or review Pharmacy’s records as they pertain to Pharmacy’s compliance with this Agreement. In the event that any such audit or review reveals any erroneous amounts paid to Pharmacy, Pharmacy agrees to pay Administrator any such amounts within fifteen (15) calendar days of written demand by Administrator. Pharmacy shall provide access to records or requested records within a reasonable period of time not to exceed fifteen (15) business days, unless a longer period of time is agreed to by the Parties in writing. The rights provided in this Section will be cumulative and in addition to any other rights or remedies that may be available to Administrator.

14. Compliance. Failure by Pharmacy to comply with this Agreement, including without limitation, failure to limit Pharmacy’s charge to Eligible Patients as set forth in this Agreement, including the Program Payments section, may result in your disqualification to submit transactions for any or all Programs and Administrator will have no further obligation to process any transactions submitted by Pharmacy or to remit payment to Pharmacy.

15. Confidentiality. The Parties agree that the terms hereof, including, without limitation, the financial terms, are to be treated as proprietary and confidential information and are not to be released to third parties unless required by law or valid legal process. In addition, any confidential and proprietary information, materials and know-how, both technical and non-technical, disclosed by one Party to the other will be treated as confidential information. Further, Pharmacy will not use or disclose data collected from any Eligible Patient for any purpose other than to process transactions pursuant to this Agreement, including, without limitation, reporting to third-parties or marketing any other products or services.

16. Miscellaneous. The Parties agree to comply with all federal and state laws applicable to their respective obligations hereunder and with regard to pharmacies specifically. Pharmacy shall comply with all federal and state laws applicable to Pharmacy and participation in the Program. This Agreement will be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to the conflicts of law principles thereof. All notices required or provided for under this Agreement will be in writing, and will be sent by certified or registered mail, or by overnight delivery service which requires a receipt (such as Federal Express), addressed to the Administrator’s address provided above or if to Pharmacy at the address associated with Pharmacy’s NCPDP# or NPI. The Parties are independent contractors, and nothing contained herein will be construed as creating any agency, partnership, or other form of joint enterprise between the Parties. If any portion of the Agreement is found to be void or unenforceable, it will be enforced to the extent allowable, and the remaining provisions will remain in full force and effect. This Agreement constitutes the entire agreement of the Parties with respect to Pharmacy’s participation in the Program.

17. AMENDMENTS TO THE AGREEMENT. ADMINISTRATOR MAY, WHETHER REQUIRED BY CHANGES IN LAW OR OTHERWISE, MODIFY THIS AGREEMENT, INCLUDING THE TERMS GOVERNING THE FORMULA USED TO CALCULATE THE AMOUNT DUE PHARMACY AND PROGRAM TRANSACTION FEES. EACH SUCH MODIFICATION WILL BE EFFECTIVE UPON POSTING AT AND WILL APPLY TO ALL CLAIMS. PHARMACY AGREES THAT IT WILL MAKE COMMERICALLY REASONABLE EFFORTS TO ACCESS THE WEBSITE TO REVIEW ANY MODIFICATIONS PERIODICALLY BUT NO LESS THAN EVERY 90 DAYS.
LOYALTYSCRIPT® Card Program Participation and Reimbursement Terms

1. Program Participation. Throughout the term of the Program, whenever an Eligible Patient presents his or her LOYALTYSCRIPT® Card to You along with a valid prescription for a Covered Drug (as defined in this paragraph below), You agree: to submit Your claim to McKesson using BIN #610524. If You do not transmit claims electronically, submit a Universal Claim form to McKesson at P.O. Box 52090, Phoenix, AZ 85072. Administrator may, at the request or direction of one or more Customers, revise the list of Covered Drugs at any time and from time to time in its discretion. The LOYALTYSCRIPT® Card is not valid for use with any other prescription drug discount card, or manufacturer's coupon for the purchase of Covered Drugs. The LOYALTYSCRIPT® Card is not valid for prescriptions reimbursed under any federal health care program, including Medicare or Medicaid, or any similar state assistance program. The LOYALTYSCRIPT® Card is void where prohibited by law, void outside the United States of America and Puerto Rico, or where assigned or transferred.

2. Adjudication.

a. Primary Transaction Adjudication. “Primary Transaction” will mean a transaction that is submitted to Administrator where Administrator acts as the primary payor of benefits because the Eligible Patient is not covered by any third-party prescription benefit plan. All Primary Transactions must comply with the following procedures in dispensing Covered Drugs under the Program. Pharmacy will:

i. Transmit an electronic transaction request in accordance with the then current NCPDP transaction format;

ii. Accept a calculation for pricing of WAC plus an amount, plus a dispensing fee and a transaction fee or the Pharmacy’s U&C, plus any applicable sales tax, in each case, less any patient copayment amount all of which will be visible to pharmacy when the Primary Transaction is adjudicated.

iii. Collect the co-payment, if any, as directed by the online system.

b. COB Transaction Adjudication. “Coordination of Benefits” will mean the transactions submitted by pharmacy to Administrator that include the coordination of benefits or other payment segment of the current NCPDP transmission format. Administrator will accept Coordination of Benefit (“COB”) transactions from Pharmacies that transmit such a transaction in accordance with the then current NCPDP transaction format.

i. Administrator will pay to Pharmacy any applicable discount amount as indicated by Administrator’s system when the transaction is adjudicated less the patient’s co-pay amount plus a transaction fee, all of which will be visible to pharmacy when the transaction is adjudicated

ii. Collect the co-payment, if any, as directed by the online system.

c. “Wholesale Acquisition Cost” or “WAC” will mean the publicly available list price that approximates what retail pharmacies pay wholesalers for single source drugs, as published by a nationally recognized provider of pharmacy pricing data from time to time.

If you have any questions about pricing or fees payable for processing transactions, please call the Pharmacy Help Desk at 800.657.7613.