

## Participating Provider Agreement

This Participating Provider Agreement (the "Agreement") is entered into by and between Spectrum Pharmacy Solutions, LLC a Delaware Corporation (referred to herein as "SpectrumPS"), and 3241434312 (referred to herein as "Pharmacy"). SpectrumPS and Pharmacy may also be referred to herein individually as a "Party" and collectively as the "Parties". This Agreement shall be effective on the 11-8-2023 (the "Effective Date").

### BACKGROUND

SpectrumPS is a pharmacy benefit manager, which is establishing and managing a network of contracted pharmacies nationwide to provide pre-negotiated pharmacy services to SpectrumPS Clients (referred to herein as "Client(s)" or "Plan Sponsor(s)") which, include subscribers of SpectrumPS insurance plans, employer plans, hospice care plan, union health and welfare plans, and other prescription drug plans and programs. Pharmacy will fill prescription(s) for Client's patient (referred to herein as "Member" or "Members"). SpectrumPS is not an insurer. Pharmacy, as set forth in pharmacy's NCPDP profile, is a licensed Independent Pharmacy, a Chain, or a Pharmacy Service Administrative Organization (PSAO), that dispenses prescription drugs, medical supplies, and/or medical devices through duly licensed pharmacists.

The Parties desire to enter into this Agreement under which Pharmacy will dispense prescription drugs to Clients and Members as a participating SpectrumPS Pharmacy, in accordance with the terms and conditions herein.

NOW, THEREFORE, in consideration of the mutual promises and obligations herein contained, the Parties agree as follows:

### 1. DEFINITIONS

- 1.1 "SpectrumPS's Proprietary Information" shall mean: (i) this Agreement and all documentation now and hereafter related to the performance of this Agreement, including, without limitation, the Formulary and MAC list(s) as well as any changes, revisions, additions or deletions in the aforementioned; (ii) SpectrumPS's methods of doing business, including SpectrumPS's utilization review and quality assurance procedures and programs; (iii) any and all symbols, logos, trademarks, trade names, service marks, patents, inventions, copyrights, copyrightable material, trade secrets, personnel information, operating manuals, memoranda, work papers, notes, reports, customer or client lists, business information, operational techniques, prospect information, marketing programs, plans, and strategies, operating agreements, financial information and strategies, and computer software and other computer-related materials developed or used in SpectrumPS's business; and (iv) any documents, materials, or items not specifically listed above, which SpectrumPS designates as its proprietary information.
- 1.2 "Covered Prescription Services" shall mean any prescription order submitted by a Client for its active Member for a prescription drug, OTC drug, Behind-the-counter drug or a compounded drug included in the SpectrumPS's formulary for that Client.
- 1.3 "Affiliate" shall mean with respect to any person or entity, any other person or entity which directly or indirectly controls, is controlled by or is under common control with such person or entity.
- 1.4 "Average Wholesale Price" or "AWP" shall mean and refer to the up to date average wholesale price of a Covered Prescription Service based on the pricing source.
- 1.5 "Usual and Customary Charge" shall mean the price the Pharmacy would charge to a customer if such customer were paying cash for an identical Drug Product on that same day and excludes all discounts that Pharmacy may offer with respect to any particular cash transaction.
- 1.6 "Benefit Plan" shall mean the benefit provided to Members, including under any Medicaid Plan or Prescription Drug Plan. Benefit Plan coverage shall include, without limitation, any deductible or coverage gap provided for under such coverage, without regard to any subsidy by any third party of a Member's cost sharing obligations under the applicable Benefit Plan.
- 1.7 "Brand Name Drug" shall mean a drug marketed under a proprietary and trademark-protected name.
- 1.8 "Claim" shall mean a Pharmacy's billing or invoice for a single Prescription for Covered Prescription Services dispensed to a Member or a Client.
- 1.9 "Claims Processor" shall mean SpectrumPS or a third-party pharmacy claims processor with which SpectrumPS may contract.
- 1.10 "Clean Claim" shall mean a Claim, prepared in accordance with the standard formats promulgated by the National Council for Prescription Drug Programs, electronic, batch, and on paper, which contains all of the information necessary for processing (including, without limitation, the Member identification number, the Member's name and date of birth, Prescription Drug Product NDC number, drug quantity, days' supply, health care provider DEA/NPI number, NCPDP/NPI number of the Pharmacy, date of service, Submitted Cost Amount and the Usual and Customary Charge). Claims submitted in non-NCPDP standard format will not be considered a Clean Claim and will be subject to an additional claim processing charge. A Claim shall not be considered a "Clean Claim" if at SpectrumPS's sole discretion it is determined that such Claim is (i) discrepant, false and/or fraudulent, (ii) by an individual not authorized under applicable law or regulation to write or direct the related Prescription, or (iii) with respect to any Benefit Plan that is a "Federal health care program" as defined in 42 U.S.C. 1320a-7b, relates to a Prescription written or directed by an individual who is excluded from participation in any Federal health care program pursuant to applicable federal or state law (individually and collectively, a "Non-Clean Claim"). SpectrumPS's Non-Clean Claim determination shall be applicable regardless of whether SpectrumPS, Client, Member, and/or Pharmacy was aware of the same at the time such Prescription was processed by Pharmacy. Any amounts paid by any Member, SpectrumPS or Client for such Non-Clean Claim shall be subject to recoupment from Pharmacy by SpectrumPS.
- 1.11 "Client" shall mean any person or entity which has entered into, or in the future enters into, a written agreement with SpectrumPS pursuant to which SpectrumPS provides certain consultative, administrative, and/or claims processing services in connection with the operation of one or more Benefit Plans sponsored, issued or administered by such person or entity and/or that person's or entity's customer.
- 1.12 "Client's Proprietary Information" shall mean the Client's Benefit Plans and the information contained therein, including without limitation (i) information related to Members, employer groups, and participating providers, (ii) the financial arrangements between Clients and their Members, employer groups, and participating providers (iii) any and all symbols, logos, trademarks, trade names, and service marks developed or used in Client's business, and (iv) any documents, materials, or items not specifically listed above, which Client designates as its proprietary information.
- 1.13 "Cost-Sharing" or "Cost-Sharing Amounts" shall mean those coinsurance, copays, or other amounts which Pharmacy is entitled to collect from a Member for Covered Prescription Services in accordance with the terms and conditions of the Member's Benefit Plan.
- 1.14 "Covered Prescription Services" shall mean those Prescriptions and other pharmaceutical products, services (including, without limitation, those services set forth on Exhibit B attached hereto) and supplies dispensed by Pharmacy to a Member for which coverage is provided pursuant to the terms and conditions of the Benefit Plan.
- 1.15 "CMS" shall mean the Centers for Medicare and Medicaid Services, or any successor Government Authority.
- 1.16 "Drug Product" shall mean the Brand Name Drug or Generic Drug which is (i) required under applicable laws and regulations to be dispensed only pursuant to a Prescription and (ii) is approved by the FDA and also includes over-the counter (OTC), behind-the-counter, and compounded drugs dispensed pursuant to a prescription from a Client for its Member.
- 1.17 "Formulary" means the entire list of Drug Products, devices, products and/or supplies covered by the applicable Benefit Plan.
- 1.18 "FDA" shall mean the Federal Food and Drug Administration, or any successor Government Authority.
- 1.19 "Generic Drug" shall mean and refer to a drug product, whether identified by its chemical, proprietary or non-proprietary name, which is accepted by the FDA as therapeutically equivalent to an originator Drug Product.
- 1.20 "GLB" means the Financial Modernization Act of 1999 also known as the Gramm-Leach-Bliley Act (codified at 15 USC § 6801 et seq.), together with any rules and regulations from time to time promulgated thereunder, as may be amended, modified, revised or replaced or interpreted by any Governmental Authority or court.
- 1.21 "Government Authority" shall mean and include, but not limited to the Federal government, any state, county, municipal, or local government or any governmental department, political subdivision, agency, bureau, commission, authority, body or instrumentality or court, that might regulate the activities or operations of either party or parties' Affiliate or Client.
- 1.22 "HIPAA" shall mean and refer to the Health Insurance Portability and Accountability Act of 1996, and the rules and regulations adopted by HHS pursuant to HIPAA,

- including the Standards for Privacy of Individually Identifiable Health Information and the Security Standards for the Protection of Electronic Protected Health Information, 45 CFR parts 160 and 164 (subparts A, C, and E) as each may be amended, modified, revised or replaced or interpreted by any Government Authority or court
- 1.23 “HHS” means the United States Department of Health and Human Services or any successor Government Authority.
- 1.24 “MA-PD Plans” shall mean the CMS-approved MA-PD plans sponsored, issued or administered by Clients, as defined at 42 C.F.R. § 423.4, and includes, but is not limited to, private fee for service plans and special needs plans as defined in the Medicare Advantage rules and any CMS demonstration programs that provide prescription drug benefits. For purposes of this Agreement, “MA-PD Plan” also includes any employer-sponsored MA-PD plan referenced in 42 C.F.R. § 422.106.
- 1.25 “Marks” shall mean the name(s), logo(s), and other proprietary symbols and phrases belonging to an entity.
- 1.26 “Maximum Allowable Cost” or “MAC” shall mean the lists developed by SpectrumPS specifying the maximum unit ingredient cost payable to Pharmacy for dispensing any Drug Product included on such lists, all in accordance with applicable laws and regulations. Pharmacy acknowledges that MAC is subject to periodic review and modification by SpectrumPS.
- 1.27 “Member” or “Beneficiary” shall mean an individual who is eligible and enrolled to receive coverage through a Benefit Plan from a Client for Covered Prescription Services.
- 1.28 “CALIFORNIA Medicare and Medicaid Enrollees (MME) Benefit Plan” shall mean the CMS sponsored Financial Alignment Demonstration Plan providing integrated care benefits for individuals eligible for both the CALIFORNIA Medicaid program and the Medicare program (Parts A, B, C and D). At such time as this Benefit Plan is no longer a demonstration project and is fully implemented in the state, this definition will be interpreted to refer to the fully implemented plan.
- 1.29 “NADAC” shall mean and refer to the National Average Drug Acquisition Cost which represents a national pricing benchmark that is reflective of actual invoice costs that pharmacies pay to acquire prescription and over-the-counter drugs and is based upon the Pricing Source.
- 1.30 “NCPDP” shall mean the National Council of Prescription Drug Programs.
- 1.31 “NPI” shall mean the National Provider Identifier.
- 1.32 “Pharmacy” or “Pharmacies” shall mean each or all Pharmacy’s eligible Pharmacy or Pharmacies participating in SpectrumPS’s network in accordance with the Agreement, addenda, exhibits, subsequent amendments, etc. and as specified on Exhibit A.
- 1.33 “Pharmacy Plan Specifications” shall mean information made available by SpectrumPS to assist Pharmacy in submitting a claim for Covered Prescription Services.
- 1.34 “Pharmacy Manual” shall mean the rules, protocols, policies and administrative procedures adopted by SpectrumPS to be adhered to by Pharmacy in providing Covered Prescription Services and doing business with SpectrumPS and Client under this Agreement, which is hereby incorporated by reference into this Agreement.
- 1.35 “POS System” shall mean the online or real time (point-of-sale) telecommunication system used to communicate information including, but not limited to, Covered Prescription Services.
- 1.36 “Prescription” shall mean and refer to a written or oral order to dispense a Drug Product directed by an appropriately licensed and qualified health care professional in accordance with Federal and/or state law.
- 1.37 “Prescription Drug Plans” or “PDP Plans” shall mean the CMS-approved Medicare Part D prescription drug coverage offered under a policy, contract or plan that is sponsored, issued or administered by Clients pursuant to a contract with CMS, as defined in 42 C.F.R. § 423.4, and includes, but is not limited to, any CMS demonstration programs that provide prescription drug benefits. For purposes of this Agreement, Prescription Drug Plan or PDP Plan also includes any employer-sponsored group prescription drug plans, as defined in 42 C.F.R. § 423.454.
- 1.38 “Prescription Drug Compensation” shall mean the reimbursement, remuneration, compensation, or other payment, as set forth in Section 3.1 provided to Pharmacy by SpectrumPS for the provision of Covered Prescription Services to Members.
- 1.39 “Prescription Drug Contracted Rate” shall have the meaning set forth in the applicable Compensation Exhibit(s) attached to one or more of the addenda to this Agreement.
- 1.40 “Pricing Source” shall mean and refer to the Medi-Span Prescription Pricing Guide (with Supplements) or any other nationally recognized pricing source selected by SpectrumPS.
- 1.41 “Specialty Drugs” shall mean and include biotechnology products, orphan drugs used to treat rare diseases, typically high-cost drugs, oral or injectable medications, including infusions in any outpatient setting, drug requiring on-going frequent management/monitoring of the patient by clinician or drugs used to treat chronic and potentially life-threatening diseases.
- 1.42 “Submitted Cost Amount” shall mean the submitted ingredient costs, dispensing fees and all other submitted costs incurred by a Pharmacy for dispensing of a Drug Product, device, product and/or supply.
- 1.43 “United States Territories” shall mean the U.S. Virgin Islands, Guam, Saipan, Puerto Rico, Northern Mariana Islands, and American Samoa.
- 1.44 “Prior Authorization” shall mean a utilization management criterion utilized to seek permission or waiver of a drug to be covered under a Benefit Plan through a standardized, uniform review process by SpectrumPS for the purpose of obtaining prior authorization.
- 1.45 “Covered Drug and Service” shall mean a Drug Product or Service covered under a formulary approved by SpectrumPS for a Client or its Member or an approved in response to Prior Authorization.
- 1.46 “Cost Share” shall mean, with respect to Covered Drug or Service, an amount which Member is required to pay under the terms of the Benefit Plan.

## 2. OBLIGATIONS OF PHARMACY

- 2.1 Engagement: SpectrumPS hereby engages Pharmacy, and Pharmacy hereby agrees to such engagement, to provide the services specified herein as a participating pharmacy in the Pharmacy SpectrumPS in accordance with the terms of this Agreement. Pharmacy’s identifying information is provided in pharmacy’s NCPDP profile and shall be updated by Pharmacy and provided, as needed to SpectrumPS, upon SpectrumPS’s request. Pharmacy acknowledges that SpectrumPS serves as the contracted pharmacy network for SpectrumPS and its clients. Pharmacy acknowledges that each Plan Sponsor reserves the right to determine which pharmacies, from SpectrumPS Pharmacy Network, will be servicing their Members.
- 2.2 Member Verification: Prior to dispensing Covered Drugs to a Member, Pharmacy agrees to verify whether such individual is a Member by performing the following: (i) Reviewing a valid ID Card to determine the Member’s current Benefit Plan information or Pharmacy becomes aware that a customer is a Member; and (ii) verifying the person’s eligibility for Covered Drugs under the Benefit Plan by use of SpectrumPS’s System. Pharmacy shall not be entitled to reimbursement for the costs of any medication dispensed that is not a Covered Drug or to an individual who is not a Member. In addition, Pharmacy agrees that in the event that Pharmacy becomes aware that a customer is a Member after processing a prescription for the Member, Pharmacy shall refund any amounts paid by the Member, reverse the prescription, and submit the Claim to SpectrumPS for adjudication under the applicable Benefit Plan.
- 2.3 Dispensing of Covered Drugs: Subject to the verification requirements, Pharmacy shall dispense Covered Drugs to Members in accordance with the terms of the applicable Benefit Plan as communicated to Pharmacy via SpectrumPS’s System and in accordance with the negotiated prices set forth in the applicable Plan Sheet, as amended from time to time. Pharmacy shall not deliver Covered Drugs to a Member without the Member’s consent prior to each delivery. Pharmacy agrees and understand that it will not be reimbursed for Members’ Covered Drug Prescription unless the Member has received such Prescription. SpectrumPS and SpectrumPS’s Plan Sponsors shall not be held responsible for reimbursement of Claims for which Member has not actually taken possession of such Covered Drugs.
- 2.4 Cost Share: Pharmacy agrees to collect from each Member the applicable Cost Share amount on each prescription order or refill. Pharmacy shall determine the applicable Cost Share amounts through use of SpectrumPS’s System. Unless otherwise permitted in this Agreement, Pharmacy agrees that it shall not alter any obligation on the part of a Member to make a Cost Share payment, including but not limited to waiving all or a portion of, or adding to, the Cost Share. In the event the negotiated price or Pharmacy’s U&C price for a Covered Drug is less than the applicable Cost Share, Pharmacy will charge the Member the lesser of the negotiated price or the U&C price. In the event that a Member pays Pharmacy an incorrect amount, Pharmacy shall reverse and re-submit the Claim, and refund any balance to SpectrumPS and/or Member, as directed by SpectrumPS.
- 2.5 Quality of Service: Pharmacy shall be solely responsible for the quality of services Pharmacy renders to Members and will be responsible for utilizing professional judgment

in evaluating and identifying any medical contraindications in the prescribed drug and in identifying any Member who may be abusing prescription drugs. Neither SpectrumPS, its affiliates, agents, consultants, employees nor participating organizations, either solely or collectively, are the agent or representative of Pharmacy, and none of them shall be liable for any act or omission of Pharmacy or its agents, employees, or other persons performing services for or at the request of Pharmacy. The operation and maintenance of the pharmacies, facilities and equipment and the rendition of all services shall be solely under the control and supervision of Pharmacy. Pharmacy shall also provide clinical services including but not limited to Drug Utilization Review for each patient if needed, review patient symptoms, current medication and suggest medication to the prescriber for each patient.

#### 2.6 Conditions of Participation:

2.6.1 Licenses and Credentials: Pharmacy represents, warrants, and will attest that it is appropriately licensed and in good standing according to state and federal law to dispense prescription medications to the public and shall maintain such licenses in good standing throughout the term of this Agreement. Pharmacy agrees to electronically deliver SpectrumPS a copy of any license within two (2) business days of SpectrumPS's request. Pharmacy agrees to provide copies of any credentials to SpectrumPS and attest to their authenticity as reasonably requested by SpectrumPS. If Pharmacy's, or a pharmacist's employed by the Pharmacy, license is terminated or suspended, or if Pharmacy or a pharmacist employed by Pharmacy is excluded from the Medicare or Medicaid Programs, Pharmacy shall immediately notify SpectrumPS. Strictly the pharmacy will not process any prescription order of SpectrumPS's Client if either the pharmacy or the pharmacist on duty does not have a valid license at the time of prescription processing/adjudication. In addition, Pharmacy shall notify SpectrumPS in the event that any pharmacist employed by Pharmacy is convicted of a felony.

2.6.2 Pharmacy Cooperation: Pharmacy agrees to use commercially reasonable efforts to promptly respond to, resolve, and remedy any problems that may arise and to cooperate with SpectrumPS in investigating and resolving any complaints from a Member or a Client. Pharmacy agrees to use best efforts to immediately respond to, resolve, and remedy all Members' grievances presented by the SpectrumPS within five (5) business days and to restore goodwill to Member to SpectrumPS's and Plan Sponsor's satisfaction. Pharmacy will exercise professional judgment in the provision of Covered Drugs and Services to Members and will consult Members on their drug therapy as may be indicated. In addition, Pharmacy will refrain from making disapproving comments to Members about SpectrumPS, and Plan Sponsors. Pharmacy will educate its pharmacists and other employees who have contact with the Members on this topic.

2.6.3 Non-Solicitation: Pharmacy agrees that it will not solicit Clients or Members through Pharmacy sponsored or manufacturer sponsored prescription drug programs through direct mailings or other means without the prior written consent of SpectrumPS. In addition, Pharmacy shall not solicit Clients or Members or prescribers for the purpose of initiating the prescribing of a Covered Drug to a Member. For clarification, all prescriptions adjudicated under this Agreement must be initiated by a Client, Member or a prescriber.

2.6.4 Insurance Coverage: Pharmacy shall, at all times, maintain professional liability insurance on its employees or agents in the minimum amount of \$1,000,000 per occurrence and \$3,000,000 in the aggregate of all claims per policy year. Pharmacy shall comply with SpectrumPS's current credentialing standards prior to the effective date of this Agreement, including but not limited to certificates of insurance with the amounts set forth above. Pharmacy agrees to provide to SpectrumPS via email, fax or certified mail, renewal or updated certificates of insurance no later than fifteen (15) days prior to the date current certificate of insurance expires. For SpectrumPS's recredentialing purposes, Pharmacy agrees to submit to SpectrumPS within two (2) business days of SpectrumPS's request, any copies of such certificates of insurance or evidence of insurance. Pharmacy shall provide SpectrumPS a thirty-day advance notice of any planned cancellation, non-renewal or material change in insurance coverage. In case of abrupt cancellation, denial of renewal or material change in insurance coverage, pharmacy will immediately cease to process Claims for SpectrumPS Members and notify SpectrumPS within one (1) business day.

2.6.5 Non-Conflict: Pharmacy agrees that it will not participate in any drug manufacturer program that conflicts with SpectrumPS's formulary and related policies and procedures.

2.7 Policies, Procedures and Regulations: Pharmacy agrees to maintain compliance with the provisions incorporated herein by this reference. Pharmacy acknowledges and agrees that if it is not possible to comply with any updated policies, procedures or regulations, Pharmacy must notify, in writing, SpectrumPS, within fifteen (15) calendar days of notification by SpectrumPS of posting of any update, of such inability to comply.

2.8 Subcontractors: Pharmacy may not use subcontractors to carry out Pharmacy's obligations hereunder without the prior written approval of SpectrumPS. If SpectrumPS approves Pharmacy's use of a subcontractor, Pharmacy shall enter into an agreement with the subcontractor which includes provisions substantially similar to the provisions of this Agreement which are pertinent to the services the subcontractor will be performing. Upon request, Pharmacy will provide SpectrumPS with a copy of the agreement between Pharmacy and any subcontractor which performs services under this Agreement.

2.9 Non-Discrimination: Pharmacy shall not discriminate against Members with respect to a person's age, gender, race, disability, ethnic group, national origin, or making a distinction in favor of or against, a person or thing based on the group, class or category to which that person or thing belongs rather than on individual merit. Additionally, Pharmacy shall not discriminate against Members as it relates to health care, e.g. accepting only Members from within a product line based upon high reimbursement rate and excludes other Members within that same product line based upon lower reimbursement rate.

2.10 System Down-time: Pharmacy shall take all reasonable measures to ensure that its System is operable and available for use by SpectrumPS on a continual twenty-four (24) hour basis throughout the term of this Agreement.

2.11 Member Refunds: Pharmacy shall refund any overpayments made by Members to Members within fifteen (15) calendar days of notice.

2.12 E-Prescribing: Pharmacy agrees to have the ability to transmit and receive prescriptions and prescription-related information using electronic media. Such electronic transfer of prescriptions and prescriptions-related information shall be in accordance with current NCPDP standards.

2.13 Communication Via Facsimile: Pharmacy acknowledges and agrees that SpectrumPS may communicate with Pharmacy via fax, and by doing so, such facsimile is not a violation of the Telephone Consumer Protection Act, 47 U.S.C. §227 or any similar law.

### 3. BILLING AND REIMBURSEMENT

3.1 Compensation: For Covered Drugs and Services dispensed to Members under the terms of this Agreement, Pharmacy shall be reimbursed in accordance with the financial terms for reimbursement set forth in Plan Sheets attached to this Agreement. Pharmacy agrees to accept such reimbursement (less any applicable Cost Share) as payment in full for Covered Drugs and Services.

3.2 Claims: Pharmacy shall, within three (3) days of compounding or dispensing a Covered Drug to a Member, submit online to SpectrumPS via SpectrumPS's System, under only its assigned National Provider Identifier (NPI), a Claim for reimbursement in NCPDP D.0 format or any more current NCPDP format. Pharmacy shall bill SpectrumPS using the 11-digit National Drug Code (NDC) number for the drug dispensed. Pharmacy must submit as part of the pricing information submitted for each prescription, its usual and customary price (U&C) and submitted ingredient cost. SpectrumPS shall not be liable for any transmission charges for Claims data. Along with such Claim, Pharmacy shall submit to SpectrumPS or its designated processor the following information: (i) The Member's name; (ii) identification number; (iii) group number; (iv) service date; (v) pharmacy NABP or NPI number with service provider qualifier; (vi) prescription number; (vii) NDC number; (viii) quantity dispensed; (ix) prescribed days' supply; and (x) prescribing practitioner's DEA and NPI number and prescribing provider qualifier.

3.2.1 Reversals: Pharmacy shall reverse a claim for clinical reasons, claim entry errors, as permitted by SpectrumPS, or as otherwise set forth herein. Pharmacy shall not reverse and resubmit a Claim to SpectrumPS for the purposes of receiving an increased reimbursement amount for the Claim.

3.3 Reimbursements: SpectrumPS will reimburse Pharmacy Claims on a monthly basis pursuant to payment received from Plan Sponsors. SpectrumPS will reimburse Pharmacy within 45 days of the closing of the month. SpectrumPS will pay, or contractually require the Plan Sponsors to pay Pharmacies as provided in this Agreement. In the event a Plan Sponsor delays payment more than once in a calendar quarter, SpectrumPS shall terminate the participation of such Plan Sponsor or require such Plan Sponsor to implement adequate measures to ensure prompt payment of Claims.

3.4 Taxes: SpectrumPS will reimburse Pharmacy any applicable federal, state or local sales tax liability imposed on Pharmacy on Covered Drugs dispensed by Pharmacy to Members. Sales tax is defined as a transactional tax based on consumer retail sales, which Pharmacy is required by applicable federal, state or local laws, to both collect from its

customers and to separately state on its invoice or other transaction document, and may include taxes designated as a sales tax, a gross receipts tax, a retail occupation tax or a health care provider tax. SpectrumPS and Pharmacy agree that as of the date of this Agreement, (i) no such federal sales tax exists for which SpectrumPS is obligated to reimburse Pharmacy, (ii) the only existing state sales tax on Covered Drug for which SpectrumPS is obligated to reimburse Pharmacy is the 1% Illinois retail occupation tax and (iii) the only existing local sales tax on Covered Drugs for which SpectrumPS is obligated to reimburse Pharmacy is the tax imposed by certain Louisiana parishes. Taxes that Pharmacy is permitted, but not required by law, to separately state on its invoices or other transaction documents are not reimbursable by SpectrumPS to Pharmacy. It is the intent of this paragraph to provide that SpectrumPS will reimburse Pharmacy for only taxes for which Pharmacy is acting as a collection agent for the taxing jurisdiction. SpectrumPS shall not be obligated to reimburse Pharmacy for taxes on Covered Drugs after the later of one (1) year from the date of the applicable invoice; or (2) the initial statutory limitation period in which the applicable jurisdiction may assess Pharmacy for such taxes. In the event that the appropriate tax authority determines that all or a portion of the taxes collected by Pharmacy from SpectrumPS is not due, Pharmacy will either (1) assign its right to a refund, credit or offset to SpectrumPS, if allowed to do so by law or (2) promptly remit to SpectrumPS an amount equal to the refunds, credits or offsets received.

3.5 Refunds: Pharmacy shall refund to SpectrumPS any monies paid to Pharmacy under the following circumstances: (i) Duplicate Reimbursement – If SpectrumPS reimburses Pharmacy for a Covered Drug when Pharmacy has already received reimbursement from SpectrumPS or any other source for those same Covered Drug, then Pharmacy shall refund SpectrumPS an amount equal to the duplicate reimbursement; (ii) Non Member – If SpectrumPS reimburses Pharmacy for Covered Drugs when Pharmacy failed to verify the eligibility status of any individual as required under Section 2.2 and the individual to whom the Covered Drugs were provided was not a Member, then Pharmacy shall refund SpectrumPS an amount equal to the reimbursement made to the Pharmacy for the identified Covered Drugs; (iii) Errors – If SpectrumPS makes an incorrect reimbursement for any reason, then Pharmacy shall refund SpectrumPS an amount equal to the incorrect reimbursement; (iv) and Audits – If SpectrumPS identifies a Claim as the result of an audit that is recoverable under the terms of this Agreement and pursuant to SpectrumPS's audit procedures. Pharmacy shall refund all amounts owed to SpectrumPS under this Section within fourteen (14) days after Pharmacy receives notice of SpectrumPS's request for refund or the date Pharmacy discovers that a refund is owed to SpectrumPS, whichever is earlier. If Pharmacy fails to make such refund, then SpectrumPS may withhold any amount equal to the refund owed to SpectrumPS from any reimbursement due to Pharmacy.

3.6 Modification for Material Change in Pricing Methodology: If Medi-Span, First Data Bank, or another applicable industry standard reference on which pricing hereunder is based (i.e. Average Wholesale Price), changes the methodology for determining drug price in a way that materially changes the pricing or economics of this Agreement ("Methodology Change"), the Parties shall negotiate in good faith to modify the pricing terms to preserve, to the extent possible, the relative economics as existed prior to such change. SpectrumPS shall notify Pharmacy of a Methodology Change at least ninety (90) days prior to the effective date of such change. In the event the Parties do not mutually amend this Agreement prior to the effective date of a Methodology Change, the reference values used to set the prices hereunder shall be fixed as of the day prior to the Methodology Change for the duration of this Agreement.

#### 4. TERM AND TERMINATION

4.1 Term: The term of this Agreement shall commence on the Effective Date and shall remain in full force and effect for an initial term running until 11:59 p.m., December 31st, of the year subsequent to the year in which the Effective Date took place ("Initial Term") unless earlier terminated as provided herein. Upon the expiration of the Initial Term, and each subsequent renewal term, this Agreement shall renew automatically for an additional term of one calendar year; unless, at least ninety (90) days prior to the end of such term, Pharmacy notifies the SpectrumPS, in writing, that this Agreement will terminate at the end of the current term.

4.2 Termination For Cause: Either Party may terminate this Agreement in the event the other Party breaches any of its material obligations hereunder; provided, however, that the defaulting Party shall have thirty (30) days to correct such breach after written notice is given by such nonbreaching Party specifying the alleged breach. A material breach shall include, but is not limited to: (i) Failure to perform any obligation or duty under this Agreement; (ii) failure of Pharmacy to maintain all licenses and certifications required by federal or state law; (iii) exclusion of the Pharmacy or a Pharmacy employee from the Medicare or Medicaid Program; or (iv) commission of an act of fraud, waste or abuse.

4.3 Suspension: Notwithstanding the period to correct a breach as stated above, SpectrumPS may suspend Pharmacy from the Pharmacy Network for the following reasons: If the Pharmacy (i) poses a significant risk to the health, welfare, or safety of Members; (ii) is suspected of promoting or committing fraud, waste or abuse; (iii) is excluded from the Medicare or Medicaid Program, or (iv) commits and act or omission that is contrary to the conditions of participation set forth in this Agreement or the policies, procedures and regulations contained in the Provider Portal.

4.4 Termination Without Cause: Either party may terminate this Agreement for any reason effective ninety (90) days from delivery of written notice to the other party.

4.5 Insolvency: Either Party may terminate this Agreement in the event the other Party (i) is adjudicated insolvent, under state and/or federal regulation, or the makes an assignment for the benefit of creditors; (ii) files or has filed against it, or has an entry of an order for relief against it, in any voluntary or involuntary proceeding under any bankruptcy, insolvency, reorganization or receivership law, or seeks relief as therein allowed, which filing or order shall not have been vacated within sixty (60) calendar days from the entry thereof; (iii) has a receiver appointed for all or a substantial portion of its property and such appointment shall not be discharged or vacated within sixty (60) calendar days of the date thereof; (iv) is subject to custody, attachment or sequestration by a court of competent jurisdiction that has assumed of all or a significant portion of its property; or (v) ceases to do business or otherwise terminates its business operations, is declared insolvent or seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement or similar proceeding

4.6 Effect of Termination: Termination of this Agreement for any reason shall not release any Party from obligations incurred under this Agreement prior to the date of termination. All services required to be performed under the terms of this Agreement shall be provided until and on the effective date of termination.

#### 5. RECORDS AND AUDITS

5.1 Maintenance of Records: Pharmacy shall maintain required and appropriate records, including original prescriptions, related to the services rendered to Members for the greater of three (3) years or the period required by the applicable State or Federal law. Should Pharmacy alter the original format of said documentation (e.g., by converting hard copy documents to electronic documents), all information contained in the original documents shall be contained in the new format, without change or deletion. Pharmacy agrees to maintain confidentiality of information contained in Members' records and will only release such records: (i) in accordance with this Agreement; (ii) subject to applicable laws; (iii) as necessary, to other providers rendering treatment to the Member; or (iv) with the written consent of the Member.

5.2 Audit Process and Procedures: Pharmacy shall comply with all audit processes and procedures set forth by SpectrumPS which may be updated from time to time at SpectrumPS's sole discretion. The provisions of this Section shall survive the termination of this Agreement for any reason.

#### 6. CONFIDENTIALITY

6.1 HIPAA Compliance: Pharmacy agrees to abide by State and Federal privacy and security requirements, including the confidentiality and security provisions stated in the Medicare regulations at 42 CFR §423.136. Further, when and to the extent applicable, and for so long as required by provisions of the Standard for Privacy of Individually Health Information; Final Rule: 45 CFR Parts 160 and 164, Security Standards; Final Rule: CFR Parts 160, 162, and 164 and the regulations promulgated there under, all as amended from time to time (collectively, HIPAA), but not otherwise, each Party will appropriately safeguard all Protected Health Information (as such term is defined in HIPAA) in compliance with HIPAA. Each Party agrees that it shall indemnify and hold the other Party harmless from any liabilities, losses, damages, injunctions, suits, actions, fines, penalties, claims or demands of any kind or nature by or on behalf of any person, party or governmental authority arising out of or in connection with any breach by it if its obligations under this Section 6.1.

6.2 Confidential Information: The Parties agree that any information that may be exchanged between the Parties, including this Agreement, the Plan Sheets, and the financial terms for reimbursement, shall be kept confidential. Each Party shall use information it receives from the other Party only to carry out the purposes of this Agreement and to allow SpectrumPS to fulfill its obligations to Plan Sponsors including, without limitation, the right of SpectrumPS to audit Pharmacy for Plan Sponsors' Claims and the right of

Plan Sponsor to review the Agreement. Each Party shall take reasonable steps to prevent the intentional or unintentional release or use of this information for purposes other than those set forth in this Agreement.

#### 7. HOLD HARMLESS

7.1 As to SpectrumPS: Pharmacy will indemnify, defend, and hold harmless SpectrumPS, including SpectrumPS's shareholders, directors, officers, employees, delegates, agents, representatives, and affiliated companies, from and against any and all third party claims or liabilities arising from (i) any negligent acts or omissions on the part of the Pharmacy, its employees, or agents, in carrying out Pharmacy's duties and obligations under this Agreement, (ii) Pharmacy's breach of any representation or warranty set forth in this Agreement. This Section will survive the termination of this Agreement.

7.2 As to Pharmacy: SpectrumPS will indemnify, defend, and hold harmless Pharmacy, including Pharmacy's shareholders, directors, officers, employees, delegates, agents, representatives, and affiliated companies, from and against any and all third party claims or liabilities arising from (i) any negligent acts or omissions on the part of the SpectrumPS, its employees, or agents, in carrying out SpectrumPS's duties and obligations under this Agreement, (ii) SpectrumPS's breach of any representation or warranty set forth in this Agreement. This Section will survive the termination of this Agreement.

7.3 As to Members: Except for applicable Cost Share, Pharmacy shall not collect or attempt to collect from Members any amounts for drugs dispensed to any Member that are the responsibility of SpectrumPS or the Plan Sponsor.

#### 8. GENERAL PROVISIONS

8.1 Independent Contractors: Pharmacy shall perform all professional and other services under the terms of this Agreement as an independent contractor. Nothing contained in this Agreement shall be construed to create an employment or agency relationship between SpectrumPS and Pharmacy.

8.2 Non-Exclusive: This Agreement is a non-exclusive agreement for the provision of pharmaceutical services. Either Party may, at any time, enter into any other agreement to dispense drugs or conduct other business with any other party.

8.3 Use of Name: SpectrumPS, Plan Sponsors may list the name of Pharmacy in their respective communications to Members. No other use or display of either Party's name or marks may be used without prior consent.

8.4 Dispute Resolution: Any controversy, claim or dispute arising out of or relating to this Agreement or the breach thereof, whether in tort or in contract, in law or in equity, shall be exclusively settled by binding arbitration in accordance with the commercial rules of the American Arbitration Association then in effect. The arbitration shall be conducted in San Francisco Bay Area in California. The decision of the arbitrator shall be final and binding, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. All such arbitration proceedings shall be conducted on a confidential basis.

8.5 Governing Law: This Agreement shall be governed and construed in accordance with the laws of the State of California without regard to its conflict of laws and rules, except to the extent such laws are preempted by applicable Federal law.

8.6 Entire Agreement: This Agreement, including all Plan Sheets, attachments, amendments and addendums represents the entire understanding of the Parties with reference to the matters contained herein and it supersedes all prior agreements or understandings, written or oral with respect to the subject matter of this Agreement. No other prior or contemporaneous agreement or understanding, whether oral or written, shall be valid.

8.7 Amendments: This Agreement, including the financial terms for reimbursement set forth in Plan Sheets attached to this Agreement, may be amended by SpectrumPS upon thirty (30) days' notice to Pharmacy before the effective date of the amendment. The amendment shall take effect on the effective date unless SpectrumPS receives notice in writing before the effective date of the amendment from the Pharmacy objecting to the proposed Amendment. Pharmacy may amend this Agreement if Pharmacy obtains SpectrumPS's written consent to such amendment. Absent written consent, SpectrumPS's continued performance of its obligations under the terms of this Agreement is not to be construed as a ratification or acceptance of Pharmacy's proposed amendment.

8.8 Severability: If any term or provision of this Agreement is found to be unenforceable, illegal, or void, then the remainder of this Agreement shall remain in full force and effect.

8.9 Headings: The section or paragraph headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

8.10 Assignment: Pharmacy may not assign or delegate any duties, rights or obligations under this Agreement to any other person or entity without having first obtained the written consent of SpectrumPS.

8.11 Notices: Any notice required to be sent by one Party to the other hereunder shall be in writing and may be sent to the other Party by mail or courier at the address provided below, and/or e-mail or telefax; provided, however, that it shall be the burden of the sending Party to establish that the receiving Party, in fact, received the notice.