

ClaimSecure Inc.
Pharmacy Provider Agreement

THIS AGREEMENT made between ClaimSecure Inc. (“**ClaimSecure**”) and the undersigned Pharmacy (the “**Pharmacy Provider**”).

WHEREAS ClaimSecure is in the business of providing claims adjudication; claims payment; and other services; and

WHEREAS the Pharmacy Provider wishes to access and utilize ClaimSecure’s claims adjudication and payment services.

NOW THEREFORE for good and valuable consideration (the receipt and sufficiency whereof is hereby acknowledged), the parties agree as follows:

1) Definitions

Unless otherwise provided for in this Agreement, the following capitalized terms shall have the following meanings:

- a) “Abuse” means practices, services or actions that, although not Fraud, are inconsistent with sound medical, professional or business practice which result in unnecessary costs to an Eligible Person, Benefit Plan or otherwise, and payments for services that are not medically necessary, or which fail to meet the standard for healthcare.
- b) “Agreement” shall mean this agreement, including any amendments made to this agreement from time-to-time and Schedules attached to this Agreement.
- c) “Audit” means an audit conducted by ClaimSecure and/or its representatives pursuant to Sections 6)b) or c).
- d) “Benefit Plan” means the benefits, products and services comprising a benefit plan that is administered by ClaimSecure.
- e) “Books and Records” means books, records and data, including copies of all accounting books and records, Pre-Determination Requests, Claims, Personal Information of Eligible Persons in respect of whom the Pharmacy Provider has submitted, or has agreed to submit, a Pre-Determination Request or Claim (including any reports from third party providers, prescription and payment history), financial and accounting records, studies, reports, correspondence and other similar documents and records.
- f) “Business Day” means a day other than a Saturday, Sunday or any other day that is a statutory or civic holiday in the Province of Ontario, Canada.
- g) “Claim” means a paper-based or electronic claim for a prescription drug; a medical device or similar product; or a Pharmacy Service.

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- h) “ClaimSecure Card” means the personalized identification card provided by ClaimSecure to each Eligible Person.
- i) “ClaimSecure System” means ClaimSecure’s on-line prescription drug claims processing and adjudication system.
- j) “Eligible Amount” means the amount that is payable for a Claim under the terms of a Benefit Plan.
- k) “Eligible Person” means any individual who is covered by a Benefit Plan.
- l) “Erroneous Claims” means Pre-Determination Requests and Claims: (i) determined by ClaimSecure through an Audit; or (ii) self-reported by the Pharmacy Provider, as being erroneous, including Claims determined to have been the subject of Fraud, Waste or Abuse, duplicate Claim payments, Claims with coding errors and/or overcharges, and Claims in respect of which there has been a lack of coordination of benefits.
- m) “Fraud” means an intentional act of deception, misrepresentation or concealment in order to gain something of value, including, for example, submitting claims for services not rendered, submitting claims for services at a higher rate than the actual Pharmacy Provider costs, deliberately misrepresenting services, resulting in improper or overpayments to Pharmacy Providers, Employees or Dependents.
- n) “including” shall mean including, without limitation.
- o) “List of Unrecognized Providers” has the meaning given to it in Section 6)h)
- p) “Person” shall mean any individual, corporation, partnership, firm or other entity.
- q) “Personal Information” means information about an identifiable individual, including an individual’s date of birth, telephone number (home and mobile), e-mail address, physical address and medical and/or medication history.
- r) “Pharmacy Services” means all services usually and customarily rendered by a provider licensed to provide pharmacy services in the normal course of business.
- s) “Pre-Determination Request” means a request made by a Pharmacy Provider for confirmation that a specified good and/or service is covered by the Benefit Plan.
- t) “Prescriber” means a Person who is licensed to prescribe drugs in the Province or Territory in which the prescription was written.
- u) “Provider Services” means the services to be delivered by the Pharmacy Provider pursuant to this Agreement.

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- v) “Provider Personnel” means persons, if any, who have assisted, directly or indirectly, the Pharmacy Provider in fulfilling its responsibilities under this Agreement, including employees or contractors of the Pharmacy Provider.
- w) “Recovered Funds” means any funds determined to owing by the Pharmacy Provider to ClaimSecure on account of an Erroneous Claim(s).
- x) “Transaction Date” means the date on which the Pharmacy Provider dispensed prescription drugs; sold a medical device or similar product; or rendered Pharmacy Services to an Eligible Person.
- y) “Waste” means an overutilization of healthcare services that, although not Fraud and not the result of criminal action, might directly or indirectly result in unnecessary costs to the Benefit Plan, including, for example, waste arising from billing and payment errors.

2) ClaimSecure Responsibilities.

ClaimSecure will:

- a) Reimburse the Pharmacy Provider for the Eligible Amount for Claims submitted to ClaimSecure by the Pharmacy Provider. ClaimSecure shall not be liable to the Pharmacy Provider for any charges or costs not covered by a Benefit Plan.
- b) Provide the Pharmacy Provider with a reconciliation of the Eligible Amounts paid to the Pharmacy Provider by ClaimSecure.
- c) Provide technical support to assist the Pharmacy Provider in transmitting Claims through the ClaimSecure System.
- d) Supply the Pharmacy Provider with timely communications regarding changes or enhancements to the ClaimSecure System.
- e) Maintain a toll-free help desk during hours established by ClaimSecure to assist in resolving the Pharmacy Provider’s questions or issues.
- f) Provide the Pharmacy Provider with additional or enhanced services as implemented from time to time by ClaimSecure.

3) Pharmacy Provider Responsibilities.

The Pharmacy Provider:

- a) Shall submit Claims that are a true account of the goods and services provided. The Pharmacy Provider will use its best efforts to ensure the accuracy of the data submitted to ClaimSecure, including but not limited to patient eligibility number, patient name, dependent code, DIN, quantity, days’ supply and Transaction Date.

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- b) Agrees and warrants that it has valid assignment documentation in its possession, for all assigned Claims submitted by it to ClaimSecure.
- c) Will dispense prescription drugs in the quantity prescribed, unless according to the pharmacists' professional judgment, valid reasons exist for supplying the drugs in a different quantity.
- d) Shall not submit a Claim to ClaimSecure in an amount that exceeds the lower of i) the amount that the Pharmacy Provider would have charged a cash paying customer; and ii) the amount that the Pharmacy Provider would have charged any other third party payor (excluding specific contractual agreements that exist between the Pharmacy Provider and such third party payor).
- e) Will submit all electronic Claims to ClaimSecure for payment within fourteen (14) days after the Transaction Date; and all paper Claims within sixty (60) days after the Transaction Date.
- f) Will honour all ClaimSecure Cards properly presented. The Pharmacy Provider agrees to verify that an individual is an Eligible Person by examining the individual's ClaimSecure Card.
- g) Agrees to use its best efforts to send all Claims for an Eligible Person electronically to the ClaimSecure System.
- h) Will retain for a minimum of two (2) years after the Transaction Date, any such books and records as ClaimSecure may reasonably require in connection with Claims submitted for payment by the Pharmacy Provider to ClaimSecure. The Pharmacy Provider agrees to allow ClaimSecure's authorized representatives to inspect and review such books and records to verify the accuracy of the Claims submitted with reasonable prior notice.
- i) Will use reasonable efforts to display written materials supplied by ClaimSecure in order to inform the public that the Pharmacy Provider accepts the ClaimSecure Card

4) Pricing

The Pharmacy Provider covenants that:

- a) Dispensing fee: In cases where ClaimSecure does not honour the pharmacy full usual and customary dispensing fee, the pharmacy can charge the balance of the fee not paid directly to the customer.
- b) Drug cost of acquisition: In cases where ClaimSecure does not honour the pharmacy full cost of acquisition, or in cases where the customer demands a higher priced brand of drug, the pharmacy can charge the balance of the drug cost not paid directly to the customer.

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- c) Mark-up: In cases where ClaimSecure does not honour the pharmacy full mark-up, the pharmacy will NOT charge the customer the balance of the mark-up.

5) Fraud, Waste and Abuse

The Pharmacy Provider covenants that:

- a) all information contained in Pre-Determination Requests and Claims submitted by the Pharmacy Provider and Provider Personnel will be true and accurate to the best of the Pharmacy Provider's knowledge (having performed diligence to the extent reasonably expected of a provider providing the same services as the Pharmacy Provider); and
- b) it will notify ClaimSecure if it becomes aware, or reasonably believes, that: (i) an Eligible Person; or (ii) any Provider Personnel, has committed Fraud, Waste or Abuse. In the event that the Pharmacy Provider fails to comply with its obligations under this Section 5)b) and ClaimSecure determines through an Audit that an Eligible Person or any Provider Personnel, as the case may be, has engaged in Fraud, Waste or Abuse, without limiting any other remedies available to it, ClaimSecure shall be entitled to exercise its remedies set out in Section 6)h).

6) Audit

- a) Without limiting any other provision of this Agreement, the Pharmacy Provider shall maintain detailed, accurate and up-to-date Books and Records in respect of its fulfilment of its obligations under this Agreement, including its processing and submission of Pre-Determination Requests and Claims.
- b) Subject to Sections 6)f), ClaimSecure shall have the right from time-to-time to make a written request to the Pharmacy Provider for Books and Records that relate (directly or indirectly) to the Provider Services. Upon the receipt of a written request from ClaimSecure pursuant to this Section 6)b), the Pharmacy Provider shall, and shall cause the Provider Personnel to, furnish to ClaimSecure all requested Books and Records within five (5) Business Days.
- c) Subject to Sections 6)f), ClaimSecure shall have the right at any time during normal business hours, on at least three (3) Business Days' notice to the Pharmacy Provider, to enter onto the Pharmacy Provider's premises to:
 - i) access Books and Records that relate (directly or indirectly) to the Provider Services, including Books and Records that contain details of Pre-Determination Requests and Claims; and
 - ii) consult with the Pharmacy Provider and/or any Provider Personnel regarding the Provider Services, including for the purpose of obtaining additional information from Provider Personnel regarding Pre-

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Determination Requests and Claims that such Provider Personnel were involved in preparing and/or submitting.

- d) The Pharmacy Provider shall, and shall require the Provider Personnel to, comply with all requests made by ClaimSecure (and its authorized representatives) in exercising its rights of Audit.
- e) ClaimSecure has the right to suspend the processing and/or payment of Claims submitted for benefits received from/rendered by the Pharmacy Provider until the completion of the Audit.
- f) In exercising its rights under this Section 6), ClaimSecure shall ensure that it limits its collection and use of Personal Information to that which is necessary for the purpose of conducting the Audit and administering the Benefit Plan.
- g) ClaimSecure's right of Audit shall continue throughout the term of this Agreement and for a period of two (2) years following any expiration or termination of this Agreement, as the case may be.
- h) In the event that any Erroneous Claims are included in the Final Report, ClaimSecure shall have the right to add the Pharmacy Provider to its list of "unrecognized providers" (the "List of Unrecognized Providers", which List will be made available to ClaimSecure's clients (e.g. Plan Sponsors) and Eligible Persons) and thereafter refuse to process or pay any Claims submitted for benefits received from / rendered by the Pharmacy Provider even if submitted by an Eligible Person for goods and/or services covered by the Benefit Plan.
- i) The Pharmacy Provider shall have a right to appeal ClaimSecure's addition of the Pharmacy Provider to the List of Unrecognized Providers under Section 6)h), as follows:
 - i) 1st Level of Appeal – Following any addition of the Pharmacy Provider to the List of Unrecognized Providers, ClaimSecure's Special Investigations Unit (the "SIU") will, upon receipt, review any new information provided by the Pharmacy Provider to support the appeal. If the SIU determines that such information does not warrant the removal of the Pharmacy Provider from the List of Unrecognized Providers, the Pharmacy Provider's case will be forwarded in its entirety to the Manager of the SIU within ClaimSecure who will review the SIU findings, and if he/she agrees with SIU's findings, will issue a letter to the Pharmacy Provider explaining the decision to maintain the Pharmacy Provider on the List of Unrecognized Providers and indicate the information required to appeal to the 2nd level of appeal, below.
 - ii) 2nd Level of Appeal – Upon a Pharmacy Provider's receipt of the information required to advance an appeal to the 2nd level, the Manager of the SIU will review such information. If the Manager of the SIU determines

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that the additional information provided does not warrant a change to its decision resulting from the 1st level of appeal, the Pharmacy Provider's case will be forwarded in its entirety to the next level of management at ClaimSecure, who will review the findings of the SIU. If the management is too in agreement that the decision to add the Pharmacy Provider to the List of Unrecognized Providers was correct:

- A) they will issue a letter to the Pharmacy Provider that explains the final decision; and
 - B) no further rights of appeal will be open to the Pharmacy Provider.
- j) Without limiting any other provision of this Agreement, the Pharmacy Provider hereby irrevocably and unconditionally remises, releases and forever discharges ClaimSecure, its affiliates and their respective, shareholders, directors, officers, employees, contractors and other agents (collectively, the "ClaimSecure Parties") from any and all actions, causes of action, suits, debts, accounts, liabilities, obligations, covenants, contracts, damages, demands and all other claims whatsoever, whether contingent or otherwise, that the Pharmacy Provider, ever had, now has or hereafter may have, for or by reason of or in any way in connected (directly or indirectly) with ClaimSecure's exercise of its rights under Section 6), including the addition of a Pharmacy Provider (or an employee of or contractor to the Pharmacy Provider, as appropriate) to the List of Unrecognized Providers in accordance with Section 6)h)

7) Pharmacy Manual

- a) Notwithstanding any other provision of this Agreement, it is agreed that the "Pharmacy Manual" attached hereto as Schedule "A" ("**Pharmacy Manual**") shall form part of and is incorporated by reference into this Agreement. In the event of any inconsistency between a provision of this Agreement and the Pharmacy Manual, the provision of this Agreement shall govern. In order to ensure that the Pharmacy Provider is up to date on the terms of the Pharmacy Manual:
 - i) if ClaimSecure makes any amendments to or replaces the Pharmacy Manual (which it may do from time-to-time in its sole discretion), it shall provide written notice of same to the Pharmacy Provider either through fax, e-mail, mail or e-profile; and
 - ii) the Pharmacy Provider shall contact ClaimSecure to request the most recent version of the Pharmacy Manual from time to time.

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8) Term and Termination

- a) This Agreement shall continue in full force unless terminated by either party on thirty (30) days' prior notice in writing. ClaimSecure may terminate this Agreement on three (3) day's prior written notice if the Pharmacy Provider materially breaches any one or more of its obligations or covenants under Sections 3) to 6).
- b) If this Agreement is terminated for any reason, the Pharmacy Provider agrees to immediately stop transmitting Claims to ClaimSecure.

9) Confidentiality and Privacy

- a) Except as otherwise required by this Agreement or the operation of the ClaimSecure System, each party will treat as confidential any information with respect to the other party and its customers and clients. ClaimSecure agrees to comply with any applicable privacy legislation regarding the Pharmacy Provider, its customers, and the Claims.
- b) Notwithstanding any provision, the Pharmacy Provider agrees that ClaimSecure may share any confidential information of the Pharmacy Provider with its directors, officers, shareholders, partners, or other principals, as listed in its application or otherwise communicated to ClaimSecure from time to time.

10) Proprietary Rights

- a) All manuals, documents, or other materials provided by ClaimSecure to the Pharmacy Provider (the “**Documents**”), and all copies thereof shall remain the property of ClaimSecure. The Pharmacy Provider shall be permitted to make copies of the Documents for its own use and shall not disclose the Documents and any copies thereof to any third party without the written approval of ClaimSecure.

11) Warranty and Indemnity

- a) The Pharmacy Provider agrees to indemnify ClaimSecure from any liability, loss, or costs or if ClaimSecure incurs any liability, or suffers any loss or damages as a result of the improper use of the ClaimSecure Card or the ClaimSecure System by the Pharmacy Provider; or as a result of any other material breach or non-performance of the terms of this Agreement by the Pharmacy Provider.
- b) ClaimSecure shall not be liable for any special, indirect or consequential damages including but not limited to, lost profits, lost data, lost revenues, failure to realize expected savings, or other commercial or economic losses of any kind as a result of this Agreement.

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12) Other Terms and Conditions

- a) No termination or expiration of this Agreement will relieve either Party of its obligations under Sections 5)b), 6), 9) and 11), or any other provision which by its terms are intended to survive the termination of this Agreement and such provisions will survive the termination, expiration or non-renewal of this Agreement and remain in full force and effect thereafter.
- b) No amendment or waiver of any provision of this Agreement shall be binding on either party unless consented to in writing by such party.
- c) The Pharmacy Provider may not assign any of its rights or benefits under this Agreement to any Person without the prior written consent of ClaimSecure. This Agreement shall be binding upon the parties, their heirs, successors, and assigns.
- d) ClaimSecure shall have the right to offset and deduct amounts payable by the Pharmacy Provider to ClaimSecure from amounts payable to the Pharmacy Provider by ClaimSecure. ClaimSecure will provide the Pharmacy Provider with written documentation and an explanation for any such amounts.
- e) Each party grants the other party the right to use its name and identify it as a customer in promotional material and other documents to be distributed from time to time.
- f) Any delay or failure by either party hereto in performance hereunder shall be excused to the extent that such delays or failures are caused by occurrences beyond such party's control, including acts of God, decrees or restraints of governments, strikes or other labour disturbances, war, sabotage, and any other cause or causes which cannot be controlled by such party.
- g) Any termination of this Agreement by a party or the expiration of this Agreement as provided herein shall not in any way operate to deny any of such party's other rights or remedies. No failure or delay on the part of any party to exercise a right of termination hereunder nor any default by a defaulting party shall be construed to prejudice the non-defaulting party's right of termination or cancellation for such default or for any other subsequent defaults.
- h) This Agreement contains the entire agreement between the parties, and supersedes all prior agreements, negotiations, representations and proposals written or oral, relating to its subject matter.
- i) This Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein. The parties hereby irrevocably attorn to the exclusive jurisdiction of the Courts of the Province of Ontario.

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13) Notices

- a) Any communication to be given in connection with this Agreement shall be given in writing and may be given by personal delivery, by fax, email or by pre-paid registered mail addressed to the party concerned at the addresses set forth below:

If to ClaimSecure: ClaimSecure Inc.
Suite 620
1 City Centre Drive
Mississauga, Ontario
L5B 1M2

Attention to: VP, Corporate Services

Fax Number: 905-949-3029

If to the Pharmacy: _____

Attention to: _____

Fax Number: _____

- b) Both parties to this Agreement agree that electronic copies of signed documents (whether delivered by facsimile, email or otherwise) shall be regarded and accepted as if they bore original signatures.
- c) Any notice required to be provided under the terms of this Agreement shall be deemed to have been given and received on the date it was delivered or faxed, or emailed, or if mailed, on the third Business Day following the date of its mailing.
- d) You agree to promptly notify ClaimSecure of any subsequent changes to the information contained in the application.

WHEREOF the parties hereto have executed this Agreement

this _____ day of _____, 20__ .

Name of Pharmacy (print)

Authorized Signatory of the Pharmacy

Name of Signatory of the Pharmacy (print)

Tchen Wong

Authorized Signatory of ClaimSecure Inc.

Tchen Wong

Name of Signatory of ClaimSecure Inc.

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PLEASE COMPLETE THE ATTACHED APPLICATION AND RETURN ONE COPY OF THIS SIGNED AGREEMENT AND THE ATTACHED APPLICATION TO:

E-Mail: PricingAndProviders@Claimsecure.com or

Mailing Address: ClaimSecure Inc.

Attention: File administration

P.O Box 6500, Station A,

Sudbury, ON, P3A 5N5

or

Fax: (705) 222-8865

You agree to promptly notify ClaimSecure of any subsequent changes to the information contained in the application.



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Pharmacy Application / Request Form

Please complete and return the following form to:

Fax: (705) 222-8865

E-mail: pricingandproviders@claimsecure.com

Note: The fields with * are mandatory fields

Section 1*

☐ New Pharmacy

☐ Change of Ownership

☐ Relocation ☐ Name Change

Current provider #: * _____

Effective date of change or opening: * _____

MANDATORY INFORMATION REQUIRED

Please attach a copy of the document (letter), which includes the pharmacy accreditation number or license number by the College of Pharmacists in your province.

Section 2 – Pharmacy Information

Accreditation License Number: * _____ Software Vendor: _____

Pharmacy Name: * _____

Unit #: * _____ Street Address: * _____ P.O. Box: _____

City: * _____ Province: * _____ Postal Code: * _____

Email Address: * _____

Do you consent to received e-mail communications from Claimsecure? ☐ YES ☐ NO

Pharmacy Phone #: * _____ Fax #: _____

Contact Name: * _____ Title: * _____

Contact Phone # prior to effective date: _____

Contact Email prior to effective date: _____

Is this pharmacy part of a chain or banner? * ☐ YES ☐ NO

If YES, which chain or banner? * _____

Section 3 – Corporate Information

Corporate Name of the Pharmacy _____

Directors / Shareholders _____

Please return all pages of the application with a copy of the email from the college.

If you require additional information, please feel free to contact our Pharmacy Help Desk at 1-800-461-6579

Date

Owner (Please Print)

Signature (Owner)

SCHEDULE "A"
PHARMACY MANUAL

Please See Attached.