PHARMACY TECHNICIAN STUDENT EXTERN AGREEMENT

THIS PHARMACY TECHNICIAN STUDENT EXTERN AGREEMENT ("Agreement") is made and entered into on July 18, 2012 (the “Effective Date”), by and between SAFEWAY INC., a Delaware corporation ("Company"), with principal offices located at 5918 Stoneridge Mall Road, Pleasanton, California 94588, and LAS POSITAS COLLEGE ("College"), located at 3000 Campus Hill Drive, Livermore, California 94551.

RECITALS

A. College has established a program for students to obtain hands-on training and experience in a pharmacy as part of the requirements leading to a pharmacy technician degree.

B. Company operates numerous pharmacies that have the necessary facilities, equipment, and personnel for students to obtain such educational experience.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

1. Definitions. The following terms, when used in this Agreement, have the meanings set forth below:

   1.1 “Confidential Information” means any of the Company’s financial data or proprietary business information, customer data, business plans and operations, policies and procedures and techniques of Company, including the Company Pharmacy Policies and Procedures Manual, patient or medical record information regarding Company customers, and Protected Health Information subject to and defined under HIPAA (as defined below), but shall not include information that (a) was or is in the public domain prior to the date of disclosure to College or thereafter becomes publicly known and generally available through no action or inaction of College; (b) was or is lawfully received by College from a third party without breach of obligation of confidentiality; (c) was or is already known by or is in the possession of College at the time of disclosure to College without breach of obligation of confidentiality by College or any third party, as shown by College’s files and records immediately prior to disclosure; or (d) is independently developed by College without use of or reference to the Confidential Information, as demonstrated by competent evidence of College.

   1.2 “HIPAA” shall mean collectively the 1996 Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. §1320 through d.8, and any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained at 45 C.F.R. Part 160 and Part 164, and the federal security standards contained in 45 C.F.R. Part 142, as from time to time amended.

   1.3 “Pharmacy” shall mean a pharmacy owned or operated by Company.

   1.4 “Program” means the program of clinical learning of pharmacy technician skills conducted by College that includes placement of Students (as defined below) at Pharmacies for participation in rotating externships.

   1.5 “Student” or “Students” shall mean a student or students enrolled at the College seeking a degree as a pharmacy technician who are assigned to a Pharmacy pursuant to the Program.
1.6 “Student Confidentiality Agreement” means the Student Confidentiality Agreement attached as Exhibit A, as modified from time to time by Company in its discretion.

2. Responsibilities of College.

2.1 Selection of Students. College will use its best efforts to ensure that Students selected for participation in the Program are prepared for effective participation in the clinical training phase of their overall pharmacy technician education.

2.2 Responsibility for Education. In conducting the Program, College shall at all times retain ultimate responsibility for the education of its Students.

2.3 College Representative. College shall appoint a faculty member who shall serve as a point of contact for the Company regarding the Program.

2.4 Health Insurance. College will require all participating Students to provide proof of health insurance to the Company upon request, which insurance coverage shall be reasonably satisfactory to Company. College acknowledges that Company shall have no obligation for the costs of any Student’s emergency medical care.

2.5 Evidence of Immunization/Health Status. Upon the request of Company, College will provide Company with evidence of immunization and other health requirements reasonably required by Company for Students.

2.6 Company Regulations. College will require Students to comply with Company’s rules, regulations, and procedures in effect from time to time.

2.7 Transportation. College will require that Students shall have the responsibility of providing their own transportation to and from the Pharmacy to which they are assigned and carry an appropriate level of automobile insurance.

2.8 Publications. College shall inform Students that they must obtain prior written approval from Company and College before publishing any material related to the Program or their experience in the Program.

2.9 Immigration. College shall ensure that any foreign student (including, but not limited to, any student holding F-1 or J-1 status) obtain appropriate curricular or academic practical training authorization before being assigned to a Pharmacy. College shall provide Company with documentation of such practical training authorization upon request.

2.10 Compliance with Law. College shall comply with all federal and state law applicable to the performance of its obligations hereunder and shall not discriminate on the basis of race, sex, creed, color, age, national origin, or individual handicap in its educational programs (including the Program), activities, and services, all of which are and shall be offered and administered on a nondiscriminatory basis in accordance with the provisions of Title VI and VII of the Civil Rights Act of 1964, Titles VII and VIII of the Public Health Services Act, the Rehabilitation Act of 1973 (Section 504), the Equal Pay Act of 1963 as amended, Title IX of the Educational Amendments of 1972, the Vietnam Era Veteran’s Readjustment Assistance Act of 1974.

2.11 Participation in Government Health Care Programs. College represents and warrants that it has not been excluded from participation in federal or state health care programs, is not the subject of any pending exclusion proceeding, and has not been adjudicated or determined to have committed any action that could subject College to exclusion from a government program. College shall obtain a representation and
warranty from each Student that he or she has not been excluded from participation in federal or state health care programs, is not the subject of any pending exclusion proceeding, and has not been adjudicated or determined to have committed any action that could subject Student to exclusion from a government program. College shall notify Company within three (3) business days of receipt of notice of (a) exclusion or proposed exclusion of College or a Student from a state or federal health care program, or (b) adjudication or other determination that College or a Student has committed any action which could lead to exclusion from a government program. College shall review the federal Office of Inspector General and General Services Administration exclusion lists, and any comparable state lists, upon the placement of Student and annually thereafter to ensure that all Students placed with Company are not excluded from government funded health care programs, and shall provide a certification of such to Company in writing at the time of placement of Student, annually thereafter, and upon reasonable request of Company. College shall notify Company immediately upon receipt of any information indicating that College or a Student has been charged with a crime relating to healthcare or is facing a proposed debarment, exclusion, or other adverse action, in which case, College shall immediately remove any such Student from direct responsibility for, or involvement in, services provided to Company related to government health care programs. This Section shall refer to and include members of the College’s board of directors and any key management, executive staff, and any major stockholder.

2.12 Compliance with Company’s Pharmacy Federal and State Healthcare Compliance Program Manual, Pharmacy Code of Business Conduct, and Policies and Procedures. College shall ensure that each Student is aware of, and to the extent applicable, conducts himself or herself while at Company’s premises in compliance with Company’s Pharmacy Federal and State Healthcare Compliance Program Manual and Pharmacy Code of Business Conduct, and policies, procedures, practices, and work instructions in effect from time to time, including but not limited to compliance policies. Company will provide College a copy of the Pharmacy Federal and State Healthcare Compliance Program Manual and Pharmacy Code of Business Conduct, which Company reserves the right to update from time to time in its sole discretion. Prior to placement at Company (and from time to time upon request from Company), College must obtain from each Student documentation evidencing that Student has received, read, understands, and, to the extent applicable, will abide by Company’s Pharmacy Federal and State Healthcare Compliance Program Manual, Pharmacy Code of Business Conduct, compliance policies and procedures, and other documentation reasonably requested by Company. College shall, and shall require each Student to, promptly report in writing to Company’s Compliance Officer, compliance concerns and suspected or actual violations of law or policy related to the services provided to Company.

2.13 Medicare Part D. College acknowledges that Company provides pharmacy services to Medicare Part D plans (“Part D Plans”) and their members under the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (“Medicare Part D”) and that Company must comply with the provisions set forth in Exhibit C attached to this Agreement, which is incorporated herein by this reference. As applicable to the functions performed by Students related to Part D Plans, College agrees, and will require Students to agree to the provisions set forth in Exhibit C.

2.14 Training. Prior to placement at Company (and from time to time upon request from Company), each Student shall participate in fraud, waste, and abuse training in connection with 42 C.F.R. Section 423.504(b) (vi). College shall institute its own training or Student may attend other training which satisfies CMS’ requirements, or Student may attend training made available through Company. Each student shall sign a certification or attestation of compliance with this section. College shall provide Company with a certification or attestation by an officer or director of College of compliance with this section upon Company’s request.
2.15 **Conflicts of Interest.** Prior to placement at Company (and from time to time upon request from Company), each Student shall sign a conflict of interest statement, attestation, or certification, certifying that the Student is free from any conflict of interest with respect to the Part D benefits administered and delivered by Company. College shall provide Company with a certification or attestation by an officer or director of College of compliance with this section upon Company’s request.

2.16 **Deficit Reduction Act of 2005 / False Claims Acts.** Under the Deficit Reduction Act of 2005, certain entities are required by law to establish policies and provide information regarding the federal False Claims Act and similar state laws, an employee’s right to be protected as a whistleblower, and policies and procedures for detecting and preventing fraud, waste, and abuse in state and federal health care programs (“DRA Policies”). Any contractor, subcontractor, agent, and other person which or who furnish or otherwise authorize the furnishing of Medicaid health care items or services, performs billing or coding functions, or is involved in monitoring of health care provided by these covered entities are required to adopt the entity’s DRA Policies, as may be amended from time to time. If applicable, Company will provide or make available to College and/or Students, Company’s DRA Policies. To the extent College or Students furnish or otherwise authorize the furnishing of Medicaid health care items or services, performs billing or coding functions, or is involved in monitoring of health care provided by Company, College and/or Students shall comply with the DRA Policies.

2.17 **Monitoring and Oversight.** Company or its designee has the right to inspect, evaluate, and audit any pertinent contracts, books, documents, papers, and records of College that pertain to any aspect of services performed under the Agreement. Company will establish and maintain ongoing monitoring and oversight of all aspects of College’s and Student’s performance of its obligations in connection with the Agreement, and College shall, and shall require Students to, fully cooperate with Company in connection with such activities.

3. **Responsibilities of Company.**

3.1 **Access to Pharmacy.** Company shall provide Students assigned to a Pharmacy under the Program with access to the Pharmacy, during regular business hours and as scheduled by mutual agreement of Company and College, in order for such Students to have learning opportunities as pharmacy technicians in a clinical setting and to observe and participate in agreed upon hands-on training as part of their pharmacy technician education.

3.2 **Company Representative.** Company shall appoint a representative who shall serve as the point of contact for the College regarding the Program.

3.3 **Orientation.** Company will provide for such orientation and training of Students assigned to a Pharmacy as to the Company’s philosophies, rules, regulations, and policies as Company deems appropriate.

3.4 **Supervision of Students.** Company shall retain responsibility for supervising Students during the time that such Students are physically present at any Pharmacy and participating in a pharmacy rotation under the Program and performing any program assignments that may affect the operation of the Company and its service to the Pharmacy customers.

3.5 **Student Evaluations.** Company staff will, upon request, provide reasonable assistance to College in the evaluation of the learning and performance of Students and will complete forms, such as student evaluation reports, reasonably requested by College and approved by Company.
3.6 **Student Records.** Company will limit access to and preserve the confidentiality of Students’ files and personal information to the extent, if any, that Company maintains any such files or personal information.

3.7 **Claims Involving Student.** Company will promptly provide written notification to College if a claim arises involving a Student.

3.8 **Termination of Student Participation.** Company shall have the right to immediately terminate the use of any of its facilities, equipment or supplies by any Student if the Student violates Company’s rules, regulations, procedures or policies in effect from time to time or if necessary to maintain operation of its facilities free from disruption, or for other causes as determined by the Company in its sole discretion. Company will promptly notify College of any such termination.

4. **Mutual Cooperation.**

4.1 **Assignment of Students.** The number of Students to be assigned to Company pursuant to the Program and the dates and location of their specific work cycles/rotations, as well as the number of Students assigned to any single Pharmacy will be agreed upon in writing by College and Company prior to any such assignment. College shall provide Company with not less than sixty (60) days prior written notice of any proposed assignment of a Student to a Pharmacy.

4.2 **Communication by Representatives.** At the request of a party, the other party’s representative will make reasonable efforts to communicate with the requesting party’s representative and to cooperate to resolve any problems, to develop any improvements in the operation of the clinical training program, and to promote understanding of and adjustments to any operation or activity involved herein.

4.3 **Costs of Program.** Each party shall be responsible for bearing its own costs incurred in the conduct of the Program.

5. **Confidentiality.**

5.1 **Treatment of Confidential Information.** College covenants that it will not use or publish or disclose to any person or other entity any Confidential Information, except for the benefit of the Company and in accordance with the provisions of the Agreement. College will take reasonable security precautions, at least as great as the precautions it takes to protect its own trade secrets, with respect to the Confidential Information that it receives. College will disclose Confidential Information on a “need-to-know” basis only to such of its employees or agents as are obligated to treat such Confidential Information in a manner consistent with all the obligations of College under the Agreement. College shall comply with all federal, state, and local laws and regulations and Company rules and policies regarding the confidentiality of customer patient and medical record information, including, without limitation, any records or information about Company customers receiving treatment for alcohol or drug abuse, including, without limitation, the provisions of the federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records, 42 C.F.R. Part 2, as amended from time to time. College will promptly notify Company if any Confidential Information is required by law to be disclosed by College and cooperate with Company in seeking to narrow the scope of disclosure and preserve the confidentiality of such Confidential Information. The provisions of this Section augment and do not supersede any written confidentiality or non-disclosure agreement existing between the parties and shall survive the expiration or other termination of this Agreement.

5.2 **Student Compliance.** College acknowledges and agrees that it is a condition to Company’s acceptance of each Student for an externship rotation hereunder that Company requires each such Student (i) to undergo Company’s standard HIPAA training, and (ii) to execute the Student Confidentiality Agreement.
College will assist Company in obtaining the execution by each Student of the Student Confidentiality Agreement on or prior to the date of commencement of such Student’s externship.

6. **Employment Disclaimer.**

College and Company agree and acknowledge that the Students participating in the Program will not be considered employees or agents of Company for any purpose. Students assigned to a Pharmacy will be permitted to observe pharmacy activities and participate in hands-on training as part of their education, but may not engage in productive labor or provide services to Company’s customers. Under no circumstances will a Student displace a Company employee. Participation in the Program will not entitle a Student to a position with Company at any time in the future. Students shall not be entitled to any compensation or employee benefits from Company, including, but not limited to, health insurance or workers’ compensation benefits, vacation, sick time, or any other benefit of employment, direct or indirect, and College shall inform Students that they are not entitled to receive any compensation or employee benefits from Company in connection with their participation in the Program. Company will not be required to purchase any form of insurance for the benefit or protection of any Student.

7. **Term and Termination.**

7.1 **Term.** The initial term of this Agreement (“**Initial Term**”) shall be one (1) year, commencing on the Effective Date and, unless earlier terminated as set forth herein, shall be renewed automatically for additional twelve (12) months terms (each, a “**Renewal Term**”) unless terminated as provided herein. The Initial Term and each Renewal Term (if any) are sometimes collectively referred to herein as the “**Term.**”

7.2 **Termination for Convenience.** This Agreement may be terminated by either party, at any time, for any reason, upon ninety (90) days’ prior written notice to the other party.

7.3 **Termination for Cause.** Company may terminate any Student placement with Company and/or this Agreement immediately by written notice to College upon the occurrence of any of the following:

(i) Conduct by College or any Student that, in the sole discretion of Company, could affect the quality of professional services provided to Company customers or be prejudicial or adverse to the best interest and welfare of Company or its customers;

(ii) Breach by College or Students of any of the confidentiality provisions hereof, including but not limited to HIPAA and the Student Confidentiality Agreement, or of Company policy;

(iii) Failure by College to provide the required certifications specified herein or otherwise required by law;

(iv) College’s or any Student’s conviction of a criminal offense related to the practice of pharmacy, or listing by a federal agency of College or any Student as being debarred, excluded or otherwise ineligible for federal program participation;

(v) Determination, in the sole discretion of Company, that College or any Student has committed an action which could be subject to mandatory exclusion, violations of the Pharmacy Federal and State Healthcare Compliance Program Manual, Pharmacy Code of Business Conduct, or compliance policies and procedures or other applicable statutory or regulatory requirements, and/or failure to obtain and maintain required training.
7.4 **Effect of Termination.** The expiration or other termination of this Agreement shall not affect any obligation of either party that has accrued prior to such expiration or termination, and any provision of this Agreement that can be reasonably construed to survive expiration or termination of this Agreement shall survive the expiration or termination of this Agreement. The expiration or other termination of this Agreement shall not affect any Student rotation in process as of the effective date of such expiration or termination; provided, however, that Company at all times shall retain the right to terminate a Student’s participation in the Program in accordance with Section 3.8 hereof.

8. **Notices.**

All notices hereunder shall be in writing, delivered personally, by certified or registered mail, return receipt requested, or by commercially reputable overnight courier, and shall be deemed to have been duly given on the date when delivered personally or on the third business day after deposit in the United States mail, registered or certified mail, postage prepaid, or the next business day after deposit with a commercially reputable overnight courier, addressed as follows:

For the Company:

Safeway Inc.
5918 Stoneridge Mall Road
Pleasanton, CA 94588
Attn: Vice-President-Pharmacy

With a copy to Legal Division
at the same address

For the College:

Chabot-Las Positas
Community College District
5020 Franklin Drive
Pleasanton, CA 94588
Attn: Lorenzo Legaspi, Vice Chancellor

9. **Entire Agreement.**

This Agreement, including the provisions of any exhibit and other agreements attached to this Agreement, if any, contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings, oral or written, between the parties relating to its subject matter. This Agreement may be modified only by a written instrument executed by both parties.

10. **Waiver.**

A waiver by either party of a breach or failure to perform hereunder shall not constitute a waiver of any subsequent breach or failure. No waiver of any provision of this Agreement shall be deemed to have been made unless expressed in writing and signed by the party against whom such waiver is charged.

11. **No Joint Venture.**

The parties are independent contractors and neither party is authorized to act as agent on behalf of or bind the other. This Agreement does not create, and nothing contained in this Agreement shall be deemed to create, any partnership, joint venture or similar agreement between the parties.

12. **No Third-Party Beneficiaries.**
The provisions of this Agreement are intended for the benefit of each party and their respective successors and permitted assigns, and it is not the intention of the parties to confer third-party beneficiary rights upon any other person or entity.

13. **Indemnification and Insurance.**

13.1 Each party to this agreement will be responsible for the negligent acts or omissions of its own employees, officers, or agents in the performance of this Agreement. Neither party will be considered the agent of the other and neither party assumes any responsibility to the other party for the consequences of any act or omission of any person, firm, or corporation not a party to this Agreement.

13.2 College is covered by the State of Washington Self-Insurance Program and the Tort Claims Act (Chapter 4.92 RCW). Chapter 4.92 RCW states in part that the state of Washington, whether acting in its governmental or proprietary capacity, shall be liable for damages arising out of its tortious conduct to the same extent as if it were a private person or corporation. Claims against College and its employees, officers, and agents in the performance of their duties under this Agreement will be paid from the tort claims liability account as provided in Chapter 4.92 RCW. Students are covered under the student medical malpractice policy offered by the State of Washington, Office of Financial Management, Risk Management division, while working in the Company.

13.3 Claims against the State of Washington must be presented to the risk management division. No action shall be commenced against the state, or against any state officer, employee, or volunteer, acting in such capacity, for damages arising out of tortious conduct until sixty days have elapsed after the claim is presented to and filed with the risk management division. The applicable period of limitations within which an action must be commenced shall be tolled during the sixty-day period.

13.4 Company maintains commercial and professional liability insurance coverage. Through that coverage, Company provides liability coverage for its employees, officers, and agents in the performance of this Agreement, and further provides the means for defense and payment of claims that may arise against such individuals.

13.5 A party seeking indemnification ("Indemnified Party") hereunder will provide the other party ("Indemnifying Party") with written notice of any claim, action or demand for which indemnity is claimed hereunder; provided, however, that any failure or delay in providing such notice shall not affect any indemnification recovery hereunder except to the extent that such failure or delay actually affects Indemnifying Party’s recovery with respect to such claim. Indemnifying Party shall have the right to control the defense or settlement of any action for which indemnification is sought hereunder; provided that the Indemnified Party may, at its own expense, retain separate representation. At the expense of Indemnifying Party, each Indemnified Party will provide reasonable cooperation in the defense as Indemnifying Party may reasonably request. Indemnifying Party will not enter into any compromise or settlement of any claim in connection herewith that does not include a complete release of all claims against the Indemnified Party or that requires any payment or admission of liability by Indemnified Party without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld). Indemnifying Party will not enter into any compromise or settlement of any such claim in Indemnified Party’s name without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld). The provisions of this Section 13 shall survive the expiration or other termination of this Agreement.

13.6 **Governmental Immunity.** Nothing in this Agreement is intended to or shall limit or abrogate any governmental immunity afforded to College under the provisions of applicable state law.
14. **Governing Law.**

    This Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to its principles of conflicts of laws.

15. **Assignment; Binding Effect.**

    This Agreement is assignable by Company without consent or notice. College shall not assign, whether by operation of law or otherwise, this Agreement or any of College’s rights, duties or obligations under this Agreement without the prior written consent of Company, and any such assignment by College without Company’s consent shall be null and void. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

16. **Captions.**

    The captions contained herein are used solely for convenience and shall not be deemed to define or limit the provisions of this Agreement.

17. **Severability.**

    If any provision of this Agreement (or the application thereof to any person or circumstance) shall be held invalid or unenforceable, then the remainder of this Agreement (or the application of such provision to persons or circumstances other than those as to which the provision was held invalid or unenforceable) shall not be affected thereby, and each provision of this Agreement (and other application thereof) shall be valid and enforceable to the fullest extent permitted by law.

18. **Facsimile Signatures; Counterparts.**

    The parties agree that this Agreement will be considered signed when the signature of a party is delivered by facsimile transmission. Such facsimile signature shall be treated in all respects as having the same effect as the original signature. This Agreement shall be effective only when signed by both parties. This Agreement may be executed in counterparts, each of which shall be an original but which together shall constitute one instrument.

**SIGNATURE PAGE FOLLOWS**
IN WITNESS WHEREOF, the parties have caused this Pharmacy Technician Student Extern Agreement to be executed as of the Effective Date.

COLLEGE:
Las Positas College
By: ______________________________
   Lorenzo Lagespi
   Vice Chancellor of Business Services
Date: ______________________________

COMPANY:
Safeway Inc.
By: ______________________________
   Jewel Hunt,
   GVP Corporate Pharmacy
Date: ______________________________
Exhibit A  

to  
Pharmacy Technician Student Extern Agreement  
(Section 1.6; Section 5.2)  

STUDENT CONFIDENTIALITY AGREEMENT  
(including Health Insurance Portability and Accountability Act (HIPAA) Compliance)  

This Student Confidentiality Agreement (the “Agreement”) is effective __________________, 201__ (“Effective Date”) and is entered into by and between Safeway Inc., for and on behalf of its healthcare component Pharmacy Operations (“Safeway” or “Covered Entity”), and _____________________________ (“Student” or “Business Associate”).  

Background  

Subject to Student’s execution of this Agreement, Safeway has agreed to permit Student to be present as an extern at one or more of Safeway’s pharmacy locations in connection with the Student’s college or university course of instruction for a pharmacy technician degree, all in accordance with a separate agreement between Safeway and the Student’s college or university. The Student, as a pharmacy technician extern in a Safeway pharmacy, may be exposed to Protected Health Information (“PHI”) (as defined in Attachment A) and to Confidential Information (as defined in Attachment A). The parties desire to protect the privacy and security of all such PHI in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), and the regulations promulgated thereunder, and Safeway also desires to protect the confidentiality of its Confidential Information, all on the terms and conditions set forth in this Agreement.  

Agreement  

1. DEFINITIONS.  

Defined terms used in this Agreement are defined in Attachment A. Capitalized terms used but not otherwise defined in Attachment A will have the meanings set forth at 45 CFR Parts 160-164.  

2. PERMITTED PURPOSES FOR USE OR DISCLOSURE OF PHI; HIPAA TRAINING.  

Subject to the terms and conditions of this Agreement, Student is permitted to use and/or disclose PHI under this Agreement only as minimally necessary to perform Covered Functions on behalf of Safeway. Student understands that he/she must undergo Safeway’s standard internal HIPAA training as a condition to becoming a pharmacy technician extern at Safeway. Student acknowledges and agrees that his/her obligations to protect all PHI in accordance with such training and this Agreement continues forever, even after Student completes his/her pharmacy technician externship and is no longer affiliated with Safeway.  

3. OBLIGATIONS OF STUDENT AS A BUSINESS ASSOCIATE  

a. Limits On Use And Further Disclosure. Student will not use or disclose any PHI other than as permitted or required by this Agreement, or as Required by Law.  

b. Appropriate Safeguards. Student will use appropriate safeguards and security measures to prevent any use or disclosure of PHI other than as permitted by this Agreement.  

c. Reports of Improper Use, Disclosure or Security Incidents. Student agrees that he/she will immediately report to Safeway: (i) any use or disclosure of PHI of which he/she becomes aware which is not provided for or permitted by this Agreement, or (ii) any Security Incidents.
d. **Mitigation Procedures.** To the maximum extent practicable, Student will mitigate, and cooperate with Safeway to mitigate, any harmful effect resulting from any use or disclosure of PHI by Student in violation of this Agreement or the HIPAA Privacy and Security Regulations.

e. **Property Rights.** As between the parties, all PHI hereunder is and will remain the property of Safeway. Student agrees that he/she acquires no right, title or interest in the PHI, including any de-identified information, as a result of his/her relationship with Safeway.

f. **Attachment A.** The provisions set forth in Attachment A are required by law to be included in all Business Associate Agreements and, as such, are incorporated by reference into this Agreement; however, they apply to Student only to the extent applicable to Student’s role as a student observer or pharmacy technician extern in a Safeway pharmacy. Such provisions in no way authorize Student to remove any PHI from a Safeway pharmacy or to use or disclose any PHI other than as directly instructed by the Safeway employee assigned to train Student.

4. **OBLIGATIONS OF COVERED ENTITY.**

   **Provision of Notice of Privacy Practices.** Safeway shall provide Student with the Notice of Privacy Practices that Safeway produces in accordance with 45 CFR §164.520, as well as changes to such notice.

5. **NON-DISCLOSURE OF CONFIDENTIAL INFORMATION.**

   Student shall not use any Confidential Information for any purpose, except as is necessary in connection with the proper conduct of Student’s pharmacy technician externship. Student shall not disclose any Confidential Information to any person or entity other than authorized Safeway pharmacy employees in connection with their performance of their duties or their assistance in Student’s training. Student is personally obligated to maintain the confidentiality of the Confidential Information at all times, no matter in what form Student receives or becomes aware of such Confidential Information. Student acknowledges and agrees that his/her obligation to maintain the confidentiality of the Confidential Information shall continue forever, even after Student completes his/her pharmacy technician externship and is no longer affiliated with Safeway.

6. **RETURN OR DESTRUCTION OF PHI AND CONFIDENTIAL INFORMATION.**

   Upon any termination or expiration of this Agreement or the earlier request of Safeway, Student immediately will return or destroy all PHI and Confidential Information received from, or created for or on behalf of, Safeway, including any such information created or received by Student for or on behalf of Safeway. Following such return, Student will not retain any PHI or Confidential Information, whether in tangible or intangible form, or any copies thereof, whether in set forth in documents, extracts, summaries or other formats. If return or destruction of the PHI is not feasible, Student will extend the protections of this Agreement to limit any further use or disclosure of such PHI and/or Confidential Information until such time as the PHI and/or Confidential Information can be returned or destroyed. If Student elects to destroy the PHI and/or Confidential Information, he/she shall certify to Safeway that such information has been destroyed.

7. **BREACH OF THIS AGREEMENT.**

   If Student in any way fails to comply with this Agreement or fails to protect the PHI and Confidential Information from unauthorized use or disclosure, such non-compliance will constitute a material breach of the Agreement and will be grounds for immediate termination of Student’s relationship with Safeway. Student understands that any such failure may subject Student to severe penalties, including (i) civil fines, penalties and/or criminal sanctions against Student and/or Safeway; (ii) a civil lawsuit and judgment against Student personally and/or Safeway; and (iii) notification to appropriate regulators and law enforcement agencies of Student’s unauthorized disclosure of PHI.

8. **TERM; GENERAL.**

   This Agreement will begin on the Effective Date and continue in effect until terminated by Safeway by
written notice to Student, provided that no such termination will be effective until Student has returned to Safeway or destroyed all Confidential Information, including PHI, in accordance with this Agreement. Notwithstanding the foregoing, all provisions of this Agreement which by their nature are intended to survive termination shall so survive. This Agreement constitutes the entire agreement between the parties with respect to its subject matter. This Agreement may not be amended except in a writing signed by both parties. This Agreement may be executed in counterparts. Facsimile signatures shall be as effective as original signatures.

SAFeway INC.

By: ________________________________  ________________________________
Name of Student

Address: ________________________________

Print Name: ________________________________

Title: ________________________________

Date: ________________________________

Signature: ________________________________

Date: ________________________________

College/University: ________________________________
1. **Definitions:**

(a) "**Confidential Information**" means any proprietary information regarding Safeway's business or its pharmacy operations that may not be available to the public (or to other pharmacies or businesses) that may be disclosed to or received by Student by or on behalf of Safeway or its affiliates and/or their customers or suppliers, whether directly or indirectly and in whatever form (written, oral, tangible or intangible), and whether or not specifically designated as "confidential," "proprietary" or some similar designation; and the term "Confidential Information" includes all PHI disclosed to or received by Student in connection with his/her affiliation with Safeway.

(b) "**Covered Functions**" means those functions of a covered entity the performance of which makes the entity a health plan, health care provider, or health care clearinghouse.

(c) "**Designated Record Set**" means a group of records maintained by or for the Covered Entity that is (i) the medical records and billing records about Individuals maintained by or for the Covered Entity; (ii) the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or (iii) used, in whole or in part, by or for the Covered Entity to make decisions about Individuals. As used herein the term "Record" means any item, collection, or grouping of information that includes PHI and is maintained, collected, used or disseminated by or for Covered Entity.

(d) "**Electronic Protected Health Information**" or "**EPHI**" means Protected Health Information which is transmitted by or maintained in Electronic Media as defined in 45 CFR § 160.103.

(e) "**HIPAA Privacy and Security Regulations**" means the regulations found at Title 45, Parts 160 and 164 of the Code of Federal Regulations, as the same may be amended from time to time.

(f) "**Individual**" means the person who is the subject of the Protected Health Information or such person's personal representative in accordance with 45 CFR § 164.502(g).

(g) "**Protected Health Information**" (or "**PHI**") means information created or received by Business Associate from or on behalf of Covered Entity pursuant to the Agreement, whether such information is oral or recorded in any form or medium, including but not limited to electronic form, and which: (i) relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual, or the past, present or future payment for the provision of health care to an individual; and (ii) identifies the individual or, with respect to which, there is a reasonable basis to believe the information can be used to identify the Individual. Protected Health Information includes without limitation, Electronic Protected Health Information.

(h) "**Secretary**" means the Secretary of the Department of Health and Human Services ("HHS") and any other officer or employee of HHS to whom the authority involved has been delegated, specifically including, but not limited to, the Office for Civil Rights.

(i) "**Security incident**" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

2. **Subcontractors and Agents.** Business Associate will ensure that any agent, including a subcontractor, of Business Associate to which it provides PHI is bound by a written agreement that contains the same restrictions and conditions on the use and disclosure of the PHI as this Agreement,
and Business Associate will provide to such subcontractor or agent only the minimum necessary PHI for the purpose of the covered transaction. Business Associate also will ensure that any such agent of subcontractor agrees to implement reasonable and appropriate safeguards to protect any PHI received by such agent or subcontractor.

3. **Right of Access to PHI.** At the request of and in the time and manner directed by Covered Entity but no later than two (2) business days after any such request, Business Associate will provide access to and a right to copy PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, to the Individual, in conformance with the requirements of 45 CFR §164.524. In the event an Individual requests access to PHI directly from Business Associate, Business Associate will confirm with Covered Entity in writing that the Individual is entitled to receive such access prior to making the records available.

4. **Amendment and Incorporation of Amendments.** At the request of Covered Entity or of the Individual, Business Associate will make any amendments to PHI in a Designated Record Set that have been approved by Covered Entity in writing, in the time and manner designated by Covered Entity and in conformance with 45 CFR §164.526. Where the request for amendment of PHI in a Designated Record Set is made directly to Covered Entity and Business Associate maintains the subject PHI, Business Associate will make the amendment at the direction of Covered Entity or, upon Covered Entity’s request, provide to Covered Entity the PHI that is required for Covered Entity to respond to the Individual’s request for amendment.

5. **Provide Accounting.** Business Associate will document and make available to Covered Entity or to the Individual, the information requested by Covered Entity to respond to a request for an accounting of disclosures to the Individual in accordance with 45 CFR §164.528. Such documentation will be made available within ten (10) days of notice of a request, in the manner designated by Covered Entity.

6. **Access to Books and Records.** Business Associate will make available to the Secretary of Health and Human Services or his/her designee its internal practices and all books, and records relating to the use or disclosure of PHI for purposes of determining compliance with HIPAA and the regulations thereunder. The internal practices, books and records subject to this Section are those internal practices, books and records that relate to the use and disclosure of PHI that is created by Business Associate on behalf of Covered Entity, received by Business Associate from Covered Entity, or received by Business Associate from a third party on behalf of Covered Entity. Within five (5) days of receiving any request for access to such records from the Secretary or designee, Business Associate will notify Covered Entity of the request.

7. **Electronic Data Interchange (EDI) Transaction Standards.** Business Associate is responsible for compliance with the EDI X12N HIPAA standard transaction and code sets requirements. Business Associate is required to maintain ongoing compliance with these transaction standards on behalf of Covered Entity.

8. **Handling of EPHI.** In its handling of EPHI, Business Associate will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any EPHI that it creates, receives, maintains, or transmits on behalf of Covered Entity as required by the HIPAA Privacy and Security Regulations.

9. **Right to Audit.** Covered Entity will have the right to audit Business Associate’s records described in subsection (h) above to assure compliance with this Agreement and/or the HIPAA Privacy and Security Regulations at any time. In the event that Covered Entity determines there is lack of sufficient documentation and/or satisfactory processes in place to ensure such compliance, Covered Entity reserves the right to ask Business Associate to promptly rectify any non-compliance by a mutually agreed deadline.

[END]
Exhibit B
to
Pharmacy Student Extern Agreement
(Section 4.1)

ASSIGNMENT OF STUDENTS
for

________________________________________
(Name of College)

COMPANY:
By: __________________________
Print Name: __________________
Date: _________________________

COLLEGE:
By: __________________________
Print Name: __________________
Date: _________________________
EXHIBIT C

MEDICARE PART D REGULATORY REQUIREMENTS

College agrees, and/or will require each Student to agree, to comply with all of the following provisions contained herein, to the extent applicable to the services provided by College or Students to Safeway:

1. Claims data and information provided in connection with Part D Plans is used for purposes of obtaining Federal funds. College agrees, and will require Students to agree, that it is bound by 45 CFR Part 76 and represents and warrants that neither College nor any Students are excluded by the Department of Health and Human Services Office of the Inspector General, by the General Services Administration or any comparable state-level agency.

2. In accordance with 42 CFR 423.505(k) (3), Students must certify (based on best knowledge, information, and belief) the accuracy, completeness and truthfulness of the claims data related to payment for a Part D Plan.

3. In accordance with 42 CFR 423.505(i) (1), 42 CFR 423.562(a) (4), and 42 CFR 422.504(i) (1), notwithstanding anything to the contrary agreed to by the parties, Part D Plans maintain ultimate responsibility for adhering to and otherwise fully complying with all terms and conditions of their respective contracts with CMS and for ensuring that subcontractors satisfy their obligations under its Medicare Part D plan.

4. In accordance with 42 CFR 423.505(e)(2), 42 CFR 423.505(i)(2), 42 CFR 422.504(e)(2), 42 CFR 422.504(i)(2)(ii), HHS, the Comptroller General, or their designees have direct access to (e.g., onsite access) and the right to inspect, evaluate, and audit any pertinent contracts, books, documents, papers, and records of College that pertain to any aspect of services performed, reconciliation of benefit liabilities, and determination of amounts payable under Part D Plan’s CMS contract. College and/or Staff shall produce such records upon request. This right exists through ten (10) years from the final date of the contract period or from the date of completion of any audit, whichever is later.

5. In accordance with 42 CFR 423.505(g) (1), 42 CFR 423.505(i) (3) (i), and 42 CFR 422.504(g) (1) (i), Part D Plans’ members shall not be held liable for payment of any fees that are the legal obligation of the Part D Plan.

6. In accordance with 42 CFR 423.505(i)(3)(ii) and (i)(4)(ii) and 42 CFR 422.504(i)(3)(ii) and (i)(4)(ii), in the event CMS, the Part D Plan, or Company determines that College and/or Student has not performed satisfactorily under this Agreement, the delegated activities and reporting responsibilities of College, if any, may be revoked or otherwise subject to the default provisions agreed to with the Part D Plan.

7. In accordance with 42 CFR 423.505(i)(3)(ii) and (i)(4)(iii) and 42 CFR 422.504(i)(3)(ii) and (i)(4)(iii), Part D Plans will establish and maintain ongoing monitoring and oversight of all aspects of subcontractors’ performance of its obligations in connection with its Medicare Part D plan.

8. In accordance with 42 CFR 423.505(i)(3)(ii) and (i)(4)(iv) and 42 CFR 422.504(i)(3)(ii) and (i)(4)(v), College and Students shall comply with all applicable Federal and State laws, regulations, and CMS instructions.
9. College agrees, and will require Students to agree, to participate in Part D Plans under the terms and conditions agreed to by Company and the Part D Plans. Any such services or other activity performed by College or Students in connection with Part D Plans shall be consistent and comply with CMS Contracts as required by 42 CFR 423.505(i)(3)(iii) and 42 CFR 422.504(i)(3)(iii).

10. In accordance with 42 CFR 423.505(d) and 42 CFR 422.504(d), College agrees to maintain for ten (10) years, books, records, and documents related to the performance of its obligations with respect to Part D Plans.

11. College agrees, and will require Student to agree, to comply with all applicable State and Federal privacy and security requirements, including the requirements of 42 CFR 423.136, 42 CFR 423.505(b)(14), 42 CFR 422.504(a)(13), and 42 CFR 422.118, which require that for any medical records or other health and enrollment information Student maintains with respect to Part D Plan members, Student will do the following:

   a. Abide by all applicable Federal and State laws regarding confidentiality and disclosure of medical records or other health and enrollment information of Part D Plan members. With respect to information that identifies a particular Part D Plan member, Student will have procedures that specify: (1) for what purpose the information is used within the organization; and (2) to whom and for what purposes it discloses the information outside the organization;

   b. Ensure that medical information is released only in accordance with applicable Federal or State law or under court orders or subpoenas;

   c. Maintain the records and information in an accurate and timely manner; and

   d. Ensure timely access by Part D Plan members to the records and information that pertain to them.

12. In accordance with 42 CFR 423.153(c) (1), Company requires compliance with the minimum standards for pharmacy practice as established by the states.

13. In accordance with 42 CFR 423.153(c) (2), Company requires the review of DUR messages as they are received via the online claims adjudication system and the use professional judgment as to whether action is required.

14. In accordance with 42 CFR 423.153(c) (2), Company requires the maintenance of up-to-date patient information, such as, but not limited to, patient demographic information and patient allergy information (drug and food).

15. In accordance with 42 CFR 423.562(a) (3), Company requires the posting or distribution of notices instructing enrollees to contact their plans to obtain a coverage determination or request an exception if they disagree with the information provided by Company.

16. In accordance with 42 CFR 422.206(a)(2), Company offers patient counseling to patients when appropriate and must provide information regarding treatment options in a culturally-competent manner, including the option of no treatment. Company requires compliance with its policy of ensuring that patients with disabilities have effective communications in making decisions regarding treatment options.