

**VERIFIED INTERNET PHARMACY PRACTICE SITES™ (VIPPS®)  
Letter of Agreement**

The National Association of Boards of Pharmacy® (NABP®) Verified Internet Pharmacy Practice Sites™ (VIPPS®) Program is designed to provide a means by which the public may readily identify online pharmacies that are appropriately licensed, have agreed to comply with the federal and state laws and regulations governing pharmacy practice, and that have agreed to adhere to the VIPPS Criteria and the requirements of the VIPPS program.

This Letter of Agreement and attachments (hereinafter “Agreement”) between the National Association of Boards of Pharmacy, 1600 Feehanville Drive, Mount Prospect, Illinois 60056 (NABP) and ABC, Inc. (“Corporation”), dba ABC.com (“VIPPS Pharmacy”)

\_\_\_\_\_ (collectively known as “Licensee”) represents the agreement between the parties regarding the VIPPS accreditation of ABC.com, the voluntary participation of the VIPPS Pharmacy in the VIPPS Program and Licensee’s use of the VIPPS Seal.

**G. Incorporation by Reference.**

The following exhibits are incorporated by reference and made a part of this Agreement.

- |    |           |                                     |
|----|-----------|-------------------------------------|
| 1. | Exhibit A | VIPPS Criteria                      |
| 2. | Exhibit B | Guidelines for Using the VIPPS Seal |
| 3. | Exhibit C | Fee Schedule                        |
| 4. | Exhibit D | Appeal Procedure                    |

**B. Definitions of VIPPS, VIPPS Pharmacy, and VIPPS Criteria.**

1. “Verified Internet Pharmacy Practice Sites™ (VIPPS®)” is a voluntary program developed and implemented by NABP to award accreditation to qualifying US-based online entities whose pharmacies primarily dispense prescription medications for humans.
2. “VIPPS® Accredited Pharmacy” is an online entity that has been awarded VIPPS accreditation by NABP and whose authorized representative has agreed, on behalf of the entity and its pharmacy, to adhere to applicable state and federal law, the VIPPS criteria, VIPPS Letter of Agreement, and the requirements of the VIPPS program.
3. “VIPPS® Criteria” are the main requirements for accreditation pursuant to the VIPPS program.

C. Verification.

1. Licensee agrees to cooperate with NABP in the verification of Licensee's compliance with VIPPS Criteria and this Agreement. NABP may itself, or through an independent third party designated by NABP, conduct compliance reviews with reasonable notice (online, on-site, or otherwise) of one or more VIPPS Criteria on NABP's own initiative or in response to complaints from third parties.
  - a) On an annual basis, Licensee shall execute an affidavit attesting to its continued compliance with the terms of this Agreement.
  - b) Annually, NABP will perform a review to verify licensure and compliance with the VIPPS criteria and this Agreement.
  - a) Once every three years after initial accreditation, NABP shall perform a review to determine if the VIPPS Pharmacy is qualified for continued participation in the VIPPS program and, therefore, is qualified for re-accreditation. This review will include an on-site inspection of one or more of Licensee's VIPPS pharmacies.
2. Licensee agrees to provide NABP sufficient access to the VIPPS Pharmacy's Internet site and to Licensee's records for purposes of conducting a compliance review (hereinafter "Review") to ensure that Licensee is in compliance with all VIPPS Criteria and this Agreement. Licensee also agrees to permit and facilitate interviews with employees at a reasonable time and of a reasonable duration to evaluate compliance with the VIPPS Criteria.
3. If as a result of a Review or because of facts which become known to NABP, NABP determines that the VIPPS Pharmacy is out of compliance with any VIPPS Criteria or this Agreement, NABP may verify the VIPPS Pharmacy's compliance with any or all VIPPS Criteria or this Agreement. Such verification will be conducted only if NABP determines that further verification is required to allow NABP to retain confidence in the VIPPS Pharmacy's continued eligibility, and only after consultation with Licensee about the scope and scheduling of such verification.
4. The expense of any Review shall be borne by the Licensee. Expense of a Review will be incurred only as reasonably necessary to accomplish its purpose. Expenses may include a Compliance Review Fee, reasonable travel expenses for inspectors, and miscellaneous out-of-pocket expenses.

5. The Compliance Review Fee and estimated average expenses must be paid in advance of the Compliance Review when the Review is performed to initially award the VIPPS Seal, as part of the triennial re-inspection, and as part of a compliance investigation. Failure to remit payments due may result in NABP's termination of this Agreement and Licensee's disqualification from participation in the VIPPS program.
6. Findings of scheduled or random compliance Reviews shall be used by NABP for the purpose of evaluating the VIPPS Pharmacy's eligibility for VIPPS qualification and will be kept confidential, except to the extent that information provided or obtained by NABP is in the public domain, or when NABP, its employees or agents believe in good faith that the Licensee, Licensee's owners, or Licensee's staff are engaging in conduct that violates state or federal law, in which case NABP reserves the right to share this information with its member boards, or when necessary to comply with any properly executed court order, subpoena, or in response to other legally mandated disclosure. The aforementioned confidentiality provision shall not in any manner preclude the termination of the use of the Seal if Licensee is found to be out of compliance with the terms and conditions of this Agreement. Further, NABP reserves the right to share with its member boards information pertaining to the temporary suspension or disqualification of Licensee from the VIPPS program.
7. Licensee agrees to notify NABP within thirty (30) days of any change in the information provided to NABP via a VIPPS Application Form, a VIPPS Annual Review Notice, a VIPPS Re-accreditation Notice, or some other suitable writing. Licensee agrees to notify NABP in writing within ten (10) days of cessation of the Corporation's or VIPPS Pharmacy's operations. On this notification, Licensee shall affirm that all VIPPS Seals and references to the VIPPS program have been removed from the Web site and other materials.

D. Modification.

The VIPPS Criteria referenced in Exhibit A may be modified by NABP at its sole discretion upon thirty (30) days prior notice, at which time Licensee may terminate this Agreement, per Paragraph L 3, and receive a prorated refund of any unused prepaid participation fee.

E. Right to Use VIPPS Seal.

1. Licensee acknowledges NABP's sole ownership of the VIPPS Seal and all ownership rights thereunder, and agrees not to challenge or do any act that would interfere either directly or indirectly with such ownership. Licensee will not assert or seek any rights in or protection of any kind, other than those granted under this Agreement.

2. NABP grants Licensee a nonexclusive and non-transferable license to display the VIPPS Seal in connection with the VIPPS Pharmacy's Web site or online services identified in Licensee's VIPPS Application Form or in subsequent written notice(s) to NABP subject to the terms and conditions set forth in Exhibit B.
3. Licensee agrees that this Grant does not constitute an endorsement by NABP of the Licensee, the quality of care provided by Licensee, or the quality of Licensee's products or services. Licensee may not sublicense, transfer, or assign the VIPPS Seal; provided however, Licensee may provide the Seal to Licensee's Web site hosting service, if any, to allow display of the Seal on the VIPPS Pharmacy's Web site.
4. If Licensee is merged, acquired by, or consolidated with another company, Licensee must provide written notification to NABP within 10 days. Licensee must submit a new VIPPS application and application fee in order to qualify for VIPPS accreditation. NABP reserves the right to require removal of the VIPPS Seal and to disable the authentication mechanism during this review period.

F. Use of VIPPS Seal

4. The VIPPS Seal must be displayed within three (3) weeks of NABP allowing Licensee to access the Seal. Licensee shall not alter, cause, or authorize the alteration of the Seal in any manner whatsoever. Licensee may alter the size of the Seal upon prior written approval by NABP, provided that in any such alternation, the elements of the Seal remain proportional.
5. Licensee must provide and maintain a link from the VIPPS Seal posted on the VIPPS Pharmacy's Web site to NABP's VIPPS Web site in a form and manner acceptable to NABP.
6. Licensee agrees to adhere to the guidelines for use of the Seal as set forth in this Agreement including Exhibit B. If Licensee engages another party to provide hosting services for the VIPPS Pharmacy's Internet site, Licensee is responsible for ensuring that such party displays and uses the Seal solely as permitted under this Agreement.
7. Off-line use of the VIPPS Seal is prohibited except with the prior written approval of NABP.

H. Right of Publicity by NABP.

Licensee grants NABP a non-exclusive, royalty-free license during the term of this Agreement to use and distribute the following information about Licensee in NABP's current list of licensees located on NABP's Internet site, in VIPPS Program brochures, and in other NABP publications, which includes but is not limited to:

1. VIPPS Pharmacy's Web site address;
2. Date VIPPS Pharmacy was accredited;
3. Date of next scheduled re-accreditation;
4. Corporation's name, address, phone number, FAX number, E-mail address, state of incorporation, years in business, name of CEO;
5. VIPPS Pharmacy (ies) name, address, phone number, FAX number, E-mail address, name of pharmacist-in-charge;
6. List of states and state pharmacy license numbers in which the VIPPS Pharmacy, whether owned or contracted, is authorized to practice pharmacy and licensure disciplinary information about the VIPPS Pharmacy, if any;
7. Toll-free phone number and/or Web site address by which patients may report business-related complaints to the VIPPS pharmacy;
8. Toll-free phone number and/or Web site address by which patients may report medication and/or device problems to the VIPPS pharmacy,
9. Services provided.

I. Loss of Qualification.

In accordance with this Agreement, NABP at its sole discretion may, at any time, disqualify the Licensee from participation in the program if:

1. The Corporation, VIPPS Pharmacy, its employees, affiliates, or agents violate any term of the VIPPS Letter of Agreement, VIPPS Criteria or the VIPPS program requirements;
2. Any documentation submitted to NABP on behalf of Licensee, including the initial application for VIPPS accreditation, is falsified in any manner;
3. The Corporation, VIPPS Pharmacy, any corporate officer, or any licensed pharmaceutical professional employed by or providing services on behalf of the VIPPS pharmacy is convicted of any felony or violation of any state or federal drug statute, or a final judgment or decree of disciplinary action is issued by a board of pharmacy or governmental authority against the Corporation, the VIPPS Pharmacy, or Corporate or VIPPS Pharmacy staff;

4. The Corporation, VIPPS Pharmacy, any Corporate officer, or any licensed pharmaceutical professional employed by or providing services on behalf of the VIPPS Pharmacy engages in any conduct that is a violation of state or federal law, or is not in compliance with the VIPPS criteria, or any conduct that is found by NABP to be detrimental to the public health or welfare;
5. The Corporation, VIPPS Pharmacy, any Corporate officer, or any licensed pharmaceutical professional employed by or providing services on behalf of the VIPPS pharmacy is currently or becomes the subject of an investigation or is charged by any board of pharmacy or governmental authority;
6. The Corporation or the VIPPS Pharmacy is disqualified from participation in or is denied accreditation or credentialing by any other accreditation or credentialing entity, such as the Joint Commission on Accreditation of Health Care Organizations (JCAHO), TrustE, etc;
7. The Corporation or the VIPPS Pharmacy files for or is currently a party to bankruptcy proceedings;
8. Licensee displays a Seal in any manner and in any location that is in contravention to the Guidelines for Using the VIPPS Seal, or fails to timely remove the VIPPS Seals, as set forth in Exhibit D;
9. Licensee fails to timely pay required fees;
10. Licensee prohibits NABP from performing a compliance review by refusing to provide sufficient access to Licensee's records or the VIPPS Pharmacy's Internet site, or refusing to permit and facilitate interviews with employees or refusing to allow one or more on-site inspections of Licensee's pharmacies; or
11. NABP fails to timely receive Licensee's written notice of appeal of the suspension and fee payment.

I. Suspension of Licensee from the VIPPS Program.

1. In the event a complaint is filed with NABP concerning the VIPPS Pharmacy, or NABP obtains information indicating Licensee is not in compliance with the terms and conditions of this Agreement or the requirements of the VIPPS program, then:
  - a) The VIPPS Committee shall review the matter, and shall notify Licensee in writing of its impending suspension from the VIPPS program, and the basis thereof.

- b) The Licensee may respond to the charge, in which case it shall be in writing and shall be sent to the VIPPS Committee of NABP within twenty-one (21) days of the date of the notice. The VIPPS Committee will then review the facts relating to the allegations, including any response from the Licensee, and shall determine if sufficient grounds exist to temporarily suspend Licensee from participation in the VIPPS program. If no response to the allegations is received or the VIPPS Committee determines that the allegations against Licensee are true, then Licensee will be sent a written notice of the VIPPS Committee's decision that its participation in the VIPPS program is temporarily suspended.
- c) The Licensee must remove the VIPPS Seal from all displayed locations within ten (10) days of the date on the notice of temporary suspension. NABP may redirect the hyperlink of the Seal assigned to the Licensee to display a notice that the Licensee's participation in the VIPPS Program has been suspended. NABP reserves the right to share with its member boards information pertaining to the temporary suspension of Licensee from the VIPPS program.

J. Appeal from Suspension and Disqualification.

1. In the event Licensee is suspended by the VIPPS Committee of NABP, Licensee may appeal the decision of NABP, as an Appellant, in accordance with the terms and conditions of the Appeal Procedure attached as Exhibit D.
2. Unless otherwise agreed, if the VIPPS Seal(s) are not removed within the required time frame, as set forth in Exhibit D, or if a written notice of appeal and fee payment are not received by NABP within the required time period as set forth in Exhibit D, the temporary suspension converts to disqualification from the VIPPS Program with no further rights of internal appeal.
3. Appellant shall have no further rights to internal appeal after either the Appellate Commission or the Executive Committee has rendered a decision to disqualify Appellant from the VIPPS program.
4. If Appellant is disqualified, NABP shall not consider any future VIPPS applications from Appellant until all findings and bases for the disqualification are remedied and resolved.
5. NABP reserves the right to share with its member boards information pertaining to the disqualification of Appellant from the VIPPS program.

K. Term of this Agreement.

1. The term of this Agreement shall begin upon the date of the execution of the Agreement and shall extend through three (3) years.

L. Termination of Agreement.

1. NABP may terminate the Agreement in writing upon the occurrence of any of the following:
  - a) Licensee's failure to appeal a suspension in accordance with the Appeal Procedure set forth in Exhibit D;
  - b) Licensee's failure to timely remove all VIPPS Seals, in accordance with the Appeal Procedure set forth in Exhibit D;
  - c) A determination by the Appellate Commission, Executive Committee, or NABP, as the case may be, that Licensee is disqualified from participation in the VIPPS program;
  - d) Licensee's failure to pay NABP the VIPPS annual participation fee when due, or failure to pay the expenses and other fees of the VIPPS Appellate Commission in accordance with the Appeal Procedure set forth in Exhibit D; or
  - e) NABP's election upon at least thirty (30) days written notice to Licensee to discontinue the VIPPS Program.
2. Licensee shall not be entitled to receive a prorated refund of the unused portion of any prepaid annual participation fee upon termination except where termination occurs under L1e), or as specifically stated in paragraph L3.
3. Termination by Licensee.

Licensee may terminate the Agreement upon thirty (30) days written notice to NABP. No prorated refund of the unused portion of any prepaid annual participation fee will be paid to Licensee, unless NABP implements new or revised VIPPS criteria and Licensee wishes to terminate the Agreement.
4. Effect of Termination on Rights.

Upon termination, all rights and benefits granted to Licensee under this Agreement shall terminate and Licensee shall immediately cease using VIPPS Seal and holding its Pharmacy out as being VIPPS accredited.

M. Fees.

1. Licensee shall pay application fees and annual participation fees computed in accordance with Exhibit C. The application fees shall be submitted with the VIPPS Application Form and the annual participation fees shall be paid within ten (10) days of notification of qualification for continued participation in the VIPPS program.
2. Compliance Review Fees must be paid in advance of the initial award of the VIPPS Seal, and before any compliance review is performed, including any compliance reviews required with respect to the VIPPS annual review, triennial re-accreditation, or a review as a result of complaints from third parties.

N. Licensee Representations and Warranties.

1. Licensee represents and warrants the following:

All of the information in Licensee's completed VIPPS Application Form is accurate and truthful; and all information subsequently submitted:

- a) in support of the initial application; or
- b) in any renewal application; or
- c) in support of the renewal application

will be accurate and truthful;

2. The Corporation, its owners, the Corporation staff, the VIPPS Pharmacy, and the VIPPS Pharmacy's staff are not currently individually and/or collectively under formal investigation, indictment, prosecution and have not been convicted or disciplined over the past five (5) years by any governmental entity or self-regulation program in any country, for violation of any governmental statutes, rules or regulations under or related to the drug laws or criminal laws of any such jurisdiction.
  - a) Licensee will inform NABP if the Corporation, its owners, the Corporation staff, the VIPPS Pharmacy, or the VIPPS Pharmacy's staff become the subject of such an investigation, indictment, prosecution, conviction, or disciplinary order, within thirty (30) days of learning of such investigation, indictment, prosecution, conviction or disciplinary order;

- b) Licensee shall not be required to report any investigations that do not constitute public information under local, state or federal securities laws, rules or regulations.
  - 3. The VIPPS Pharmacy is and will remain in compliance with the VIPPS Criteria (Exhibit A); and
  - 4. The individual signing on behalf of the Licensee has the authority to bind Licensee to the terms of this Agreement.
- O. Warranty Disclaimer/Indemnification.
- 1. All grants of the right to display the VIPPS Seal are made with no express or implied warranty by NABP.
  - 2. Licensee agrees to indemnify and hold NABP harmless against any claim, loss, lawsuit, damage, or expense, including, without limitation, reasonable attorney's fees, arising out of:
    - a) Any failure on the part of the Licensee to comply with any term of this Agreement;
    - b) Any content on the Internet site or any other site substantially owned or controlled by Licensee including, but not limited to, any claim related to infringement, misappropriation or other violation of a right of another person (including, without limitation, a copyright, right of privacy or publicity, or trade secret claim), or a claim for defamation or obscenity; or
    - c) The sale of any product or service advertised or sold on the covered Internet site(s).
- P. Consequential Damages Waiver, Limitation of Liability.

Neither party shall be liable to the other or any third party for any indirect, incidental, or consequential damage or damages from lost profits or lost use.

The maximum aggregate liability of NABP for all claims arising out of or relating to this Agreement, regardless of the form or cause of actions, shall be total fees and expenses paid by Licensee under this Agreement.

Q. Licensee Responsibility for Other Entities.

In applying for recognition of its Pharmacy as a VIPPS Pharmacy, Licensee shall submit information on each pharmacy, subsidiary, outlet, partnership, and every other organization (collectively called “entities”) included in their network involved in the practice of pharmacy or causing the dispensing of the drug on its behalf. Any act or omission by any of the entities that is contrary to any of the terms and conditions of this Agreement, shall be deemed the act or omission of the Licensee.

R. Notices/Modification.

All notices under this Agreement shall be in writing and shall be sent to the addresses indicated in this Agreement or at such other addresses as a party may indicate in a written notice to the other party to this Agreement.

S. Entire Agreement.

This Agreement embodies the whole agreement and supersedes any prior agreements, understandings, and obligations between the parties.

T. Force Majeure.

The parties shall not be liable for any delay or failure of performance of this Agreement if such failure is caused by acts of God, war, governmental decree, power failure, judgment or order, strike, communications failure, equipment or software malfunction, or other circumstances, whether or not similar to the foregoing, which are beyond the reasonable control of such party.

U. Severability.

The provisions of the Agreement are severable. If any provision is determined by a court of competent jurisdiction or a governmental regulatory entity to be invalid or unenforceable, in whole or in part, that provision shall be construed or limited in such a way as to make it enforceable and consistent with the manifest intentions of the parties. If such construction or limitation is impossible, the unenforceable provision will be stricken, and the remaining provisions of this Agreement will remain valid and enforceable.

V. Waiver.

The failure of either party to exercise any of its rights regarding a breach of this Agreement shall not be deemed to be a waiver of such rights nor shall the same be deemed to be a waiver of any subsequent breach.

W. Surviving Paragraphs.

The terms and conditions of this Agreement (Paragraphs N, O, P, and X) shall survive the expiration or termination of this Agreement.

X. Governing Law.

This Agreement shall be governed by and interpreted under the laws of the State of Illinois without regard to its conflict of laws provisions.

Y. Assignability.

1. This Agreement may not be assigned by either party without the written consent of the other.
2. The terms and conditions of this Agreement shall be binding upon the heirs, personal representatives, assignees, and successors of the parties.

This Letter of Agreement is executed by the parties as of the date and year appearing below.

**For Licensor:**            **National Association of Boards of Pharmacy**  
                                 **1600 Feehanville Drive**  
                                 **Mount Prospect, IL 60056**

\_\_\_\_\_  
**Carmen A. Catizone**  
**Executive Director/Secretary**

\_\_\_\_\_  
**Date**

**For Licensee:**

\_\_\_\_\_

\_\_\_\_\_  
**Date**

Revised 7/29/02; 4/13/05

**Exhibit “A”**  
**VIPPS® Criteria**

**Licensure and Policy Maintenance**

Qualifying VIPPS Pharmacies (see definitions) must:

- 1) Provide NABP with the information necessary to verify that the VIPPS pharmacy is licensed or registered in good standing to operate a pharmacy and/or engage in the practice of pharmacy with all applicable jurisdictions;
- 2) Provide NABP with the information necessary to verify that all persons affiliated with the site, including those affiliated through contractual or other responsible arrangements, that are engaging in the practice of pharmacy are appropriately licensed or registered and in good standing in all applicable jurisdictions;
- 3) Maintain and enforce a comprehensive policy and procedure that documents how the pharmacy’s policies and procedures are organized, authorized for implementation, revised, retired and archived; and
- 4) Comply with all applicable statutes and regulations governing the practice of pharmacy where licensed or registered, and comply with the more stringent law or regulation as determined by conflicts of law rules. VIPPS pharmacies must maintain and enforce policies and procedures that address conflicts of law issues that may arise between individual states or between state and federal laws and regulations. Said policies and procedures must assure compliance with applicable laws including generic substitution laws and regulations, and must prohibit unauthorized therapeutic substitution from occurring without necessary patient or prescriber authorization and outside of the conditions for participation in state or federal programs such as Medicaid.

**Prescriptions**

Qualifying VIPPS Pharmacies, in accordance with applicable state and federal laws and regulations, must:

- 5) Maintain and enforce policies and procedures that assure the integrity, legitimacy, and authenticity of the Prescription Drug Order and seek to prevent Prescription Drug Orders from being submitted, honored, and filled by multiple pharmacies. Maintain and enforce policies and procedures that assure that prescription medications are not prescribed or dispensed based upon telephonic, electronic, or online medical consultations without there being a pre-existing patient-prescriber relationship that has included an in-person physical examination.

**Patient Information**

Qualifying VIPPS Pharmacies, in accordance with applicable state and federal laws and regulations, must:

- 6) Maintain and enforce policies and procedures ensuring reasonable verification of the identity of the patient, prescriber, and, if appropriate, caregiver, in accordance with applicable state law;

- 7) Obtain and maintain in a readily accessible format, patient medication profiles and other related data in a manner that facilitates consultation with the prescriber, when applicable, and counseling of the patient or caregiver;
- 8) Conduct a prospective drug use review (DUR) prior to the dispensing of a medication or device in accordance with applicable state law; and
- 9) Maintain and enforce policies and procedures to assure patient confidentiality and the protection of patient identity and patient-specific information from inappropriate or non-essential access, use, or distribution while such information is being transmitted via the Internet and while the pharmacy possesses such information. [The NABP Guidelines for the Appropriate Use and Disclosure of Protected Health Information in Patient Compliance and Patient Intervention Programs can serve as a useful resource for addressing the confidentiality and security of patient data.]

### **Communication**

Qualifying VIPPS Pharmacies, in accordance with applicable state and federal laws and regulations and VIPPS program criteria must:

- 10) Maintain and enforce policies and procedures requiring pharmacists to offer interactive, meaningful consultation to the patient or caregiver;
- 11) Maintain and enforce policies and procedures establishing a mechanism for patients to report, and the VIPPS Pharmacy to take appropriate action regarding, suspected adverse drug reactions and errors;
- 12) Maintain and enforce policies and procedures that provide a mechanism to contact the patient and, if necessary, the prescriber, if an undue delay is encountered in delivering the prescribed drug or device. Undue delay is defined as an extension of the normal delivery cycle sufficient to jeopardize or alter the patient treatment plan;
- 13) Maintain and enforce policies and procedures establishing mechanisms to inform patients or caregivers about drug recalls; and
- 14) Maintain and enforce policies and procedures establishing mechanisms to educate patients and caregivers about the appropriate means to dispose of expired, damaged, and unusable medications.

### **Storage and Shipment**

Qualifying VIPPS Pharmacies, in accordance with applicable state and federal laws and regulations and VIPPS program criteria, must:

- 15) Ship controlled substances to patients via a secure means that ensures proper delivery and seeks to prevent diversion; and
- 16) Assure that medications and devices are maintained within appropriate temperature, light, and humidity standards, as established by the United States Pharmacopeia (USP), during storage and shipment.

### **Over-the-Counter Products**

Qualifying VIPPS Pharmacies must:

- 17) Comply with all applicable federal and state laws regarding the sale of Over-the-Counter Products identified as precursors to the manufacture or compounding of illegal drugs.

### **Quality Improvement Programs**

Qualifying VIPPS Pharmacies must:

- 18) Maintain a Quality Assurance/Quality Improvement Program.

### **Reporting to NABP**

Qualifying VIPPS Pharmacies must:

- 19) Notify NABP within thirty (30) days of any change of information provided as part of the verification process, including change in pharmacist-in-charge, or involving data displayed on the VIPPS Web site. VIPPS pharmacies shall notify NABP in writing within ten (10) days of ceasing operations. The written notification shall include the date the pharmacy will be closed, and an affirmation that all VIPPS Seals and references to the VIPPS program have been removed from the Web site and wherever else they are displayed.

Revised 5/31/05

## Exhibit “B” VIPPS® Seal



### Guidelines for using the VIPPS® Seal:

- Except as NABP may authorize elsewhere, only a VIPPS-authorized Web site may display the VIPPS Seal. By using the Seal on your Web site, you agree to be bound by these policies. You may only display the Seal on your Web site, and not in any manner other than specified herein. You may not use the Seal in connection with any other Web site, product or service that has not been VIPPS accredited.
- The Seal must always be an active link to the NABP VIPPS site.
- The words “Click to Verify” describe the significance of the Seal on your site (that the Seal is a link to the NABP VIPPS data page, not an endorsement of your products or services). Each use of the VIPPS Seal must include the Trademark and notice “Click to Verify.” You may not display the Seal in any manner that implies sponsorship or endorsement by NABP of your products or services.
- The Seal with link must be displayed with the pop-up flag reading “Click to Verify *yourpharmacywebname.*”
- No links, other than that directly associated with the Seal, may be used to link to the VIPPS data site (<http://vipps.nabp.net/verify.asp>).
- Your Web page title and other trademarks and logos must appear at least as prominently as the seal. You may not combine the seal with any other object, including, but not limited to, other logos, words, icons, graphics, photos, slogans, numbers, or other design elements.
- NABP will provide you with artwork for the Seal. You may not remove or alter any element of the Seal in any manner, including size, proportions, colors, elements or animate, morph, or otherwise distort its perspective or appearance.
- The preferred way to display the Seal is on the opening page of the Web site. A separate dedicated page is an acceptable alternative. Any other posting requires the expressed permission of NABP. The Seal cannot be posted on a secure Web page.
- The color version with “Click to Verify” tag is the required way of reproducing the Seal on the Internet.
- The Seal must be displayed in its original size (105 X 74 pixels).
- The Seal must appear by itself, with a minimum spacing of 15 pixels between each side of the Seal and other graphic or textual elements on your page. The Seal may not be displayed as a feature or design element of any other logo.

- You may not display the Seal on any site that disparages NABP or its members or programs, infringes on any NABP intellectual property or other rights, or violates any state, federal, or international law.
- These policies do not grant a license or any other right to any other NABP logo or trademark. By using the Seal, you agree to be bound to the terms of the VIPPS Letter of Agreement. NABP reserves the right, at its sole discretion, to terminate or modify permission to display the Seal at any time. NABP reserves the right to take action against any use that does not conform to these policies, infringes any NABP intellectual property or other right, or violates other applicable law.

Revised 1/30/03

**Exhibit “C”  
Fee Schedule**

Fee Schedule

- Schedule A Independent Community-based pharmacy – three or less stores
- Schedule B Internet Pharmacy, HMO Pharmacy, PBM Pharmacy, Chain Drugstore, Mass Retailer
- Schedule C Independent Pharmacy - one pharmacy with an Internet practice that is limited to 1-3 states (pharmacy only possesses 1-3 pharmacy licenses)

Application Fee

- Schedule A \$3000 + \$875 average VIPPS inspection expense (air, food, lodging, etc.) + \$1500 per inspector day = Total = \$5375
- Schedule B \$5000 + \$875 + \$1500 = Total = \$7375
- Schedule C \$2000 + \$875 + \$1500 = Total = \$4375

Annual Participation Fee

- Schedule A \$2000 If an Inspection year: \$4375
- Schedule B \$4000 If an inspection year: \$6375
- Schedule C \$1000 If an inspection year: \$3375

Average Inspection expense

Average VIPPS inspection travel expense per inspector = \$875

Facility fee

An applicant for VIPPS accreditation or a VIPPS accredited entity that has more than 5 dispensing facilities, shall submit an additional fee of \$600 with the application and the annual participation fee.

### VIPPS Inspection/Compliance Review Inspector Fee

Schedule A \$1500 per inspector day

Schedule B \$1500 per inspector day

Schedule C \$1500 per inspector day

### When Fees Are Due

Application Fee, plus any applicable additional facilities fees and inspection fees: due with the application submission.

VIPPS Inspection/Compliance Review/Re-inspection fee: payment due prior to on-site inspection.

Annual Participation fee, plus any applicable additional facilities fee: due prior to release of the Seal.

### Newly Opened Pharmacy Facilities

\$400 processing fee shall be submitted for each new facility that is opened.

### Newly Acquired Pharmacy Facilities

Please contact VIPPS staff for fee information.

### Extension of Time to Complete the VIPPS Accreditation Process

- \$650 first time extension fee for a period of six months
- \$350 second time extension fee for a period of six months

Revised 7/29/02

**Exhibit “D”**  
**VIPPS<sup>®</sup> Procedure for Appeal from Suspension**

- a) Provided all VIPPS Seals have been removed from all places displayed within ten (10) days of the date on the notice of temporary suspension and all fees and expenses invoiced by NABP have been paid, Licensee may file a written Notice of Appeal, as an Appellant, with NABP within twenty-one (21) days of the date of the notice of temporary suspension. A \$1,500 payment must be submitted with the Notice of Appeal to be applied to the costs incurred by convening the VIPPS Appellate Commission. If the Seal(s) are not removed within the required time frame, or if a written notice of appeal and fee payment are not received by the NABP within the required time period, the temporary suspension converts to disqualification from the VIPPS Program with no further rights of internal appeal, and the Letter of Agreement shall be terminated.
- b) Not more than sixty (60) days from receipt of a Notice of Appeal, NABP shall convene the VIPPS Appellate Commission, which shall consist of the President, President-Elect, and Treasurer of NABP.
- c) As part of the Appellant’s appeal, Appellant may request an audit of its compliance with VIPPS Program Criteria. If Appellant requests an audit, an additional fee of \$1,500 shall be submitted that will be applied to the costs of performing the audit. NABP agrees to conduct such an audit at Appellant’s expense. A written report of the audit findings will be provided to the appealing party, NABP and members of the Appellate Commission. The time requirements hereinafter set forth shall be deemed to commence after the requested audit has been concluded.
- d) Unless otherwise agreed by the parties, the Appellate Commission shall set a date, time, and place for a hearing on the appeal not more than sixty (60) days from the date of the convening of the Appellate Commission, or the date after the audit is concluded under paragraph c) above, whichever may be applicable.
- e) Both parties to the appeal shall have the right to representation by counsel throughout the appeal procedure.
- f) All reasonable expenses incurred by the Appellate Commission including, but not limited to travel expenses (ie, transportation, accommodations, and meals) shall be paid by the Appellant.

- g) Failure of Appellant to pay the Appellate Commission's reasonable expenses, in full, within seven (7) days of the date of the bill or invoice, shall result in termination of the appeals procedure, disqualification of Appellant from the VIPPS program, and termination of the Letter of Agreement.
- h) In the event that any person designated as a member of the Appellate Commission shall be disqualified or shall refuse or be unable to serve for any reason at any time, an alternate member shall be selected by the remaining members of the Appellate Commission. The member's service and affiliation with NABP, NABP's Executive Committee, and the Appellate Commission shall not be grounds for disqualification based upon claims of conflict-of-interest, bias, or the like.
- i) Not less than ten (10) days before the hearing, Appellant and NABP shall present written statements of their respective positions to the Appellate Commission.
- j) Both parties may present evidence at the hearing.
- k) Closing arguments shall be submitted to the Appellate Commission in writing, and they must be filed within fourteen (14) days of the conclusion of the hearing.
- l) Within an additional thirty (30) days thereafter, the Appellate Commission shall render a decision:
  - i. To disqualify Appellant from the VIPPS program;
  - ii. To not disqualify Appellant from the VIPPS program; or
  - iii. To remand the matter to NABP for further review and reconsideration.
- m) A written report of the Appellate Commission's findings and decision shall be submitted to the Executive Director/Secretary of NABP and the Appellant.
- n) Any matter remanded to NABP for reconsideration shall be heard and considered by the full Executive Committee of NABP.
  - i. The decision of the Executive Committee to disqualify or not disqualify the Appellant shall be final.

- ii. The Executive Committee shall issue a written report of its findings and decision to NABP's Executive Director/Secretary and Appellant.
- iii. Appellant shall have no further rights to internal appeal after the Executive Committee has rendered a decision.