

PHARMACY BENEFITS MANAGER'S BOND
OKLAHOMA INSURANCE DEPARTMENT
STATE OF OKLAHOMA

Bond No.: _____

Name of Principal: _____

Address of Principal: _____

Name of Surety: _____

Address of Surety: _____

State in which Surety is organized: _____

Number of Lives Covered: _____

Minimum Penal Sum: (mark the applicable amount)

- ___ \$50,000 (0-5,000 annual lives covered)
- ___ \$100,000 (5,001-10,000 annual lives covered)
- ___ \$250,000 (10,001 - 25,000 annual lives covered)
- ___ \$500,000 (25,001 – 50,000 annual lives covered)
- ___ \$750,000 (50,001 -100,000 annual lives covered)
- ___ \$1,000,000 (100,001 – Up annual lives covered)

Effective Date: _____.

KNOWN ALL MEN BY THESE PRESENTS, that the Principal and Surety named above, who are authorized to engage in business in the State of Oklahoma, are indebted to the STATE OF OKLAHOMA, as Oblige in the penal sum indicated above, for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, legal representatives, successors and assigns, jointly and severally firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the above named Principal has applied or intends to apply for a license as a Pharmacy Benefits Manager pursuant to Title 59 O.S. § 358 and is required under the provisions of Title 59 O.S. § 358(B) to furnish a surety bond conditioned as herein set forth:

NOW THEREFORE, the Principal, his agents and employees shall: Conform with the laws, rules and regulations governing Pharmacy Benefit Managers for the benefit of the parties protected by the provisions of Title 59 O.S. §§ 357-360 with whom the Principal deals.

NOW THEREFORE, the Surety does, by these presents, undertake and agree that the obligation of this bond shall cover and extend to the liability of the Principal effective as of the date above and shall continue in full force and effect until terminated or canceled, as provided herein.

The Parties further agree that:

Continuing Obligation: This bond is a continuing obligation and shall cover the full period or periods of licensing of the Principal, as a Pharmacy Benefits Manager, including the present and all renewal licenses which said Principal may be granted; provided, that it is hereby expressly agreed that nothing contained herein shall be deemed or construed to reduce the liability of the Principal and Surety below the penal sum set forth above for each and every licensing period for which the named Principal shall be licensed, the same as if a new bond in the said penal sum were entered into for each and every separate period.

Duration of Bond: The bond shall be continuous in nature and shall remain in effect as long as the Principal's license, as Pharmacy Benefits Manager, remains in effect.

Termination: No party may cancel the bond without first giving thirty (30) days written notice to the Principal and the Insurance Commissioner of the State of Oklahoma. The Surety may cancel this bond and terminate its obligation hereunder at any time by giving thirty (30) days written notice by registered mail to the Principal and the Insurance Commissioner of the State of Oklahoma. If the bond is terminated, the Surety shall remain liable under the provisions of this bond for any liability already accrued under this bond or which shall accrue before the expiration of the thirty day notice period.

Beneficiaries: This bond is for the benefit of the State of Oklahoma and any and all persons suffering damages by reason of Principal's failure to comply with Oklahoma Statutes or other legal obligations arising out of Principal's conduct as a Pharmacy Benefits Manager.

Right to Bring Action: If the Principal violates Title 59 O.S. §§ 357-360 or other legal obligations arising out of its conduct as a Pharmacy Benefits Manager, the State of Oklahoma, as well as any person damaged as a result of such violation shall have, in addition to all other legal remedies, a right of action upon this bond for loss sustained by the injured party in any court having jurisdiction of the amount claimed for the recovery of any loss sustained.

Notice: In the event either the Principal and/or the Surety under this bond are served with notice of any action commenced or notice of intent to file an action or claim against said Principal or Surety under the bond, said Principal and Surety shall, respectively, and within ten (10) days, give written notice of the filing of such action or the intent to file an action or claim, as well as give written notice within ten (10) days of the final disposition of such action or claim to, the following address:

Oklahoma Insurance Department
3625 NW 56th, Suite 100
Oklahoma City, OK 73112

Modification: The Principal and the Surety agree that they shall not amend, modify or vary any term of this bond without prior written consent of the Insurance Commissioner of the State of Oklahoma.

Warranties: The Surety hereby represents and warrants that it is in full compliance with the provisions of the laws of the State of Oklahoma.

In addition to all other amounts payable hereunder, Surety shall reimburse Obligees for all costs and expenses (including attorneys' fees) that Obligees incur in the enforcement of the provisions of this bond.

IN WITNESS WHEREOF, Principal and Surety have signed and sealed this surety bond as of the ____ day of _____, 20____.

(Name of Principal)

(Name of Surety)

By: _____
(Signature)

By: _____
(Signature)

(Print Name)

(Print Name)

(Title)

(Title)

(Address)

(Address)

(Address Continued)

(Address Continued)

(Attorney in Fact)

Notary Stamp

Subscribed to and sworn before me

(Date)

(Signature of Notary Public)

(Commission Expiration Date)