



IN THE MATTER OF:

CASE NO. 2014-1946-A

Smith Drug Co., Inc.
c/o Michael Sturgill, R.Ph.
741 2nd Street
Portsmouth, Ohio 45662

License No. 02-0117250

SETTLEMENT AGREEMENT WITH THE STATE OF OHIO BOARD OF PHARMACY

This Settlement Agreement (Agreement) is entered into by the State of Ohio Board of Pharmacy (OSBP) and Smith Drug Co., Inc., for the purpose of resolving all issues between the parties relating to the OSBP investigation of adequate safeguards to allow pharmacists and pharmacy interns to practice pharmacy in a safe and effective manner. Together, OSBP and Smith Drug Co., Inc. are referred to hereinafter as "the parties."

JURISDICTION

1. Pursuant to Section 4729.57 of the Ohio Revised Code and the rules adopted thereunder, the OSBP has the authority to suspend, revoke, or refuse to grant or renew any license issued pursuant to Section 4729.55 of the Ohio Revised Code to practice pharmacy the state of Ohio.
2. Smith Drug Co., Inc. is a licensed Terminal Distributor of Dangerous Drugs under license number 02-0117250.

FACTS

1. On or about October 6, 2014, the OSBP initiated an investigation of Smith Drug Co., Inc., Terminal Distributor of Dangerous Drugs license number 02-0117250, related to Smith Drug Co., Inc.'s adequate safeguards to allow pharmacists and pharmacy interns to practice pharmacy in a safe and effective manner.
2. On or about June 25, 2015, the OSBP sent a Notice of Opportunity for Hearing to Smith Drug Co., Inc., which outlined the allegations and provided notice of their right to a hearing, their rights in such hearing, and their right to submit contentions in writing.
3. On or about July 9, 2015, Smith Drug Co., Inc. timely requested an administrative hearing, which was subsequently scheduled for September 1, 2015 and then was continued to December 9, 2015.

77 South High Street, 17th Floor, Columbus, Ohio 43215



WHEREFORE, the parties desire to resolve the issues relating to the above-referenced findings without resorting to further administrative or judicial proceedings.

TERMS

NOW THEREFORE, in consideration of the mutual promises herein expressed, the parties knowingly and voluntarily agree as follows:

1. The recitals set forth above are incorporated in this Settlement Agreement as though fully set forth herein.
2. Smith Drug Co., Inc. neither admits nor denies the allegations stated in the Notice of Opportunity for hearing letter dated June 25, 2015; however, the OSBP has evidence sufficient to sustain the allegations and hereby adjudicates the same.
3. Smith Drug Co., Inc. agrees to pay to the OSBP the amount of \$1,000.00, by means of a cashier's check made payable to "Treasurer, State of Ohio," mailed with the enclosed form to the OSBP, 77 South High Street, 17th Floor, Columbus, Ohio 43215-6126, no later than 30 days from the effective date of this Agreement.
4. Smith Drug Co., Inc. and Michael Sturgill agree and acknowledge that this OSBP disciplinary action must be disclosed to the proper licensing authority of any state or jurisdiction in which they currently hold a professional license, including the OSBP on renewal applications or applications for a new license.
5. Smith Drug Co., Inc. agrees to comply with all federal and state requirements related to Terminal Distributors of Dangerous Drugs, including but not limited to, Ohio Revised Code Chapter 4729. and the Rules adopted thereunder, Chapter 3719. and the Rules adopted thereunder, Chapter 3715. and the Rules adopted thereunder as well as the "Federal Food, Drug, and Cosmetic Act," 52 Stat. 1040 (1938), 21 U.S.C.A. 301 and Chapter 21, Section 360 of the United States Code, and Section 207.20 of the Code of Federal Regulations. Any violation by Smith Drug Co., Inc. of the terms of one or more federal or state requirements may constitute sufficient grounds for further enforcement action related to any licenses granted to Smith Drug Co., Inc. by the OSBP and will NOT discharge Smith Drug Co., Inc. from any obligation under the terms of this Agreement.
6. Smith Drug Co., Inc. agrees to pay all reasonable costs associated with the collection of any payment, and of the prosecution of any violation of this Agreement.
7. Smith Drug Co., Inc. understands that it has the right to be represented by counsel for review and execution of this agreement.
8. This Agreement is binding upon any and all successors, assigns, affiliates, and subsidiaries of the parties or any other corporation through whom or with whom Smith Drug Co., Inc. will operate.

9. This Agreement may be executed in counterparts or facsimiles, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.
10. All parties to this Agreement understand that this document is a public record pursuant to Ohio Revised Code Section 149.43.
11. This Agreement contains the entire agreement between the parties, there being no other agreement of any kind, verbal or otherwise, which varies the terms of this Agreement.
12. This Agreement shall become effective upon the date of the Board President's signature below.

IN WITNESS WHEREOF, the parties to this Agreement have executed it and/or cause it to be executed by their duly authorized representatives.

Approved by:



Michal Sturgill, R.Ph., Respondent
Smith Drug Co., Inc.

1-12-16

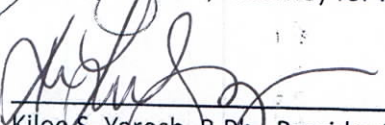
Date of Signature



Zachary Swisher, Attorney for Respondent

1/27/16

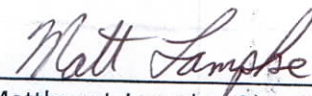
Date of Signature



Kilee S. Yarosh, R.Ph., President,
State of Ohio Board of Pharmacy

2/2/16

Date of Signature



Matthew J. Lampke, Ohio Assistant Attorney General

2/2/16

Date of Signature