

ADDENDUM A
HIPAA COMPLIANCE AGREEMENT / BUSINESS ASSOCIATE AGREEMENT

UPDATED 2010 TO REFLECT
ADDITIONAL REQUIREMENTS OF HITECH ACT

This HIPAA Compliance Agreement (the “**Agreement**”) is incorporated into and made a part of the Purchase Agreement between the Customer identified in the Purchase Agreement (“**Dental Practice**”) and Carestream Dental Systems, LLC, a Delaware corporation (including its subsidiaries and affiliates, “**Carestream Dental**”).

RECITALS

A. In performing services on behalf of Dental Practice, Carestream Dental shall have access to certain information, some of which information may constitute Protected Health Information.

B. Dental Practice and Carestream Dental intend to protect individual privacy and provide for the security and confidentiality of Protected Health Information disclosed to Carestream Dental, in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“**HIPAA**”), the Health Information Technology Act of 2009, as codified at 42 U.S.C.A. prec. § 17901 (“**HITECH Act**” or “**HITECH**”) and regulations promulgated thereunder by the U.S. Department of Health and Human Services (“**HIPAA Regulations**”) and other applicable laws, as of such time that such laws and regulations shall become effective and govern such services as Carestream Dental may provide on behalf of Dental Practice.

C. As part of the HIPAA Regulations, the Privacy Rule requires Dental Practice to enter into a contract with Carestream Dental containing specific requirements restricting the use and disclosure of Protected Health Information, as set forth in, but not limited to, Title 45, Sections 164.502(e) and 164.504(e) of the Code of Federal Regulations (“**CFR**”).

1. Definitions. All capitalized terms have the definitions set forth below unless otherwise set forth herein:

(a) Data Aggregation. “Data Aggregation” shall have the same meaning given to such term in 45 CFR 164.501 and shall include the combining of Protected Health Information received or created by Carestream Dental to permit data analyses relating to healthcare operations of Dental Practice.

(b) Designated Record Set. “Designated Record Set” shall have the same meaning given to such term in 45 CFR 164.501 and shall include patients’ medical or billing records or any group of records which contains Protected Health Information that are used, in whole or in part, by or for Dental Practice to make decisions about patients.

(c) Electronic Protected Health Information. “Electronic Protected Health Information” shall mean Protected Health Information that is subject to the Security Rule, limited to such information created, received, maintained, or transmitted electronically by Carestream Dental on behalf of Dental Practice.

(c) Individual. “Individual” shall have the same meaning as the term “individual” in 45 CFR 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).

(e) Privacy Rule. “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E.

(f) Protected Health Information. “Protected Health Information” shall have the same meaning as the term “protected health information” in 45 CFR 164.501, limited to the information created or received by Carestream Dental from or on behalf of Dental Practice.

(g) Required By Law. “Required By Law” shall have the same meaning as the term “required by law” in 45 CFR 164.501.

(h) Secretary. “Secretary” shall mean the Secretary of the Department of Health and Human Services or his designee.

(i) Security Incident. “Security Incident” shall have the same meaning as “security incident” in 45 CFR 164.304, limited to any such incident involving Electronic Protected Health Information.

(j) Security Rule. “Security Rule” shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Parts 160, 162 and 164.

2. Permitted Uses and Disclosures by Carestream Dental:

(a) Except as otherwise limited in this Agreement, Carestream Dental may use or disclose Protected Health Information to perform the functions, activities, and services set forth in Paragraph 2(f) below (collectively, the “**Services**”) on behalf of Dental Practice to the extent that Carestream Dental will provide such Services pursuant to a service agreement, software license, or other written agreement(s) presently in effect or entered into after the effective date of this Agreement between Carestream Dental and Dental Practice (collectively, “**Service Agreement**” or “**Service Agreements**”).

(b) Except as otherwise limited in this Agreement, Carestream Dental may use Protected Health Information for the proper management and administration of Carestream Dental or to carry out the legal responsibilities of Carestream Dental.

(c) Except as otherwise limited in this Agreement, Carestream Dental may disclose Protected Health Information for the proper management and administration of Carestream Dental, provided that disclosures are Required By Law, or Carestream Dental obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies Carestream Dental of any instances of which it is aware in which the confidentiality of the information has been breached.

(d) Except as otherwise limited in this Agreement, Carestream Dental may use Protected Health Information to provide such Data Aggregation services to Dental Practice as permitted by 45 CFR 164.504(e)(2)(i)(B).

(e) Carestream Dental may use and disclose Protected Health Information to report violations of law to appropriate state or Federal authorities, consistent with 45 CFR 164.502(j)(1).

(f) The following are the Services of Carestream Dental referred to in this Agreement:

(i) providing practice management software with applications that include administrative, financial and clinical applications, and digital imaging and radiography systems;

(ii) electronic commerce services, including collection of claims data, submission of electronic claims information to health plans and provision of statements, website hosting, dental supply procurement, credit card processing and other billing activities;

(iii) ongoing maintenance, support and training associated with Carestream Dental’ products and services provided to Dental Practice; and

(iv) other activities related to the Services set forth above.

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3. Obligations and Activities of Carestream Dental:

(a) Carestream Dental agrees not to use or further disclose Protected Health Information other than as permitted or required by this Agreement or as permitted or Required By Law.

(b) Carestream Dental agrees to use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement and to implement administrative, physical, and technical safeguards (as set forth in the Security Rule) that reasonably and appropriately protect the confidentiality and integrity (as set forth in the Security Rule), and the availability of Electronic Protected Health Information, if any, that it creates, receives, maintains, or transmits electronically on behalf of Dental Practice.

(c) Carestream Dental agrees to report to Dental Practice any use or disclosure of the Protected Health Information not provided for by this Agreement or any Security Incident of which Carestream Dental becomes aware.

(d) Carestream Dental agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information, including Electronic Protected Health Information, agrees to the same restrictions and conditions that apply through this Agreement to Carestream Dental with respect to such information.

(e) Carestream Dental agrees to provide Dental Practice access, at Dental Practice's request and in the time and manner designated by Carestream Dental (provided that such time and manner shall also permit Dental Practice to comply with its obligations under the Privacy Rule), to Protected Health Information maintained in Designated Record Sets in order for Dental Practice to meet its requirements under 45 CFR 164.524.

(f) At the request of Dental Practice, Carestream Dental agrees to make, in the time and manner designated by Carestream Dental (provided that such time and manner shall also permit Dental Practice to comply with its obligations under the Privacy Rule), any amendment(s) to Protected Health Information maintained in Designated Record Sets that Dental Practice directs or agrees to pursuant to 45 CFR 164.526.

(g) Carestream Dental agrees to make internal practices, books, and records relating to the use and disclosure of Protected Health Information available to the Secretary, in a time and manner designated by the Secretary, for purposes of the Secretary determining Dental Practice's compliance with the Privacy Rule.

(h) Carestream Dental agrees to document disclosures of Protected Health Information and information related to such disclosures as would be required for Dental Practice to respond to a request by an Individual for an accounting of such disclosures pursuant to 45 CFR 164.528.

(i) Carestream Dental agrees to provide to Dental Practice, in the time and manner designated by Carestream Dental (provided that such time and manner shall also permit Dental Practice to comply with its obligations under the Privacy Rule), information collected in accordance with Paragraph 3(h) of this Agreement, to permit Dental Practice to respond to a request by an Individual for an accounting of disclosures of Protected Health Information to the extent required under 45 CFR 164.528.

4. Obligations of Dental Practice:

(a) Dental Practice shall notify Carestream Dental with any limitations(s) in its notice of privacy practices of Dental Practice in accordance with 45 CFR 164.520 to the extent that such limitation may affect Carestream Dental' use or disclosure of Protected Health Information.

(b) Dental Practice shall provide Carestream Dental with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, to the extent that such change may affect Carestream Dental' use or disclosure of Protected Health Information.

(c) Dental Practice shall notify Carestream Dental of any re-

striction to the use or disclosure of Protected Health Information that Dental Practice has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Carestream Dental' use or disclosure of Protected Health Information.

(d) Dental Practice shall not request that Carestream Dental use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Dental Practice; provided, however, that Dental Practice acknowledges that Carestream Dental may use Protected Health Information for data aggregation or management and administrative activities of Carestream Dental.

5. Term and Termination:

(a) Term. Unless sooner terminated as set forth below, the Term of this Agreement shall be from the date of execution of the first Service Agreement of which this is an Addendum and shall terminate on the effective date of termination of the Service Agreement, or, if more than one, the effective date of termination of the last such agreement to remain in effect between the parties.

(b) Termination for Cause. Upon either party's knowledge of a material breach by the other, the non-breaching party shall either:

(i) provide an opportunity for the breaching party to cure the breach or end the violation and terminate this Agreement by delivery of written notice if the breaching party does not cure the breach or end the violation within the reasonable time specified by non-breaching party; or

(ii) terminate this Agreement as soon as it desires by delivery of written notice if the breaching party has breached a material term of this Agreement and cure is not possible or the non-breaching party reasonably believes cure is not possible.

(c) Effect of Termination. Upon termination of this Agreement (i) if feasible, Carestream Dental shall return to Dental Practice, or destroy, all Protected Health Information received from, or created or received by Carestream Dental on behalf of, Dental Practice, that Carestream Dental still maintains in any form and retain no copies of such information or, if such return or destruction is not feasible, extend the protections of this Agreement to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible and (ii) Dental Practice shall cease providing any Protected Health Information to Carestream Dental, including through transmission of electronic transactions.

6. Miscellaneous:

(a) Regulatory References. A reference in this Agreement to a section in the Privacy Rule means the section as in effect or as amended, and for which compliance is required. Notwithstanding any contrary provision in this Agreement, the occurrence of the date upon which persons or entities such as Dental Practice shall be required to comply with the applicable provisions of the Privacy Rule or the Security Rule, as specified therein, is a condition precedent to the activities and obligations of Carestream Dental set forth in Paragraph 3 hereof or elsewhere herein.

(b) Survival. The respective rights and obligations of Carestream Dental under Paragraph 5(c) of this Agreement shall survive the termination of this Agreement.

(c) Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Dental Practice to comply with the Privacy Rule and the Security Rule.

(d) Written Notice. Any notice from one party to the other required under this Agreement shall be in writing and shall be given to such party at such address indicated in the Service Agreement or such other address as such party may hereafter specify by notice to the other party.

(e) Entire Agreement. This Agreement contains the entire agreement and understanding between the parties regarding Protected Health Information. This Agreement can only be modified by written agreement duly signed by persons authorized to sign agree-

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ments on behalf of both Carestream Dental and Dental Practice.

(f) Governing Law. The construction and performance of this Agreement will be governed by applicable federal law and the laws of the State of Georgia.

(g) Assignment. This Agreement may not be assigned by either party without the written consent of the other party to this Agreement. Notwithstanding the foregoing, Carestream Dental may assign this Agreement to any successor in interest of all or substantially all of its assets.

(h) No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person or entity, other than the parties hereto, any rights, remedies, obligations, or liabilities whatsoever.

**ACKNOWLEDGEMENT OF ADDITIONAL REQUIREMENTS
IMPOSED BY HITECH ACT**

**7. General Application Of Security Standards To Carestream
Dental:**

Carestream Dental acknowledges that sections 164.308, 164.310, 164.312, and 164.316 of title 45 of the Code of Federal Regulations (regarding administrative, physical and technical security standards), commonly referred to as the HIPAA Security Rule, shall apply to Carestream Dental in the same manner in which such sections apply to Dental Practice. The provisions of the HITECH Act that impose additional requirements and standards on Covered Entities with respect to health information security shall also be applicable to Carestream Dental and shall be and by this reference hereby are incorporated into the Agreement.

8. Specific Security Obligation Of Carestream Dental:

A. Carestream Dental shall secure all Protected Health Information ("PHI") so as to render it unusable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary in guidance issued pursuant to the requirements of the HITECH Act, or;

B. Carestream Dental shall notify Dental Practice of any breach relating to Unsecured Protected Health Information, which notice shall be in compliance with the requirements of the HITECH Act and shall be given to Dental Practice at its designated address for receiving such notices, as soon as practicable and without unreasonable delay, and in no case no later than five (5) business days after such breach is discovered by Carestream Dental. Such notice shall include, to the extent possible, the identification of each individual whose Unsecured Protected Health Information has been, or is reasonably believed by Carestream Dental to have been breached, along with other available information that Dental Practice may be required to include in its notification to the individual. Notice to Dental Practice may be given by email, return receipt requested or certified mail, return receipt requested. If Carestream Dental learns subsequent to its initial notification to Dental Practice of any additional information that Dental Practice may need for its required notification to individuals, Carestream Dental shall promptly notify Dental Practice of such information in the same manner as specified above.

Furthermore, in the event of an unauthorized use or disclosure of PHI or a breach of Unsecured PHI, Carestream Dental shall mitigate, to the extent practicable, any harmful effects of said disclosure that are or should be known to it.

Carestream Dental agrees to ensure that any agent (including a subcontractor, to whom it provides PHI received from, or created or received by Carestream Dental on behalf of Dental Practice) agrees to the same restrictions and conditions that apply through this Amendment to Carestream Dental with respect to such information.

9. Limitations On Use Of Protected Health Information

Carestream Dental acknowledges that the HITECH Act, in addition to the original Agreement, requires it to use or disclose Protected Health Information only if such use or disclosure is in

compliance with all applicable requirements of Section 164.504(e) of the Privacy Rule. The additional requirements of the HITECH Act that impose requirements and standards on Covered Entities with respect to privacy shall also be applicable to Carestream Dental and shall be and by this reference hereby are incorporated into any and all agreements between Dental Practice and Carestream Dental.

Section 164.504(e)(1)(ii) of the HIPAA Privacy Rule shall apply to Carestream Dental in the same manner in which it applies to Dental Practice with respect to compliance with the standards in Sections 164.502(e) and 164.504(e) of the Privacy Rule, except in that in applying such Section 164.504(e)(1)(ii) each reference to Carestream Dental, with respect to a contract, shall be treated as a reference to the Dental Practice involved in such contract.