



## **PHARMACY STUDENT EDUCATION LOAN PROGRAM**

### ***Overview***

Safeway provides financial assistance to students attending Pharmacy School with the intention of working for a Safeway Company upon graduation as a licensed Pharmacist.

### ***Reason/Purpose for Guidelines***

This document provides guidance regarding requirements that must be met in order to receive a loan from Safeway for educational purposes.

### ***Eligibility***

Pharmacy students who meet the following criteria are eligible for this program:

- Are currently enrolled in an accredited pharmacy school in the United States or Canada.
- Maintained a "C" (2.0) average, or equivalent. (Proof of grades required with application)
- Have obtained recommendation of Pharmacy Management and the Human Resources Department.

Priority may be given to students who indicate willingness to work in specific geographical areas.

### ***Guidelines***

Questions concerning any provision of this policy should be directed to Human Resources. Any exceptions to this policy must be approved in writing by the Vice President of Talent Acquisition.

The Pharmacy Student Education Loan Program may be modified, amended or terminated at anytime at the discretion of Safeway. Participation in the plan shall not be deemed to alter or affect wages, hours or working conditions of employees, nor shall it convey any right to future or continued employment with Safeway. Safeway's decision regarding the interpretation, application or administration of the Pharmacy Student Education Loan Program will be final and binding upon all participating students, employees and their representatives.

### ***Obtaining Loan Funds***

Loans will be provided based on satisfactory completion of courses in a pharmacy program in the amounts of \$5,000 or \$10,000 annually. \$5,000 loans are available in all of our operating areas. \$10,000 loans are available only for our difficult to staff positions. \$5,000 loans can be combined with an Employee Education Assistance Reimbursement for difficult to staff positions only. Students are eligible for only one loan (or combined DTS) per calendar year. Loans will only be provided for courses in an ACPE accredited North American Pharmacy School. The specific amount of any loan extended under this program will be in Safeway's sole discretion. Loan funds are to be used towards tuition, books and fees only.

To obtain a difficult to staff location loan, a student must sign a promissory note (legally binding contract) agreeing to work one year as a full-time pharmacist in a specific geographic area, either assigned to a store or as a floater. Students who are in their final year of study will be provided a list of openings in March prior to graduation. Positions will be available on a first come basis. The list will be updated monthly prior to graduation. States may be added or removed from this list at Safeway's discretion.

Students must complete pages 3 and 4 of this document and sign page 2, then submit to their Regional Pharmacy Manager or Pharmacy Recruiter for approval. Each operating division of Safeway has a limited number of loans to disperse annually. Unfortunately, we receive more applications than we can approve annually. Priority is given to employees and students willing to work in our areas of greatest pharmacist need. Upon receipt of the Pharmacy Student Education Loan application, Corporate Human Resources will send a notification form to the applicant advising of approval or non-approval.

### ***Education Financial Assistance from Other Sources***

When a student receives education assistance from the Veterans Administration or other public or private organizations, the Pharmacy Education Loan Program will provide the difference between the outside organization's benefit and the cost of tuition, books and required fees. It is the student's responsibility to identify any outside assistance received on the initial application form.

### ***Loan Repayment or Forgiveness***

The student needs to repay the loan, with interest, \*\* under the following circumstances:

- The student declines an offer of employment upon completion of the Pharmacy School
- Is ineligible to work as a licensed pharmacist based on failure to graduate, licensing requirements and/or performance, or other factors
- Does not complete one year of full-time employment (for each loan obtained) as a licensed pharmacist for a Safeway Company.
- Does not remain in the difficult to staff location assigned for length of contract(s).

After a loan recipient completes one full year of full-time employment with a Safeway Company as a licensed pharmacist, Safeway will forgive the first loan obtained, either \$5,000 or \$10,000. Each additional loan will be forgiven after another year of full time service. For difficult to staff location loans, \$10,000 will be forgiven annually. Loan forgiveness will not be pro-rated for partial years of employment. Calculations will be based on the employee's first day working for a Safeway Company as a full-time licensed pharmacist. Safeway expects graduates to begin full-time employment as a pharmacist within 90 days after graduation.

Loan recipients will be solely responsible for the tax consequences associated with forgiveness of the loan amounts in year in which the loan is forgiven.

Any loan amounts which are not forgiven in accordance with the provisions of this program must be paid in full (loan amount plus interest\*\*) within 6 months of the date on which the individual: a) declines a Safeway Company's offer of employment, b) is determined to be ineligible to work as a licensed pharmacist; or c) resigns or is terminated from employment with a Safeway Company.

\*\*Interest calculations will be based on the per annum Stafford Student Loan Repayment Rate, said rate being the applicable Stafford Student Loan Repayment rate in effect on the date of loan payout and adjusted July 1st annually.

### ***Taxation of Loans***

Taxes will not be withheld from the loan in the year it is distributed, but will be withheld in the year the loan is forgiven. As a Safeway pharmacist, the loan may be forgiven in whole or in part after completion of the first and second year of employment according to the provisions in section 4. Forgiven amounts will be subject to taxation and reported as income on your W-2 form in the year the loan is forgiven. Maximum withholding per check will be determined by the date the loan amount is added to your income.

Beginning on the one-year anniversary of licensure as a pharmacist, Safeway will withhold income from your paycheck to cover the taxation of the loan.

### ***Signature***

I \_\_\_\_\_ (borrowers name) have read, understand, and agree to the terms and conditions of the Safeway Companies Pharmacy Student Education Loan Program.

Name \_\_\_\_\_

Date \_\_\_\_\_

Signature \_\_\_\_\_

# Pharmacy Student Educational Loan Program Application

This application must be submitted and approved to qualify for an pharmacy educational loan.

Student: complete sections 1-4 and submit to the pharmacy recruiter.

Pharmacy recruiter: complete section 5 and submit to Corporate Human Resources.

## Section 1 – Personal Data – All Fields Must be completed

Full Name: \_\_\_\_\_  
Last First MI Social Security #( Non-Employees must

provide a copy of SS card)

Current Address: \_\_\_\_\_  
Street Address City State Zip Code

Permanent Address: \_\_\_\_\_  
Street Address City State Zip Code

Current Phone: ( ) Permanent Phone: ( )

E-mail Address: Employee ID:

## Section 2 – Estimated Expenses

Name of School School Address City State Zip Code

Anticipated Graduation Date (Month / Year): /

Current year of pharmacy program (Junior, Senior, other)	Total Annual Anticipated Cost Tuition, books & Fees)	Total Amount of Outside Grants*	Difference (Costs minus grants)
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\*Please list sources of grant financing Amount


### **Section 3– Repayment**

I have read the Safeway's Pharmacy Student Education Loan Program ("Program") policy in its entirety and fully understand my responsibilities. I confirm that the information contained in this application is true and correct. I understand that I must execute a Promissory Note as a condition to receiving any loan or loans under the program. I understand that if I decline an offer of employment with a Safeway Company upon completion of Pharmacy School, am ineligible to work as a Pharmacist, or am terminated for cause or voluntarily resign within 12 months after commencing employment with a Safeway company, I am responsible to repay any outstanding loan amounts, with interest, in accordance with the Program's Terms and Conditions and the terms of the Promissory Note.

X

Student Signature

Date

### **Section 4 – For Difficult To Staff Location Loans Only**

I wish to apply for a difficult to staff location loan of \$10,000 and agree to the following terms: I will work in a specific location for one year as a full time pharmacist, I will choose a location from the list provided by Safeway prior to my graduation. Relocation assistance is available to my chosen location and may be available to open pharmacist positions after completion of my contract if job performance is satisfactory. I agree to the repayment terms as stated in Section 3.

X

Student Signature

Date

First Choice State

Second Choice State

### **Section 5 – Pharmacy Recruiter / Approval**

I have reviewed this employee's application for participation in the Safeway's Pharmacy Student Education Loan Program. I confirm that this student meets the program requirements.

K (Check one)

☐

Recommend Approval

☐

Not Approved

(indicate reason):

Pharmacy Recruiter's Signature

Date

### **Section 6 - to be Completed by Corporate Human Resources**

K (CHECK ONE)

☐

Recommend Approval

☐

Not Approved (indicate reason):

Director, Pharmacy Talent Acquisition Signature  
Corporate Human Resources

Date