

## SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into among: (i) the United States of America (acting through the United States Department of Justice and on behalf of the Office of Inspector General (“OIG-HHS”) of the Department of Health and Human Services (“HHS”); the Defense Health Agency (“DHA”), acting on behalf of the TRICARE Program; and the Office of Personnel Management (“OPM”), which administers the Federal Employees Health Benefits Program (“FEHBP”) (collectively, the “United States”); (ii) Alliance Parent, Inc. and its current and former subsidiaries listed in Exhibit A (collectively, “Alliance”); (iii) Ancor Holdings LP d/b/a Ancor Capital Partners (collectively, “Ancor”); and (iv) Bhuvana Mandalapu, Ramakrishna Chava, Vicki Fuller, Joshua Calcanis, Desiree Gales, Amy McKay, and Joann Krasnov (collectively, the “Relators”) through their authorized representatives. The United States, Alliance, Ancor, and the Relators are hereafter collectively referred to as “the Parties.”

### RECITALS

A. Alliance Parent, Inc. is a Delaware corporation with its main office in Irving, Texas. Alliance Parent, Inc. and its subsidiaries provide ambulatory electroencephalography (“EEG”) testing services for patients referred by physicians and other health care providers. Ancor describes itself as a Texas-based private investment company. Alliance’s founders sold the company on June 30, 2017, pursuant to a transaction through which Ancor became a minority shareholder, was paid certain monthly fees by Alliance under a “Management Services Agreement,” and held two seats on Alliance’s Board of Directors.

B. Pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b), the Relators have filed the following civil actions (collectively the “Civil Actions”):

(1) On March 6, 2017, Bhuvana Mandalapu and Ramakrishna Chava filed a *qui tam* action in the United States District Court for the Southern District of Texas captioned *United States*

*ex rel. Bhuvana Mandalapu, M.D., and Ramakrishna Chava, M.D., et al. v. Alliance Family of Companies, Inc., et al.*, civil action number 4:17-cv-00740. Relators Mandalapu and Chava filed an amended *qui tam* action on April 17, 2018.

(2) On April 17, 2017, Vicki Fuller filed a *qui tam* action in the United States District Court for the Southern District of Texas captioned *United States ex rel. Vicki Fuller v. Respiratory Sleep Solutions, et al.*, civil action number 4:17-cv-01197. Relator Fuller filed an amended *qui tam* action on or about July 28, 2017.

(3) On June 8, 2017, Joshua Calcanis filed a *qui tam* action in the United States District Court for the Middle District of Florida captioned *United States ex rel. Joshua Calcanis v. Alliance Family of Companies, Inc., et al.*, civil action number 6:17-cv-1040-ORL-40-TBS. The case was transferred to the United States District Court for the Southern District of Texas on April 8, 2019 and assigned civil action number 4:19-cv-1497 in that court.

(4) On June 4, 2018, Desiree Gales filed a *qui tam* action in the United States District Court for the Northern District of Texas captioned *United States, et al. ex rel. Jane Doe v. Alliance Family of Companies, LLC, et al.*, civil action number 3:18-cv-1425-S. The case was transferred to the United States District Court for the Southern District of Texas on March 8, 2019 and assigned civil action number 4:19-cv-1213 in that court. Relator Gales filed an amended *qui tam* action on February 20, 2020.

(5) On June 13, 2018, Amy McKay filed a *qui tam* action in the United States District Court for the Southern District of Texas captioned *United States et al. ex rel. Amy McKay v. Alliance Family of Companies, LLC, et al.*, civil action number 4:18-cv-1949.

(6) On May 2, 2019, Joann Krasnov filed a *qui tam* action in the United States District Court for the Eastern District of Pennsylvania captioned *United States et al. ex rel. Joann Krasnov v. Alliance Family of Companies, LLC, et al.*, civil action number 2:19-cv-001907. The case was

transferred to the United States District Court for the Southern District of Texas on October 31, 2019 and assigned civil action number 4:19-cv-4886 in that court. Relator Krasnov filed an amended *qui tam* action on August 21, 2019.

C. The United States contends that Alliance and Ancor submitted or caused to be submitted claims for payment to the Medicare Program, Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395lll (“Medicare”); the Medicaid Program, 42 U.S.C. §§ 1396-1396w-5 (“Medicaid”); the TRICARE Program, 10 U.S.C. §§ 1071-1110b (“TRICARE”); and the FEHBP, 5 U.S.C. §§ 8901-8914.

D. On or around April 10, 2019, the Centers for Medicare & Medicaid Services (“CMS”) suspended one hundred percent (100%) of Medicare payments to Alliance pursuant to 42 C.F.R. § 405.371(a)(2) based upon what it determined were credible allegations of fraud. The suspension withhold rate was later reduced, resulting in a partial payment suspension. The three hundred ninety-one thousand four hundred and two dollars and twenty-six cents (\$391,402.26) held by the United States as of July 1, 2021 as the result of the suspension of Medicare payments to Alliance will be referred to herein as the “CMS Suspended Amount.”

E. The United States contends that it has certain civil claims against Alliance arising from false claims submitted by Alliance to Medicare, Medicaid, TRICARE, and FEHBP based on the following alleged conduct during the period January 1, 2013 through January 1, 2020 (the “Alliance Covered Time Period”):

(1) Alliance paid independent-contractor neurologists to interpret EEG tests and provided these test-interpretation reports for free to non-neurologist referring physicians to enable them to bill the professional component for the test interpretations, in return for these non-neurologist physicians ordering the EEG tests from Alliance, in violation of the AKS, 42 U.S.C. § 1320a-7b(b);

(2) Alliance chose the neurologists that it paid to provide interpretations of tests ordered by other physicians in return for those neurologists ordering EEG tests for their own patients from Alliance, in violation of the AKS;

(3) Alliance falsely billed Current Procedural Terminology (“CPT”) code 95957 for every video ambulatory EEG test performed when it did not perform the work required for the billing of the code; and

(4) Alliance falsely billed CPT code 95951 when its procedures met the requirements only for the lower-reimbursed CPT code 95953. The conduct set forth in Paragraph E is referred to below as the “Alliance Covered Conduct.”

F. The United States contends that it has certain civil claims against Ancor because Ancor caused Alliance to submit false claims to Medicare, Medicaid, and TRICARE as set forth in Paragraphs E.1 and E.2 during the period July 1, 2017 through January 1, 2020. Specifically, the United States alleges that Ancor, through its due diligence during the sale of Alliance (whereby Ancor became a minority shareholder), learned about the alleged conduct in Paragraphs E.1 and E.2. The United States further alleges that, following its investment, Ancor entered a Management Services Agreement to manage Alliance, was paid monthly fees by Alliance under that agreement, and held two seats on Alliance’s Board of Directors. The United States contends that Ancor caused false claims when it allowed the alleged conduct described in Paragraphs E.1 and E.2 to continue during the period July 1, 2017 through January 1, 2020. The conduct set forth in Paragraph F is referred to below as the “Ancor Covered Conduct.”

G. This Settlement Agreement is neither an admission of liability by Alliance nor a concession by the United States or Relators that their claims are not well founded. Alliance denies that it was involved in any misconduct and denies that it submitted false claims.

H. This Settlement Agreement is neither an admission of liability by Ancor nor a concession by the United States or Relators that their claims are not well founded. Ancor denies that it was involved in any misconduct and denies that it caused the submission of false claims.

I. Relators claim entitlement under 31 U.S.C. § 3730(d)(1)-(2) to Relators' reasonable expenses, attorneys' fees, and costs. Relators Mandalapu and Chava, but not the other Relators, claim entitlement under 31 U.S.C. § 3730(d) to a share of the proceeds of this Settlement Agreement.

J. Alliance and Ancor will enter into separate settlement agreements (hereinafter referred to as the "Medicaid State Settlement Agreements") with certain states, in settlement of the conduct released in those separate Medicaid State Settlement Agreements. States with which Alliance and Ancor execute a Medicaid State Settlement Agreement in the form to which Alliance, Ancor, and the States have agreed shall be defined as "Medicaid Participating States."

To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, and in consideration of the mutual promises and obligations of this Settlement Agreement, the Parties agree and covenant as follows:

#### TERMS AND CONDITIONS

1. Alliance Parent, Inc. shall pay to the United States and the Medicaid Participating States collectively thirteen million five hundred thousand dollars (\$13,500,000) ("Alliance Settlement Amount"), interest on the Alliance Settlement Amount at a rate of 0.875% per annum from December 23, 2020, and additional payments as set forth in Paragraphs 1.C-G below. Of the Alliance Settlement Amount, Alliance Parent, Inc. shall pay thirteen million twenty-two thousand three hundred fifty-six dollars and twelve cents (\$13,022,356.12) to the United States, plus interest and additional payments set forth in Paragraphs 1.C-G (collectively the "Alliance Federal

Settlement Amount”) by electronic funds transfer pursuant to written instructions to be provided by the Office of the United States Attorney for the Southern District of Texas, and Alliance shall pay four hundred seventy-seven thousand six hundred forty-three dollars and eighty-eight cents (\$477,643.88) plus interest to the Medicaid Participating States pursuant to the terms of the Medicaid State Settlement Agreements. The Alliance Federal Settlement Amount shall be paid under the terms and conditions specified herein:

A. Within fourteen (14) days of the Effective Date of this Agreement, Alliance Parent, Inc. will make a payment to the United States in the amount of four hundred eighty-two thousand three hundred nine dollars and forty-nine cents (\$482,309.49) (“Alliance Initial Payment”), plus interest at 0.875% per annum calculated from December 23, 2020 to the date the Alliance Initial Payment is received.

B. Over a period of four (4) years, starting January 1, 2022, Alliance Parent, Inc. will pay the remaining twelve million five hundred forty thousand forty-six dollars and sixty-three (\$12,540,046.63), plus interest at 0.875% per annum, pursuant to the payment schedule attached at Exhibit B (the “Alliance Payments Over Time”). To the extent Exhibit B calls for any payment to be made on a Saturday, Sunday, or federal holiday, the payment deadline will be automatically extended to the business day immediately following such Saturday, Sunday, or federal holiday.

C. Alliance hereby agrees that the United States shall retain the CMS Suspended Amount of three hundred ninety-one thousand four hundred and two dollars and twenty-six cents (\$391,402.26) forevermore. Alliance expressly relinquishes any and all rights of any kind that it may have with respect to those funds, including, but not limited to, any and all claims or rights to have an overpayment determined under 42 C.F.R. § 405.372(c), any and all rights to payment of those funds, and any and all rights to appeal, whether formally or informally

and whether administratively or judicially, the right of the United States and/or CMS to retain those funds, and any other rights Alliance may have to challenge the withholding or the Suspension in any respect.

D. If, within any year of the five (5) year period following the Effective Date of this Settlement Agreement, Alliance or any of its subsidiaries and/or affiliates is sold, merged, or transferred, or a significant portion of the assets of Alliance or of any of its affiliates is sold, merged, or transferred into another non-affiliated entity, Alliance shall promptly notify the United States, and all remaining payments owed pursuant to the Settlement Agreement shall be accelerated and become immediately due and payable.

E. If, in any of the first five (5) fiscal years that conclude following the Effective Date of this Settlement Agreement (each year of which is a “Measurement Period”), the Adjusted Net Revenue of Alliance Parent, Inc. for such Measurement Period exceeds the projected amount listed in the schedule attached at Exhibit C, Alliance Parent, Inc. shall pay the United States an amount equal to two and a half percent (2.5%) of Adjusted Net Revenue above the projection listed for such Measurement Period (each referred to as a “Revenue Payment”). Within one hundred twenty (120) days of the end of each Measurement Period, Alliance shall submit to the Department of Justice, Civil Division, annual audited financial statements and a calculation of the Revenue Payment (“Annual Financials”) for the purposes of determining the Adjusted Net Revenue as defined below. The calculation of the Revenue Payment shall be certified as true and accurate by Alliance’s Chief Executive Officer or Chief Financial Officer. Alliance Parent, Inc. shall pay any owed Revenue Payments to the United States by electronic funds transfer, pursuant to written instructions by the United States, within one hundred fifty (150) days of the end of each Measurement Period. As used in this Agreement, “Adjusted Net Revenue” is defined as Net Patient Service Revenue as disclosed in the Annual Financials, plus Alliance’s investment income

from other entities, including that related to Stratus Software Solutions, LLC and Kvikna Medical ehf, but less Refunds & Recoupments and Payor Audit Settlements.

F. If, within any year of the five (5) year period following the Effective Date of this Settlement Agreement, Alliance Parent, Inc. recovers on the Underwriters at Lloyds / Beazley Buyer's Warranty and Indemnity insurance policy, Policy No. W1F386170101 (the "Beazley Policy"), issued to AFC Buyer, Inc., the United States and Alliance will share any recovery, after deduction for the costs incurred by Alliance listed below, with twenty-five percent (25%) of the remaining funds going to the United States and the remainder to Alliance. The costs that may be deducted by Alliance under this paragraph shall be limited to: (1) legal fees for claiming/litigating the Beazley Policy; (2) Relators' fees/costs paid by Alliance for the Civil Actions; (3) legal fees for defense and investigation of the Alliance Covered Conduct, and Civil Actions; and (4) costs of Corporate Integrity Agreement ("CIA") compliance associated with the Alliance Covered Conduct and Civil Actions, including costs for any required independent review organization ("IRO") and attendant legal fees. The United States' share must be added to Alliance Parent, Inc.'s final installment payment, described in Exhibit B as payable on January 1, 2026.

G. If, within any year of the five (5) year period following the Effective Date of this Settlement Agreement, Alliance obtains payment from anyone that served as an executive or officer of Alliance during the Alliance Covered Time Period (including, but not limited to, Justin Magnuson, Don Jacobs, Conor Butts, and Zach Williams), Alliance Parent, Inc. shall pay to the United States fifty percent (50%) of any such payment(s) within thirty (30) days of receipt.

H. The Alliance Federal Settlement Amount may be prepaid, in whole or in part, without penalty or premium. If Alliance elects to prepay the Alliance Federal Settlement Amount, or any portion thereof, interest shall accrue through the date on which Alliance Parent, Inc. makes said prepayment.



2. Ancor shall pay to the United States and the Medicaid Participating States collectively one million eight hundred forty-four thousand seven hundred nineteen dollars (\$1,844,719) (“Ancor Settlement Amount”) and interest on the Ancor Settlement Amount at a rate of 0.875% per annum from December 23, 2020. Of the Ancor Settlement Amount, Ancor shall pay one million seven hundred eighty thousand three hundred forty-nine dollars and seventy-four cents (\$1,780,349.74) to the United States (“Ancor Federal Settlement Amount”) by electronic funds transfer pursuant to written instructions to be provided by the Office of the United States Attorney for the Southern District of Texas, and sixty-four thousand three hundred sixty-nine dollars and twenty-six cents (\$64,369.26) to the Medicaid Participating States pursuant to the terms of the Medicaid State Settlement Agreements. The Ancor Federal Settlement Amount shall be paid under the terms and conditions specified herein:

A. Within fourteen (14) days of the Effective Date of this Agreement, Ancor will make a payment to the United States in the amount of four hundred eighty-two thousand five hundred fifty-three dollars and ten cents (\$482,553.10) (“Ancor Initial Payment”), plus interest at 0.875% calculated from December 23, 2020 to the date the Ancor Initial Payment is received.

B. Over a period of twelve (12) months, Ancor will pay the remaining one million two hundred ninety-seven thousand seven hundred ninety-six dollars and sixty-four cents (\$1,297,796.64), plus interest at 0.875% per annum, pursuant to the payment schedule attached at Exhibit D. To the extent Exhibit D calls for any payment to be made on a Saturday, Sunday, or federal holiday, the payment deadline will be automatically extended to the business day immediately following such Saturday, Sunday, or federal holiday.

C. Interest shall accrue on the unpaid Ancor Settlement Amount as indicated in Exhibit D.

D. The Ancor Federal Settlement Amount may be prepaid, in whole or in part, without penalty or premium. If Ancor elects to prepay the Ancor Federal Settlement Amount, or any portion thereof, interest shall accrue through the date on which Ancor makes said prepayment.

3. Conditioned upon the United States receiving the Alliance Federal Settlement Amount and Ancor Federal Settlement Amount, the United States shall pay Relators Mandalapu and Chava by electronic funds transfer 19.5 percent of each payment received by the United States under Paragraphs 1, including the CMS Suspended Amount, and 2 (“Relator Share”), as soon as feasible after receipt. Within a reasonable time after Relators Mandalapu and Chava receive the Relator Share of each payment that Alliance makes to the United States under this Agreement, Relators Mandalapu and Chava shall pay to Relators Fuller, Calcanis, Gales, McKay, and Krasnov their share of each such Relator Share payment as specified in a separate written agreement previously executed by the Relators.

4. Relators contend they are entitled to reasonable expenses, plus reasonable attorneys’ fees and costs, pursuant to 31 U.S.C. §§ 3730(d)(1) and 3730(h)(2), analogous provisions of applicable state laws, and caselaw interpreting the same (“Attorneys’ Fees Claims”). Additionally, Relators Gales, McKay, and Krasnov contend that they have claims against Alliance and/or Ancor and/or individual actors arising under the anti-retaliation provision of the False Claims Act, 31 U.S.C. § 3730(h) (“Retaliation Claims”). Relators have agreed to dismiss their Attorneys’ Fees Claims and Retaliation Claims in exchange for payment in the amounts set forth in the subparagraphs below (together, hereinafter referred to as the “Relator Settlement Amounts”). Such payments are neither an admission of liability by Alliance or Ancor nor a concession by Relators that their claims are not well founded. 33% of the Relator Settlement Amounts for the Attorneys’ Fees Claims will be paid by Alliance, and the Parties understand that Alliance may obtain reimbursement for this 33% amount under insurance policies maintained by

Alliance. All other Relator Settlement Amounts will be paid by Alliance's insurance carriers under insurance policies maintained by Alliance. The Relator Settlement Amounts will be paid within thirty (30) days of the Effective Date of this Agreement by electronic funds transfer pursuant to written instructions provided by Counsel for Relators to undersigned counsel for Alliance. Further, Counsel for Relators shall provide W-9s to Counsel for Alliance in connection with the resolution of the Attorneys' Fees Claims. Further, Relators Gales, McKay, and Krasnov agree to provide Counsel for Alliance any information necessary to ensure the Relator Settlement Amounts receive appropriate treatment and allocation under the applicable rules of the Social Security Administration and Internal Revenue Service. The Parties agree that the United States District Court shall have continuing jurisdiction to issue orders with regard to any disputes over the amounts for expenses, attorneys' fees, and costs.

A. The Relator Settlement Amount for Relators Mandalapu and Chava's Attorneys' Fees Claims is one million, one-hundred twenty-four thousand, one-hundred eighty-three dollars and fifty-five cents (\$1,124,183.55).

B. The Relator Settlement Amount for Relator Fuller's Attorneys' Fees Claims is one-hundred sixty thousand, six-hundred twenty-five dollars (\$160,625.00).

C. The Relator Settlement Amount for Relator Calcanis' Attorneys' Fees Claims is seventy-six thousand, four-hundred dollars (\$76,400).

D. The Relator Settlement Amount for Relator Gales' Attorneys' Fees Claims and Retaliation Claims is five-hundred sixty-six thousand, six-hundred nineteen dollars and thirty-one cents (\$566,619.31), of which \$340,000 represents the settlement amount for Relator Gales' Retaliation Claims (to be allocated between compensatory damages for lost wages, including back-pay and non-economic, special damages, including emotional distress, via separate, written

instructions by Gales' Counsel) and \$226,619.31 represents the settlement amount for Relator Gales' Attorney's Fees Claims.

E. The Relator Settlement Amount for Relator McKay's Attorneys' Fees Claims and Retaliation Claims is two-hundred seventy thousand, four-hundred dollars (\$270,400.00), to be allocated via separate, written instructions from Counsel for Relator McKay.

F. The Relator Settlement Amount for Relator Krasnov's Attorneys' Fees Claims and Retaliation Claims is ninety-six thousand, five-hundred sixteen dollars (\$96,516.00), to be allocated via separate, written instructions from Counsel for Relator Krasnov.

5. Subject to the exceptions in Paragraph 12 (concerning reserved claims) below, and subject to Paragraph 15 (concerning disclosure of assets), Paragraph 25 (concerning default), and Paragraph 26 (concerning bankruptcy) below, and upon the United States' receipt of the Alliance Federal Settlement Amount, plus interest due under Paragraph 1, the United States releases Alliance, together with its current and former parent corporations; divisions; and the corporate successors and assigns of any of them (but does not release Ancor, except as provided in Paragraph 6 below), from any civil or administrative monetary claim the United States has for the Alliance Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; or the common law theories of payment by mistake, unjust enrichment, and fraud.

6. Subject to the exceptions in Paragraph 12 (concerning reserved claims) below, and subject to Paragraph 25 (concerning default) and Paragraph 26 (concerning bankruptcy) below, and upon the United States' receipt of the Ancor Federal Settlement Amount, plus interest due under Paragraph 2, the United States releases Ancor, together with its current and former parent corporations; direct and indirect subsidiaries; brother or sister corporations; divisions; current or former corporate owners; and the corporate successors and assigns of any of them (but does not

release Alliance, except as provided in Paragraph 5 above), from any civil or administrative monetary claim the United States has for the Ancor Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; or the common law theories of payment by mistake, unjust enrichment, and fraud.

7. Subject to the exceptions in Paragraph 12 (concerning reserved claims) below, and subject to Paragraph 15 (concerning disclosure of assets), Paragraph 25 (concerning default), and Paragraph 26 (concerning bankruptcy) below, and upon the United States' receipt of the Alliance Federal Settlement Amount, plus interest due under Paragraph 1, Relators, for themselves and for their heirs, successors, attorneys, agents, and assigns, release Alliance, together with its current and former parent corporations; divisions; and the corporate successors and assigns of any of them (but does not release Ancor, except as provided in Paragraph 8 below), from any and all civil monetary claims the Relators have on behalf of the United States for the Alliance Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733, whether or not asserted, known or unknown, and however denominated or identified. All Parties agree that nothing in this Paragraph shall be construed in any way to release any claims that Relator Mandalapu and Relator Chava have for a relator's share under the Medicaid State Settlement Agreements.

8. Subject to the exceptions in Paragraph 12 (concerning reserved claims) below, and subject to Paragraph 25 (concerning default) and Paragraph 26 (concerning bankruptcy) below, and upon the United States' receipt of the Ancor Federal Settlement Amount, plus interest due under Paragraph 2, Relators Mandalapu, Chava, McKay, and Krasnov, for themselves and for their heirs, successors, attorneys, agents, and assigns, release Ancor, together with its current and former parent corporations; direct and indirect subsidiaries; brother or sister corporations; divisions; current or former corporate owners; and the corporate successors and assigns of any of them (but

does not release Alliance, except as provided in Paragraph 7 above), from any and all civil monetary claim Relators Mandalapu, Chava, McKay, and Krasnov have on behalf of the United States for the Ancor Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733, whether or not asserted, known or unknown, and however denominated or identified. All Parties agree that nothing in this Paragraph shall be construed in any way to release any claims that Relator Mandalapu and Relator Chava have for a relator's share under the Medicaid State Settlement Agreements.

9. In consideration of the obligations of Alliance in this Agreement and the CIA, entered into between OIG-HHS and Alliance, and upon the United States' receipt of full payment of the Alliance Federal Settlement Amount, plus interest due under Paragraph 1, the OIG-HHS shall release and refrain from instituting, directing, or maintaining any administrative action seeking exclusion from Medicare, Medicaid, and other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)) against Alliance under 42 U.S.C. § 1320a-7a (Civil Monetary Penalties Law) or 42 U.S.C. § 1320a-7(b)(7) (permissive exclusion for fraud, kickbacks, and other prohibited activities) for the Alliance Covered Conduct, except as reserved in this paragraph and in Paragraph 12 (concerning reserved claims), below. The OIG-HHS expressly reserves all rights to comply with any statutory obligations to exclude Alliance, together with its current and former parent corporations; direct and indirect subsidiaries; brother or sister corporations; divisions; current or former corporate owners; and the corporate successors and assigns of any of them, from Medicare, Medicaid, and other Federal health care programs under 42 U.S.C. § 1320a-7(a) (mandatory exclusion) based upon the Alliance Covered Conduct. Nothing in this paragraph precludes the OIG-HHS from taking action against entities or persons, or for conduct and practices, for which claims have been reserved in Paragraph 12, below.

10. In consideration of the obligations of Alliance set forth in this Agreement, and upon the United States' receipt of full payment of the Alliance Federal Settlement Amount, plus interest due under Paragraph 1, DHA shall release and refrain from instituting, directing, or maintaining any administrative action seeking exclusion from the TRICARE Program against Alliance, together with its current and former parent corporations; direct and indirect subsidiaries; brother or sister corporations; divisions; current or former corporate owners; and the corporate successors and assigns of any of them, under 32 C.F.R. § 199.9 for the Alliance Covered Conduct, except as reserved in this paragraph and in Paragraph 12 (concerning reserved claims), below. DHA expressly reserves authority to exclude Alliance, together with its current and former parent corporations; direct and indirect subsidiaries; brother or sister corporations; divisions; current or former corporate owners; and the corporate successors and assigns of any of them, from the TRICARE Program under 32 C.F.R. § 199.9(f)(1)(i)(A), (f)(1)(i)(B), and (f)(1)(iii) (mandatory exclusion), based upon the Alliance Covered Conduct. Nothing in this paragraph precludes DHA or the TRICARE Program from taking action against entities or persons, or for conduct and practices, for which claims have been reserved in Paragraph 12, below.

11. In consideration of the obligations of Alliance in this Agreement, and upon the United States' receipt of full payment of the Alliance Federal Settlement Amount, plus interest due under Paragraph 1, OPM shall release and refrain from instituting, directing, or maintaining any administrative action seeking exclusion from the FEHBP against Alliance, together with its current and former parent corporations; direct and indirect subsidiaries; brother or sister corporations; divisions; current or former corporate owners; and the corporate successors and assigns of any of them, under 5 U.S.C. § 8902a or 5 C.F.R. Part 890 Subpart J or Part 919 for the Alliance Covered Conduct, except as reserved in this paragraph and in Paragraph 12 (concerning reserved claims), below, and except if excluded by the OIG-HHS pursuant to 42 U.S.C. § 1320a-

7(a). OPM expressly reserves all rights to comply with any statutory obligation to debar Alliance from the FEHBP under 5 U.S.C. § 8902a(b) (mandatory exclusion) based upon the Alliance Covered Conduct. Nothing in this paragraph precludes OPM from taking action against entities or persons, or for conduct and practices, for which claims have been reserved in Paragraph 12, below.

12. Notwithstanding the releases given in Paragraph 5, Paragraph 6, Paragraph 9, Paragraph 10, and Paragraph 11 of this Agreement, or any other term of this Agreement, the following claims and rights of the United States are specifically reserved and are not released:

- A. Any liability arising under Title 26, U.S. Code (Internal Revenue Code);
  - B. Any criminal liability;
  - C. Except as explicitly stated in this Agreement, any administrative liability or enforcement right, including mandatory, and as to Ancor, permissive exclusion from Federal health care programs, including Medicare, Medicaid, TRICARE and FEHBP;
  - D. Any liability to the United States (or its agencies) for any conduct other than the Alliance Covered Conduct and the Ancor Covered Conduct;
  - E. Any liability based upon obligations created by this Agreement;
  - F. Any liability of individuals, including but not limited to Justin Magnuson, Conor Butts, Don Jacobs, Zach Williams, and Pamela Wagner;
  - G. Any liability for express or implied warranty claims or other claims for defective or deficient products or services, including quality of goods and services;
- and



H. Any liability for personal injury or property damage or for other consequential damages arising from the Alliance Covered Conduct or the Ancor Covered Conduct.

13. Relators and their heirs, successors, attorneys, agents, and assigns shall not object to this Agreement but agree and confirm that this Agreement is fair, adequate, and reasonable under all the circumstances, pursuant to 31 U.S.C. § 3730(c)(2)(B). Conditioned upon Relators Mandalapu and Chava's receipt of the Relator Share, Relators and their heirs, successors, attorneys, agents, and assigns fully and finally release, waive, and forever discharge the United States, its agencies, officers, agents, employees, and servants, from any claims arising from the filing of claims against Alliance and Ancor in the Civil Actions or under 31 U.S.C. § 3730, and from any claims to a share of the proceeds of this Agreement and/or the recoveries from Alliance and Ancor in the Civil Actions.

14. In consideration of the obligations of Alliance and Ancor as set forth in this Agreement, and conditioned upon the United States' receipt of full payment of the Alliance Federal Settlement Amount and Ancor Settlement Amount, plus interest due under Paragraphs 1 and 2, and conditioned upon Relators' receipt of the Relator Settlement Amounts described in Paragraph 4, above, Relators, for themselves, and for their heirs, successors, attorneys, agents, and assigns, release Alliance and Ancor (together with their respective officers, agents, and employees; current and former parent corporations; divisions; and their corporate successors and assigns) from (1) any and all liability to Relators arising from the filing of the Civil Actions, or under 31 U.S.C. § 3730(d) and comparable state laws for expenses or attorneys' fees and costs; (2) any and all liability to Relators arising under 31 U.S.C. § 3730(h) and comparable state laws; (3) any civil monetary claim the Relators have on behalf of any State or other entity, whether or not asserted, known or unknown, and however denominated or identified; and (4) any and all other liability, claims,

demands, actions, or causes of action whatsoever, whether known or unknown, fixed or contingent, in law or in equity, in contract or in tort, under any federal or state statute or regulation, or in common law, that Relators, their heirs, successors, attorneys, agents, and assigns otherwise would have standing to bring for themselves or on behalf of any State or other entity as of the date of this Agreement. Relators specifically reserve and do not release any claims against individuals (i.e. natural persons) named in the Civil Actions as of the Effective Date of this Agreement, provided, however, that any and all of Relators' claims for violation of 31 U.S.C. §3730(h) and comparable state laws are released against all parties known and unknown. Relators represent and warrant that they have not assigned any claims to date and that no other individual or entity is entitled to assert any matter released in this Paragraph in or through Relators' rights.

15. Alliance has provided sworn financial disclosures and supporting documents (together "Financial Disclosures") to the United States, and the United States has relied on the accuracy and completeness of those Financial Disclosures in reaching this Agreement. Alliance warrants that the Financial Disclosures are complete, accurate, and current as of the Effective Date of this Agreement. If the United States learns of asset(s) in which Alliance had an interest of any kind as of the Effective Date of this Agreement (including, but not limited to, promises by insurers or other third parties to satisfy Alliance's obligations under this Agreement) that were not disclosed in the Financial Disclosures, or if the United States learns of any false statement or misrepresentation by Alliance on, or in connection with, the Financial Disclosures, and if such nondisclosure, false statement, or misrepresentation changes the estimated net worth set forth in the Financial Disclosures by one million three hundred and fifty thousand dollars (\$1,350,000) or more, the United States may at its option: (a) rescind this Agreement and reinstate its suit or file suit based on the Alliance Covered Conduct or (b) collect the full Alliance Federal Settlement Amount in accordance with the Agreement plus one hundred percent (100%) of the net value of

Alliance's previously undisclosed assets. Alliance agrees not to contest any collection action undertaken by the United States pursuant to this provision, and agrees that it will immediately pay the United States the greater of (i) a ten-percent (10%) surcharge of the amount collected in the collection action, as allowed by 28 U.S.C. § 3011(a), or (ii) the United States' reasonable attorneys' fees and expenses incurred in such an action. In the event that the United States, pursuant to this paragraph, rescinds this Agreement, Alliance waives and agrees not to plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any civil or administrative claims that (a) are filed by the United States within one hundred twenty (120) calendar days of written notification to Alliance that this Agreement has been rescinded, and (b) relate to the Alliance Covered Conduct, except to the extent these defenses were available on March 6, 2017.

16. Alliance and Ancor waive and shall not assert any defenses Alliance and/or Ancor may have to any criminal prosecution or administrative action relating to the Alliance Covered Conduct and the Ancor Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Agreement bars a remedy sought in such criminal prosecution or administrative action.

17. Alliance and Ancor fully and finally release the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Alliance and/or Ancor have asserted, could have asserted, or may assert in the future against the United States, its agencies, officers, agents, employees, and servants, related to the Alliance Covered Conduct, the Ancor Covered Conduct, or the United States' investigation or prosecution thereof.

18. Alliance and Ancor, together with their respective officers, agents, and employees; current and former parent corporations; divisions; and their corporate successors and assigns, fully and finally release the Relators, and their heirs, successors, attorneys, agents, and assigns from: (1) any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Alliance and/or Ancor have asserted, could have asserted, or may assert in the future against the Relators, related to the Civil Actions, including but not limited to the Alliance Covered Conduct or the Ancor Covered Conduct, and the Relators' investigation and prosecution thereof; and (2) any and all other liability, claims, demands, actions, or causes of action whatsoever, whether known or unknown, fixed or contingent, in law or in equity, in contract or in tort, under any federal or state statute or regulation, or in common law, that Alliance and Ancor otherwise would have standing to bring for themselves or any other entity as of the date of this Agreement.

19. Neither the Alliance Settlement Amount nor the Ancor Settlement Amount shall be decreased as a result of the denial of claims for payment now being withheld from payment by any Medicare contractor (e.g., Medicare Administrative Contractor, fiscal intermediary, carrier) or any TRICARE carrier or payer, FEHBP carrier or payer, or any state payer, related to the Alliance Covered Conduct or the Ancor Covered Conduct; and Alliance and Ancor agree not to resubmit to any Medicare contractor, TRICARE carrier or payer, or FEHBP carrier or payer, or any state payer any previously denied claims related to the Alliance Covered Conduct or the Ancor Covered Conduct, agree not to appeal any such denials of claims, and agree to withdraw any such pending appeals.

20. Alliance and Ancor agree to the following:

A. Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47; and in Titles XVIII and XIX of the Social Security

Act, 42 U.S.C. §§ 1395-1395lll and 1396-1396w-5; and the regulations and official program directives promulgated thereunder) incurred by or on behalf of Alliance and/or Ancor, and their present or former officers, directors, employees, shareholders, and agents in connection with:

- (i) the matters covered by this Agreement;
- (ii) the United States' audit(s) and civil and any criminal investigation(s) of the matters covered by this Agreement;
- (iii) Alliance's and Ancor's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil and any criminal investigation(s) in connection with the matters covered by this Agreement (including attorneys' fees);
- (iv) the negotiation and performance of this Agreement;
- (v) the payments Alliance and Ancor make to the United States pursuant to this Agreement and any payments that Alliance and Ancor may make to Relators, including costs and attorneys' fees; and
- (vi) the negotiation of, and obligations undertaken pursuant to the CIA with Alliance to: (i) retain an IRO to perform annual reviews as described in Section III of the CIA; and (ii) prepare and submit reports to the OIG-HHS

are unallowable costs for government contracting purposes and under Medicare, Medicaid, TRICARE, and FEHBP (hereinafter referred to as "Unallowable Costs"). However, nothing in Paragraph 20.A(vi) that may apply to the obligations undertaken pursuant to the CIA affects the status of costs that are not allowable based on any other authority applicable to Alliance or Ancor.

B. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for by Alliance and Ancor, and Alliance and Ancor shall not charge such Unallowable Costs directly or indirectly to any contracts with the United States or any

State Medicaid program, or seek payment for such Unallowable Costs through any cost report, cost statement, information statement, or payment request submitted by Alliance or Ancor or any of its subsidiaries or affiliates to the Medicare, Medicaid, TRICARE, or FEHBP Programs.

C. Treatment of Unallowable Costs Previously Submitted for Payment:

Alliance and Ancor further agree that within ninety (90) days of the Effective Date of this Agreement, they shall identify to applicable Medicare and TRICARE fiscal intermediaries, carriers, and/or contractors, and Medicaid and FEHBP fiscal agents, any Unallowable Costs (as defined in this paragraph) included in payments previously sought from the United States, or any State Medicaid program, including, but not limited to, payments sought in any cost reports, cost statements, information reports, or payment requests already submitted by Alliance, Ancor, or any of their subsidiaries or affiliates, and shall request, and agree, that such cost reports, cost statements, information reports, or payment requests, even if already settled, be adjusted to account for the effect of the inclusion of the Unallowable Costs. Alliance and Ancor agree that the United States, at a minimum, shall be entitled to recoup from Alliance and/or Ancor any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously-submitted cost reports, information reports, cost statements, or requests for payment.

Any payments due after the adjustments have been made shall be paid to the United States pursuant to the direction of the Department of Justice and/or the affected agencies. The United States reserves its rights to disagree with any calculations submitted by Alliance or Ancor or any of their subsidiaries or affiliates on the effect of inclusion of Unallowable Costs (as defined in this paragraph) on Alliance or Ancor or any of their subsidiaries or affiliates' cost reports, cost statements, or information reports.

D. Nothing in this Agreement shall constitute a waiver of the rights of the United States to audit, examine, or re-examine Alliance's or Ancor's books and records to

determine that no Unallowable Costs have been claimed in accordance with the provisions of this paragraph.

21. Alliance and Ancor agree to cooperate fully and truthfully with the United States' investigation of individuals and entities not released in this Agreement. Upon reasonable notice, Alliance and Ancor shall encourage, and agree not to impair, the cooperation of their directors, officers, and employees, and shall use their best efforts to make available, and encourage, the cooperation of former directors, officers, and employees for interviews and testimony, consistent with the rights and privileges of such individuals. Alliance and Ancor further agree to furnish to the United States, upon request, complete and unredacted copies of all non-privileged documents, reports, memoranda of interviews, and records in its possession, custody, or control concerning any investigation of the Alliance Covered Conduct and Ancor Covered Conduct that they have undertaken, or that have been performed by another on their behalf.

22. This Agreement is intended to be for the benefit of the Parties only. The Parties do not release any claims against any other person or entity, except to the extent provided for in Paragraph 23 (waiver for beneficiaries paragraph), below.

23. Alliance and Ancor agree that they waive and shall not seek payment for any of the health care billings covered by this Agreement from any health care beneficiaries or their parents, sponsors, legally responsible individuals, or third party payors based upon the claims defined as Alliance Covered Conduct and Ancor Covered Conduct.

24. The Alliance Federal Settlement Amount represents the amount the United States is willing to accept in compromise of its civil claims arising from the Alliance Covered Conduct due solely to Alliance's financial condition as reflected in the Financial Disclosures referenced in Paragraph 15.

25. The Parties agree to the following:

A. The Alliance Parent, Inc. Subsidiaries listed in Exhibit A (individually and collectively the “Guarantors”) each unconditionally guarantee the prompt payment of the full Alliance Federal Settlement Amount, including interest, by Alliance Parent, Inc., as set forth in Paragraph 1. This Guarantee shall not be affected by any event, occurrence, or circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor or surety (other than full and complete payment of the Alliance Federal Settlement Amount). The Guarantors agree that the United States may resort to any one or more of the Guarantors for payment of any of the Alliance Federal Settlement Amount, without regard to whether the United States shall have proceeded against any other person or entity primarily or secondarily obligated with respect to any of the Alliance Federal Settlement Amount.

B. In the event that Alliance Parent, Inc. or Ancor fail to pay any amounts due to the United States under Paragraphs 1 or 2 above, Alliance Parent Inc. and the Guarantors or Ancor shall be in Default of the respective payment obligations of Alliance and Ancor (“Default”). In such case, the party in Default shall be referred to as the “Defaulting Party” for the purposes of this paragraph. The United States will provide a written Notice of Default, and the Defaulting Party shall have an opportunity to cure such Default within seven (7) calendar days from the date of receipt of the Notice of Default by making the payment due under the applicable payment schedule and paying any additional interest accruing under the Settlement Agreement up to the date of payment. Notice of Default will be delivered to the Defaulting Party, or to such other representative as Alliance or Ancor shall designate in advance in writing. If the Defaulting Party fails to cure the Default within seven (7) calendar days of receiving the Notice of Default and in the absence of an agreement with the United States to a modified payment schedule (“Uncured Default”), the remaining unpaid balance of the Alliance Federal Settlement Amount or the Ancor Federal Settlement Amount shall become immediately due and payable, and interest on the



remaining unpaid balance shall thereafter accrue at the rate of twelve percent (12%) per annum, compounded daily from the date of Default, on the remaining unpaid total (principal and interest balance).

C. In the event of Uncured Default, Alliance and Ancor agree that the United States, at its sole discretion, may (i) retain any payments previously made, rescind this Agreement, and pursue the any or all of the Civil Actions or bring any civil and/or administrative claim, action, or proceeding against the Defaulting Party for the claims that would otherwise be covered by the releases provided in Paragraph 5, Paragraph 6, Paragraph 9, Paragraph 10, and Paragraph 11 above, with any recovery against the Defaulting Party reduced by the amount of any payments previously made by the Defaulting Party to the United States under this Agreement; (ii) take any action to enforce this Agreement in a new action or by reinstating any or all of the Civil Actions; (iii) offset the remaining unpaid balance from any amounts due and owing to the Defaulting Party and/or affiliated companies by any department, agency, or agent of the United States at the time of Default or subsequently; and/or (iv) exercise any other right granted by law, or under the terms of this Agreement, or recognizable at common law or in equity. The United States shall be entitled to any other rights granted by law or in equity by reason of Default, including referral of this matter for private collection. In the event the United States pursues a collection action, the Defaulting Party agrees immediately to pay the United States the greater of (i) a ten-percent (10%) surcharge of the amount collected, as allowed by 28 U.S.C. § 3011(a), or (ii) the United States' reasonable attorneys' fees and expenses incurred in such an action. In the event that the United States opts to rescind this Agreement pursuant to this paragraph, the Defaulting Party waives and agrees not to plead, argue, or otherwise raise any defenses of statute of limitations, laches, estoppel or similar theories, to any civil or administrative claims that are (i) filed by the United States against the Defaulting Party within one hundred twenty (120) days of written notification that this Agreement

has been rescinded, and (ii) relate to the Alliance Covered Conduct or the Ancor Covered Conduct, except to the extent these defenses were available to Alliance on March 6, 2017, and to Ancor on April 17, 2018. Alliance and Ancor agree not to contest any offset, recoupment, and/or collection action undertaken by the United States pursuant to this paragraph, either administratively or in any state or federal court, except on the grounds of actual payment to the United States.

D. In the event of Uncured Default, OIG-HHS may exclude the Defaulting Party from participating in all Federal health care programs until the Defaulting Party pays the Alliance Federal Settlement Amount or Ancor Federal Settlement Amount (as applicable), with interest, as set forth above (“Exclusion for Default”). OIG-HHS will provide written notice of any such exclusion to Alliance or Ancor. Alliance and Ancor waive any further notice of the exclusion under 42 U.S.C. § 1320a-7(b)(7), and agree not to contest such exclusion either administratively or in any state or federal court. Reinstatement to program participation is not automatic. If at the end of the period of exclusion, Alliance or Ancor wishes to apply for reinstatement, it must submit a written request for reinstatement to OIG-HHS in accordance with the provisions of 42 C.F.R. §§ 1001.3001-3005. Alliance and Ancor will not be reinstated unless and until OIG-HHS approves such request for reinstatement. The option for Exclusion for Default is in addition to, and not in lieu of, the options identified in this Agreement or otherwise available.

26. In exchange for valuable consideration provided in this Agreement, Alliance and Ancor acknowledge the following:

A. Alliance and Ancor have reviewed their respective financial situations and warrant that they are solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I) and shall remain solvent following payment to the United States of the Alliance Federal Settlement Amount or the Ancor Federal Settlement Amount (as applicable).

B. In evaluating whether to execute this Agreement, the Parties intend that the mutual promises, covenants, and obligations set forth herein constitute a contemporaneous exchange for new value given to Alliance and Ancor, within the meaning of 11 U.S.C. § 547(c)(1), and the Parties conclude that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange.

C. The mutual promises, covenants, and obligations set forth herein are intended by the Parties to, and do in fact, constitute a reasonably equivalent exchange of value.

D. The Parties do not intend to hinder, delay, or defraud any entity to which Alliance or Ancor was or became indebted to on or after the date of any transfer contemplated in this Agreement, within the meaning of 11 U.S.C. § 548(a)(1).

E. An Insolvency Event occurs when Alliance's or Ancor's obligations under this Agreement are avoided for any reason (including but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code) or if, before the Alliance Federal Settlement Amount or the Ancor Federal Settlement Amount (as applicable) is paid in full, Alliance, Ancor, or a third party commences a case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors seeking any order for relief of Alliance's or Ancor's debts, or to adjudicate Alliance or Ancor as bankrupt or insolvent; or seeking appointment of a receiver, trustee, custodian, or other similar official for Alliance or Ancor or for all or any substantial part of Alliance's or Ancor's assets. If an Insolvency Event occurs:

(i) the United States may rescind the releases in this Agreement and bring any civil and/or administrative claim, action, or proceeding against Alliance or Ancor (as applicable), and/or their estates for the claims that would otherwise be covered by the releases provided in Paragraph 5, Paragraph 6, Paragraph 9, Paragraph 10, and Paragraph 11 above;

(ii) In the event of an Insolvency Event of Alliance Parent, Inc., the Guarantors shall remain jointly and severally liable for the Alliance Federal Settlement Amount;

(iii) In the event of an Insolvency Event of Alliance, the United States has an undisputed, noncontingent, and liquidated allowed claim against Alliance in the amount of one hundred seventy million eight thousand seven hundred sixty-two dollars (\$170,008,762), less any payments received from Alliance pursuant to this Agreement, provided, however, that such payments are not otherwise avoided and recovered from the United States by Alliance, a receiver, trustee, custodian, or other similar official for Alliance;

(iv) In the event of an Insolvency Event of Ancor, the United States has an undisputed, noncontingent, and liquidated allowed claim against Ancor in the amount of three million six hundred eighty-nine thousand four hundred thirty-eight dollars (\$3,689,438), less any payments received from Ancor pursuant to this Agreement, provided, however, that such payments are not otherwise avoided and recovered from the United States by Ancor, a receiver, trustee, custodian, or other similar official for Ancor; and

(v) If any payments are avoided and recovered by Alliance, Ancor, a receiver, trustee, custodian, or similar official for Alliance or Ancor, Relators shall, within thirty (30) days of written notice from the United States to the undersigned Relators' counsel, return any portions of such payments already paid by the United States to Relators as a share of the proceeds of this Agreement under 31 U.S.C. § 3730(d).

F. Alliance and Ancor agree that any civil and/or administrative claim, action, or proceeding brought by the United States under Paragraph 26.E is not subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) because it would be an exercise of the United States' police and regulatory power. Alliance and/or Ancor shall not argue or otherwise contend that the United States' claim, action, or proceeding is subject to an automatic stay and, to the extent necessary,

consents to relief from the automatic stay for cause under 11 U.S.C. § 362(d)(1). Alliance and Ancor waive and shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any such civil or administrative claim, action, or proceeding brought by the United States within one hundred twenty (120) days of written notification to Alliance or Ancor (as applicable) that the releases have been rescinded pursuant to this paragraph, except to the extent such defenses were available to Alliance on March 6, 2017 and to Ancor on April 17, 2018.

27. The Parties agree as follows:

A. Upon receipt of the Alliance Initial Payment and Ancor Initial Payment by the United States, the United States and Relators shall promptly sign and file in the Civil Actions a Joint Stipulation/Notice of Dismissal pursuant to Rule 41(a)(1) with prejudice as to the United States' and Relators' claims against Alliance and Ancor as to the Alliance Covered Conduct and Ancor Covered Conduct, with prejudice as to Relators' claims against the United States for the Relator Share, and subject to the terms and conditions of this Agreement; provided, however, that Relator Mandalapu's and Relator Chava's claims for a share under the Medicaid State Settlement Agreements shall not be dismissed, unless they are settled, adjudicated, or otherwise resolved, and the Court is so informed.

B. Upon receipt of the Relator Settlement Amounts by Relators, the Parties shall promptly sign and file in the Civil Actions a Joint Stipulation/Notice of Dismissal pursuant to Rule 41(a)(1) as to all other claims against Alliance and Ancor. Such dismissal shall be with prejudice as to Relators and without prejudice as to the United States and subject to the terms and conditions of this Agreement; provided, however, that the following claims shall not be dismissed unless they are settled, adjudicated, or otherwise resolved, and the Court is so informed: (i) claims against individuals (i.e. natural persons), with the exception of Relator McKay's claims against

individuals for retaliation under 31 U.S.C. § 3730(h), which will be included in Relator McKay's Joint Stipulation/Notice of Dismissal; and (ii) Relator Mandalapu's and Relator Chava's claims for a share under the Medicaid State Settlement Agreements.

28. Except as provided in Paragraphs 4 and 14, above, each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

29. Each Party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

30. This Agreement is governed by the laws of the United States. The exclusive venue for any dispute relating to this Agreement is the United States District Court for the Southern District of Texas. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

31. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties. Forbearance by the United States from pursuing any remedy or relief available to it under this Agreement shall not constitute a waiver of rights under this Agreement.

32. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.

33. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.

34. This Agreement is binding on Alliance's and Ancor's successors, transferees, heirs, and assigns.

35. This Agreement is binding on Relators' successors, transferees, heirs, and assigns.

36. All Parties consent to the disclosure of this Agreement, and information about this Agreement, to the public.

37. This Agreement is effective on the date of signature of the last signatory to the Agreement (Effective Date of this Agreement). Facsimiles and electronic transmissions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

THE UNITED STATES OF AMERICA

DATED: 7/9/2021 BY: Michael Hoffman  
MICHAEL A. HOFFMAN  
SARAH E. LOUCKS  
Trial Attorneys  
Commercial Litigation Branch  
Civil Division  
United States Department of Justice

DATED: 7/9/2021 BY: Kenneth Shattelman  
KENNETH SHATTELMAN  
Assistant United States Attorney  
Southern District of Texas

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
LISA M. RE  
Assistant Inspector General for Legal Affairs  
Office of Counsel to the Inspector General  
Office of Inspector General  
United States Department of Health and Human Services

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
SALVATORE M. MAIDA  
General Counsel  
Defense Health Agency  
United States Department of Defense

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
EDWARD M. DEHARDE  
Assistant Director of Federal Employee  
Insurance Operations  
Healthcare and Insurance  
United States Office of Personnel Management

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
PAUL ST. HILLAIRE  
Assistant Inspector General  
for Legal & Legislative Affairs  
Office of the Inspector General  
United States Office of Personnel Management



**THE UNITED STATES OF AMERICA**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
MICHAEL A. HOFFMAN  
SARAH E. LOUCKS  
Trial Attorneys  
Commercial Litigation Branch  
Civil Division  
United States Department of Justice

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
KENNETH SHAITELMAN  
Assistant United States Attorney  
Southern District of Texas

DATED: 7/08/2021 BY: \_\_\_\_\_

Lisa M. Re  
LISA M. RE  
Assistant Inspector General for Legal Affairs  
Office of Counsel to the Inspector General  
Office of Inspector General  
United States Department of Health and Human Services

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
SALVATORE M. MAIDA  
General Counsel  
Defense Health Agency  
United States Department of Defense

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
EDWARD M. DEHARDE  
Assistant Director of Federal Employee  
Insurance Operations  
Healthcare and Insurance  
United States Office of Personnel Management

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
PAUL ST. HILLAIRES  
Assistant Inspector General  
for Legal & Legislative Affairs  
Office of the Inspector General  
United States Office of Personnel Management

**THE UNITED STATES OF AMERICA**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
MICHAEL A. HOFFMAN  
SARAH E. LOUCKS  
Trial Attorneys  
Commercial Litigation Branch  
Civil Division  
United States Department of Justice

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
KENNETH SHAITELMAN  
Assistant United States Attorney  
Southern District of Texas

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
LISA M. RE  
Assistant Inspector General for Legal Affairs  
Office of Counsel to the Inspector General  
Office of Inspector General  
United States Department of Health and Human Services

DATED: 07/07/2021

BY: \_\_\_\_\_  
BLEY.PAUL.NICHO Digitally signed by  
BLEY.PAUL.NICHOLAS.109987382  
LAS.1099873821 1  
Date: 2021.07.07 19:34:40 -04'00'

for SALVATORE M. MAIDA  
General Counsel  
Defense Health Agency  
United States Department of Defense

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
EDWARD Digitally signed by EDWARD  
DEHARDE  
Date: 2021.07.09 09:57:47 -04'00'  
DEHARDE

EDWARD M. DEHARDE  
Assistant Director of Federal Employee  
Insurance Operations  
Healthcare and Insurance  
United States Office of Personnel Management

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
PAUL ST HILLAIRE Digitally signed by PAUL ST HILLAIRE  
DN: c=US, o=U.S. Government, ou=Office of  
Personnel Management, cn=PAUL ST HILLAIRE,  
0.9.2342.19200300.100.1.1=24001000034787  
Date: 2021.07.08 12:55:57 -04'00'

PAUL ST. HILLAIRE  
Assistant Inspector General  
for Legal & Legislative Affairs  
Office of the Inspector General  
United States Office of Personnel Management

**DEFENDANT - ALLIANCE PARENT, INC.  
AND SUBSIDIARIES LISTED IN EXHIBIT A**

DATED: 7/7/2021  
(FOR EXECUTION NO  
LATER THAN 7/9/2021)

BY:   
\_\_\_\_\_  
CHARLES ALVAREZ  
Chief Executive Officer

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
KIRK OGROSKY  
Counsel for Alliance

**DEFENDANT - ANCOR**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
J. RANDALL KEENE  
Partner

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
JAY DEWALD  
Counsel for Ancor

**DEFENDANT - ALLIANCE PARENT, INC.  
AND SUBSIDIARIES LISTED IN EXHIBIT A**


DATED: \_\_\_\_\_

BY: \_\_\_\_\_

CHARLES ALVAREZ  
Chief Executive Officer

DATED: 7/7/2021

BY: \_\_\_\_\_



KIRK O'ROSKY  
Counsel for Alliance

**DEFENDANT - ANCOR**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

J. RANDALL KEENE  
Partner

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

JAY DEWALD  
Counsel for Ancor

**DEFENDANT - ALLIANCE PARENT, INC.  
AND SUBSIDIARIES LISTED IN EXHIBIT A**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
CHARLES ALVAREZ  
Chief Executive Officer

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
KIRK OGROSKY  
Counsel for Alliance

**DEFENDANT - ANCOR**

DATED: 7/7/2021

BY:   
\_\_\_\_\_  
J. RANDALL KEENE  
Partner

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
JAY DEWALD  
Counsel for Ancor

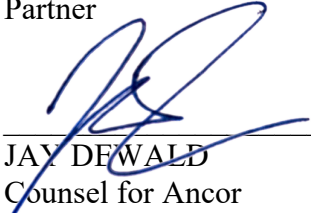
**DEFENDANT - ALLIANCE PARENT, INC.  
AND SUBSIDIARIES LISTED IN EXHIBIT A**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
CHARLES ALVAREZ  
Chief Executive Officer

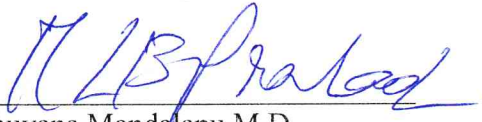
DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
KIRK OGROSKY  
Counsel for Alliance

**DEFENDANT - ANCOR**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
J. RANDALL KEENE  
Partner

DATED: 7/7/2021 BY: \_\_\_\_\_  
  
JAY DEWALD  
Counsel for Ancor

**RELATOR BHUVANA MANDALAPU AND RELATOR RAMAKRISHNA CHAVA**

DATED: 07/03/2021 BY:   
Bhuvana Mandalapu M.D.

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Ramakrishna Chava M.D.

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
PIETRAGALLO GORDON ALFANO  
BOSICK & RASPANTI, LLP  
Marc S. Raspanti, Esquire  
Michael A. Morse, Esquire

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Kreindler & Associates  
Mitch Kreindler, Esquire  
  
Counsel for Relator Mandalapu and Relator Chava

RELATOR BHUVANA MANDALAPU AND RELATOR RAMAKRISHNA CHAVA

DATED: 7/5/2021 BY: [Signature]

Bhuvana Mandalapu M.D.

DATED: 07/6/21 BY: [Signature]

Ramakrishna Chava M.D.

DATED: 7/5/2021 BY: [Signature]

PIETRAGALLO GORDON ALFANO  
BOSICK & RASPANTI, LLP  
Mare S. Raspanti, Esquire  
Michael A. Morse, Esquire

DATED: 7/5/2021 BY: [Signature]

Kreindler & Associates  
Mitch Kreindler, Esquire

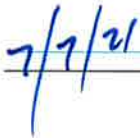
Counsel for Relator Mandalapu and Relator Chava




**RELATOR VICKI FULLER**

DATED: Jul 7, 2021  
\_\_\_\_\_


BY:   
Vicki Fuller (Jul 7, 2021 16:08 CDT)  
\_\_\_\_\_  
Vicki Fuller

DATED:   
\_\_\_\_\_

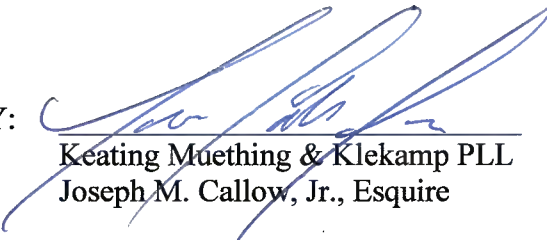
BY:   
\_\_\_\_\_  
Hilder & Associates, P.C.  
Philip H. Hilder, Esquire  
Stephanie McGuire, Esquire  
  
Counsel for Relator Vicki Fuller

**RELATOR JOSHUA CALCANIS**

DATED: 07/02/2021

BY:   
Joshua Calcanis

DATED: 7/2/2021

BY:   
Keating Muething & Klekamp PLL  
Joseph M. Callow, Jr., Esquire  
Counsel for Relator Joshua Calcanis

**RELATOR DESIREE GALES**

DATED: 7/6/2021

BY: Desiree Gales  
Desiree Gales

DATED: 7.7.21

BY: David Bocian  
Kessler Topaz Meltzer & Check, LLP  
David Bocian, Esquire  
Asher Alavi, Esquire

Counsel for Relator Jane Doe

**RELATOR AMY MCKAY**

DATED: \_\_\_\_\_

BY: Amy McKay  
Amy McKay

Digitally signed by Amy McKay  
DN: cn=Amy McKay, o, ou,  
email=amyewinfield@yahoo.com, c=US  
Date: 2021.07.06 18:00:10 -05'00'

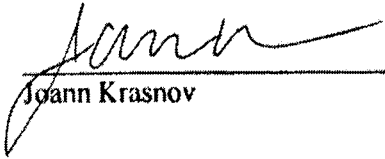
DATED: 7/6/2021

BY: Janel Quinn  
Employment Law Group, P.C.  
Janel Quinn, Esquire

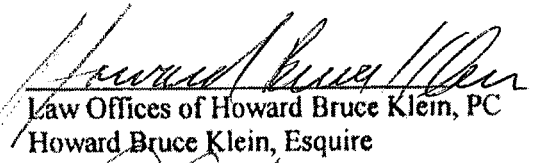
Counsel for Relator Amy McKay

RELATOR JOANN KRASNOV

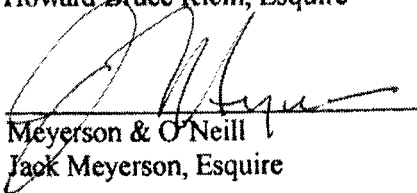
DATED: 7/5/2021

BY:   
Joann Krasnov

DATED: 7/5/21

BY:   
Law Offices of Howard Bruce Klein, PC  
Howard Bruce Klein, Esquire

DATED: 7/5/2021

BY:   
Meyerson & O'Neill  
Jack Meyerson, Esquire

Counsel for Relator Joann Krasnov

## Exhibit A

### **Alliance Parent, Inc. Subsidiaries**

AFC Buyer, Inc.  
Alliance Family of Companies, Inc.  
Alliance Family of Companies, LLC  
Alliance Kvikna US Blocker, Inc.  
Stratus Software Solutions, LLC  
Kvikna Medical, ehf  
MERLN, LLC  
Alabama Neurodiagnostics, LLC  
Alliance Neurodiagnostics, LLC  
Alliance Physician Management, LLC  
Alliance Sleep Medicine, LLC  
Anci-Pro Healthcare Solutions, LLC  
California Neurodiagnostics, LLC  
Coastal Diagnostics Group, LLC  
Colorado Neurodiagnostics, LLC  
Connecticut Neurodiagnostics, LLC  
DC Neurodiagnostics, LLC  
Delaware Neurodiagnostics, LLC  
Florida Neurodiagnostics, LLC  
Georgia Neurodiagnostics, LLC  
Houston Neurodiagnostics, LLC  
Illinois Neurodiagnostics, LLC  
Indiana Neurodiagnostics, LLC  
Kansas Neurodiagnostics, LLC  
Kentucky Neurodiagnostics, LLC  
Louisiana Neurodiagnostics, LLC  
Maryland Neurodiagnostics, LLC  
Massachusetts Neurodiagnostics, LLC  
Michigan Neurodiagnostics, LLC  
Minnesota Neurodiagnostics, LLC  
Mississippi Neurodiagnostics, LLC  
Missouri Neurodiagnostics, LLC  
Nevada Neurodiagnostics, LLC  
New Hampshire Neurodiagnostics, LLC  
New Jersey Neurodiagnostics, LLC  
New Mexico Neurodiagnostics, LLC  
North Carolina Neurodiagnostics, LLC  
Ohio Neurodiagnostics, LLC  
Oklahoma Neurodiagnostics, LLC  
Oregon Neurodiagnostics, LLC  
Pennsylvania Neurodiagnostics, LLC  
Phoenix Neurodiagnostics, LLC  
Respiratory Sleep Solutions, Inc.  
Respiratory Sleep Solutions, LLC  
Rhode Island Neurodiagnostics, LLC  
Sleep Solutions LLC dba PC Processing Services

Sleep Source, LLC  
South Carolina Neurodiagnostics, LLC  
Tennessee Neurodiagnostics, LLC  
TelemedX, LLC  
Terces, LLC  
Utah Neurodiagnostics, LLC  
Virginia Neurodiagnostics, LLC  
Washington Neurodiagnostics, LLC  
West Virginia Neurodiagnostics, LLC

**Exhibit B**

**Alliance Payment Schedule**

	Due Date	Payment Amount	Principal	Federal Share	State Share	Balance (on principal)	Interest @ 0.875%
							0.00875
Interest Start Date	12/23/2020					\$13,500,000	
Installment 1	7/23/2021	\$568,609.59	\$500,000	\$482,309.49	\$17,690.51	\$13,000,000	\$68,609.59
Installment 2	4/1/2022	\$203,534.25	\$125,000	\$120,577.37	\$4,422.63	\$12,875,000	\$78,534.25
Installment 3	7/1/2022	\$153,086.90	\$125,000	\$120,577.37	\$4,422.63	\$12,750,000	\$28,086.90
Installment 4	10/1/2022	\$153,119.86	\$125,000	\$120,577.37	\$4,422.63	\$12,625,000	\$28,119.86
Installment 5	1/1/2023	\$152,844.18	\$125,000	\$120,577.37	\$4,422.63	\$12,500,000	\$27,844.18
Installment 6	4/1/2023	\$651,969.18	\$625,000	\$602,886.86	\$22,113.14	\$11,875,000	\$26,969.18
Installment 7	7/1/2023	\$650,905.39	\$625,000	\$602,886.86	\$22,113.14	\$11,250,000	\$25,905.39
Installment 8	10/1/2023	\$649,811.64	\$625,000	\$602,886.86	\$22,113.14	\$10,625,000	\$24,811.64
Installment 9	1/1/2024	\$648,433.22	\$625,000	\$602,886.86	\$22,113.14	\$10,000,000	\$23,433.22
Installment 10	4/1/2024	\$1,146,815.07	\$1,125,000	\$1,085,196.34	\$39,803.66	\$8,875,000	\$21,815.07
Installment 11	7/1/2024	\$1,144,360.87	\$1,125,000	\$1,085,196.34	\$39,803.66	\$7,750,000	\$19,360.87
Installment 12	10/1/2024	\$1,142,092.47	\$1,125,000	\$1,085,196.34	\$39,803.66	\$6,625,000	\$17,092.47
Installment 13	1/1/2025	\$1,139,611.30	\$1,125,000	\$1,085,196.34	\$39,803.66	\$5,500,000	\$14,611.30
Installment 14	4/1/2025	\$1,386,866.44	\$1,375,000	\$1,326,351.09	\$48,648.91	\$4,125,000	\$11,866.44
Installment 15	7/1/2025	\$1,383,998.72	\$1,375,000	\$1,326,351.09	\$48,648.91	\$2,750,000	\$8,998.72
Installment 16	10/1/2025	\$1,381,065.07	\$1,375,000	\$1,326,351.09	\$48,648.91	\$1,375,000	\$6,065.07
Installment 17	1/1/2026	\$1,378,032.53	\$1,375,000	\$1,326,351.09	\$48,648.91	-	\$3,032.53
			\$13,500,000				



**Exhibit C**

Alliance Revenue Projections

Year	Revenue Projection
2021	\$58,000,000
2022	\$64,000,000
2023	\$70,000,000
2024	\$79,000,000
2025	\$88,000,000

**Exhibit D**

Ancor Payment Schedule

	Due Date	Payment Amount	Principal	Federal Share	State Share	Balance (on principal)	Interest @ 0.875%
							0.00875
Interest Start Date	12/23/2020					\$1,844,719	
Installment 1	7/23/2021	\$509,375.22	\$500,000	\$482,553.10	\$17,446.90	\$1,344,719	\$9,375.22
Installment 2	10/23/2021	\$339,145.75	\$336,180.00	\$324,449.40	\$11,730.60	\$1,008,539.00	\$2,965.75
Installment 3	1/23/2022	\$338,404.31	\$336,180.00	\$324,449.40	\$11,730.60	\$672,359.00	\$2,224.31
Installment 4	4/23/2022	\$337,630.64	\$336,180.00	\$324,449.40	\$11,730.60	\$336,179.00	\$1,450.64
Installment 5	7/23/2022	\$336,912.38	\$336,179.00	\$324,448.44	\$11,730.56	-	\$733.38
			\$1,844,719				