



U.S. Department of Justice

Criminal Division

Fraud Section

Washington, D.C. 20005

October 17, 2019

M. Kendall Day
Gibson, Dunn & Crutcher LLP
1050 Connecticut Avenue, N.W.
Washington, DC 20036-5306

Re: ContextMedia Health LLC d/b/a Outcome Health

Dear Mr. Day:

The United States Department of Justice, Criminal Division, Fraud Section, and the United States Attorney's Office for the Northern District of Illinois (collectively, "the Offices") and ContextMedia Health, LLC d/b/a Outcome Health ("Outcome" or the "Company"), enter into this Non-Prosecution Agreement ("Agreement"). Outcome and its current parent company, Outcome Health, LLC ("Outcome Parent"), pursuant to authority granted by Outcome Parent's Board of Managers, agree to certain terms and obligations as set forth below.

1. The Offices enter into this Agreement based on the individual facts and circumstances presented by this case and the Company, including:

(a) ContextMedia Health, LLC d/b/a Outcome Health ("Outcome") is a privately-held health care advertising company that was founded in 2006. Outcome's business model is to place screens and tablets that display educational content into physicians' offices and then sell advertising space on those devices to pharmaceutical companies. In January 2017, Outcome acquired a competitor, AccentHealth, and began operating under the trade name "Outcome Health;"

(b) Outcome did not receive voluntary disclosure credit because it did not voluntarily and timely disclose to the Offices the conduct described in the Statement of Facts attached hereto as Attachment A ("Statement of Facts"). In October 2017, in anticipation of and as a result of the *Wall Street Journal's* publication of an article reporting fraud at Outcome in the delivery of advertising campaigns to its pharmaceutical company customers and the initiation of the Offices' investigation, Outcome did, however, take immediate steps toward remediation, including: (1) hiring outside counsel to conduct an internal investigation; (2) notifying the Offices of its internal investigation and intent to fully cooperate; (3) implementing extensive remedial measures and operational improvements, as described below; and (4) making efforts to compensate its pharmaceutical company customer victims of the under-delivery fraud described in the Statement of Facts;

(c) In November 2017, a group of equity investors filed a lawsuit against Outcome's then parent company, Outcome Holdings, LLC, and Outcome's founders for fraud. In January 2018, the lawsuit was settled and, as part of the settlement, Outcome's founders agreed to resign from their executive roles. Outcome Holdings' Board of Managers also expanded from three to seven members, including three independent members who managed the internal investigation. In June 2018, Outcome's founders resigned from the Board of Managers;

(d) In May 2019, a group of lenders and investors executed a recapitalization and restructuring transaction to keep Outcome solvent and avoid bankruptcy. As part of the transaction, a new entity was incorporated that is now known as Outcome Health, LLC ("Outcome Parent"). The new owners of Outcome Parent had no involvement in any of the conduct described in the Statement of Facts and in some instances were victims of the investor and lender fraud described in the Statement of Facts who had lent money and invested in Outcome prior to the October 2017 *Wall Street Journal* article. Outcome continues to exist as a subsidiary of Outcome Parent and holds most of the customer contracts;

(e) Neither Outcome nor Outcome Parent currently employs or is affiliated with any of the individuals who committed the conduct described in the Statement of Facts;

(f) Outcome received full credit for its cooperation with the Offices' investigation, including: providing multiple detailed factual presentations; voluntarily making employees available for interviews; collecting, organizing, and producing voluminous documents; proactively identifying relevant documents; and facilitating and encouraging witnesses to cooperate with the Offices' investigation;

(g) Outcome provided to the Offices all relevant facts known to it, including information about the individuals involved in the conduct described in the attached Statement of Facts and in other conduct disclosed to the Offices prior to the Agreement;

(h) Outcome and Outcome Parent engaged in extensive remedial measures, including the following:

1. requiring the Outcome founders to give up all financial interest in Outcome and any representation on the Board of Managers as part of the restructuring;
2. retaining a new management team including a new Chief Executive Officer, General Counsel and Chief Compliance Officer, Chief Operating Officer, and Chief Financial Officer, and reconstituting Outcome Parent's Board of Managers to have a majority of independent managers;
3. proactively making a fulsome effort to compensate its pharmaceutical company customer victims of the under-delivery fraud described in the Statement of Facts. To date, Outcome has paid and has committed to make \$65,468,489 in payments or in-kind services to such customer victims, and has agreed to set

aside an additional \$4,531,511 to pay any additional claims of such victims;
and

4. making extensive operational improvements, including: (a) overhauling internal controls and operational systems to improve the reliability of reporting on advertising campaign delivery; (b) automating and standardizing the ingestion of advertising campaign data, preventing the possibility of manual manipulation; (c) increasing data transparency both within Outcome and in reporting to customers; (d) retaining a third-party verification provider to certify Outcome's platform, provide feedback to improve Outcome's data infrastructure on a quarterly basis, and validate individual advertising campaign data for offices, devices, and targeting accuracy through direct access to Outcome's data; (e) engaging additional third-party auditors and verification providers to ensure reporting accuracy and to provide additional data to customers; (f) implementing new internal accounting and revenue recognition procedures; and (g) retaining an outside accounting firm to re-audit Outcome's financial statements.

(i) although Outcome did not have a compliance program in effect during the time period covered by the Statement of Facts, Outcome hired a Chief Compliance Officer in December 2018 to develop, implement, and oversee a new compliance program which includes, among other things, a Code of Conduct designed to address the conduct described in the Statement of Facts, in-person compliance trainings of all employees, and a confidential reporting hotline. Outcome and Outcome Parent are committed to continuing to enhance their compliance program, including ensuring that their compliance program satisfies the minimum elements set forth in Attachment B to this Agreement (Corporate Compliance Program);

(j) based on Outcome and Outcome Parent's extensive remediation and the state of their compliance program, and specifically their agreement to retain contracts with third-party auditors and verification providers for: (1) platform certification and campaign audit processes; (2) health care provider verification and inventory scoping; and (3) accounting and revenue recognition processes, and the their agreement to report to the Offices as set forth in Attachment C to this Agreement (Corporate Compliance Reporting), the Offices determined that an independent compliance monitor was unnecessary;

(k) The nature and seriousness of the offense conduct, including the involvement of former senior executives, the duration of the fraud, the use of material misrepresentations and omissions which were made to Outcome's customers, lenders, investors, and outside auditors, and the impact of the fraud on Outcome's customers, lenders, and investors;

(l) Outcome has no prior criminal history; and

(m) Outcome and Outcome Parent have agreed to continue to cooperate with the Offices as set forth in Paragraph 5, below.

2. Outcome admits, accepts, and acknowledges that it is responsible under United States law for the acts of its former officers, directors, employees, and agents as set forth in the attached Statement of Facts, and that the facts described therein are true and accurate. Outcome also admits, accepts, and acknowledges that the facts described in the attached Statement of Facts related to actions of former employees constitute a violation of U.S. federal law, specifically wire fraud, in violation of Title 18, United States Code, Section 1343.

3. Outcome and Outcome Parent expressly agree that they shall not, through present or future attorneys, officers, directors, employees, agents or any other person authorized to speak for Outcome or Outcome Parent make any public statement, in litigation or otherwise, contradicting the acceptance of responsibility by Outcome set forth above or the facts described in the attached Statement of Facts. Outcome and Outcome Parent agree that if they, or any of their subsidiaries or affiliates issue a press release or hold any press conference in connection with this Agreement, Outcome and Outcome Parent shall first consult the Offices to determine (a) whether the text of the release or proposed statements at the press conference are true and accurate with respect to matters relating to this Agreement; and (b) whether the Offices have any objection to the release.

4. Outcome and Outcome Parent's obligations under this Agreement shall have a term of three (3) years from the date on which the Agreement is executed (the "Term"). Outcome and Outcome Parent agree, however, that, in the event the Offices determine, in their sole discretion, that Outcome or Outcome Parent has knowingly violated any provision of this Agreement or has failed to completely perform or fulfill each of their obligations under this Agreement, an extension or extensions of the Term may be imposed by the Offices, in their sole discretion, for up to a total additional time period of one year, without prejudice to the Offices' right to proceed as provided in the breach provisions of this Agreement below. Any extension of the Agreement extends all terms of this Agreement, including the terms of the reporting requirement in Attachment C, for an equivalent period. Conversely, in the event the Offices find, in their sole discretion, that Outcome and Outcome Parent have both (a) satisfied their obligations to provide compensation to the pharmaceutical company customer victims pursuant to Paragraph 8, below; and (b) there exists a change in circumstances sufficient to eliminate the need for the reporting requirement in Attachment C, the Agreement may be terminated early. In such event, Outcome and Outcome Parent's cooperation obligations described in Paragraph 5, below, shall survive until the date upon which all such investigations and prosecutions are concluded.

5. Outcome and Outcome Parent shall cooperate fully with the Offices in any and all matters relating to the conduct described in this Agreement and the attached Statement of Facts and other conduct under investigation by the Offices at any time during the Term, until the later of the date the Term ends or the date upon which all investigations and prosecutions arising out of such conduct are concluded. At the request of the Offices, Outcome and Outcome Parent shall also cooperate fully with other domestic or foreign law enforcement and regulatory authorities and agencies in any investigation of Outcome and Outcome Parent, their subsidiaries or affiliates, or any of their present or former officers, directors, employees, agents, and consultants, or any other party, in any and all matters relating to the conduct described in this Agreement and the attached Statement of Facts and other conduct under investigation by the Offices at any time during the Term. Outcome and Outcome Parent's cooperation pursuant to this Paragraph is subject to

applicable law and regulations, as well as valid claims of attorney-client privilege or attorney work product doctrine; however, Outcome and Outcome Parent must provide to the Offices a log of any information or cooperation that is not provided based on an assertion of law, regulation, or privilege, and Outcome and Outcome Parent bear the burden of establishing the validity of any such an assertion. Outcome and Outcome Parent agree that their cooperation shall include, but not be limited to, the following:

(a) Outcome and Outcome Parent shall truthfully and in a timely manner disclose all factual information with respect to their activities, those of their subsidiaries and affiliates, and those of their present and former directors, officers, employees, agents, and consultants, including any evidence or allegations and internal or external investigations, about which Outcome or Outcome Parent has any knowledge or about which the Offices may inquire. This obligation of truthful disclosure includes, but is not limited to, the obligation of Outcome and Outcome Parent to promptly provide to the Offices, upon request, any document, record or other tangible evidence about which the Offices may inquire of Outcome or Outcome Parent.

(b) Upon request of the Offices, Outcome and Outcome Parent shall designate knowledgeable employees, agents or attorneys to provide to the Offices the information and materials described above on behalf of Outcome and Outcome Parent. It is further understood that Outcome and Outcome Parent must at all times provide complete, truthful, and accurate information.

(c) Outcome and Outcome Parent shall use their best efforts to make available for interviews or testimony, as requested by the Offices, present or former officers, directors, employees, agents, and consultants of Outcome and Outcome Parent. This obligation includes, but is not limited to, sworn testimony before a federal grand jury or in federal trials, as well as interviews with domestic or foreign law enforcement and regulatory authorities. Cooperation shall include identification of witnesses who, to the knowledge of Outcome and Outcome Parent, may have material information regarding the matters under investigation.

(d) With respect to any information, testimony, documents, records or other tangible evidence provided to the Offices pursuant to this Agreement, Outcome and Outcome Parent consent to any and all disclosures to other governmental authorities, including United States authorities and those of a foreign government, of such materials as the Offices, in their sole discretion, shall deem appropriate.

(e) In addition, during the Term, should Outcome or Outcome Parent learn of any evidence or allegation of a violation of U.S. federal law, Outcome and Outcome Parent shall promptly report such evidence or allegation to the Offices. On the date that the Term expires, Outcome, by the Chief Executive Officer and the Chief Financial Officer of the Company, will certify to the Offices that Outcome has met its disclosure obligations pursuant to this Agreement. Each certification will be deemed a material statement and representation by Outcome to the executive branch of the United States for purposes of 18 U.S.C. § 1001.

6. Outcome and Outcome Parent represent that they have implemented and will continue to implement a compliance and ethics program designed to prevent and detect violations

of U.S. federal law throughout their operations, including those of their affiliates, agents, and joint ventures, and those of their contractors and subcontractors whose responsibilities include third-party validation and accounting, financial reporting, and interactions with Outcome Parent and Outcome Parent's auditors, including, but not limited to, the minimum elements set forth in Attachment B (Corporate Compliance Program). In addition, Outcome and Outcome Parent agree that they will report to the Offices annually during the Term regarding remediation and implementation of the compliance measures described in Attachment B. These reports will be prepared in accordance with Attachment C (Corporate Compliance Reporting).

7. In order to address any deficiencies in their internal controls, policies, and procedures, Outcome and Outcome Parent represent that they have undertaken, and will continue to undertake in the future, in a manner consistent with all of their obligations under this Agreement, a review of their existing internal controls, policies, and procedures regarding compliance with U.S. federal law. Where necessary and appropriate, Outcome and Outcome Parent agree to adopt a new compliance program, or to modify their existing one, including internal controls, compliance policies, and procedures in order to ensure that they maintain a rigorous compliance program that incorporates relevant internal controls, as well as policies and procedures designed to effectively deter and detect violations of U.S. federal law. The compliance program will include, but not be limited to, the minimum elements set forth in Attachment B.

8. To date, Outcome and Outcome Parent have paid or have committed to pay \$65,468,489 in combined payments and in-kind services to the pharmaceutical company customer victims of the under-delivery fraud as described in the Statement of Facts. In addition, Outcome and Outcome Parent agree to set aside an additional \$4,531,511 to pay any additional claims of pharmaceutical company customer victims of the under-delivery fraud described in the Statement of Facts. Outcome and Outcome Parent hereby agree to pay at least \$65,468,489 and up to \$70,000,000 in combined payments and in-kind services to the pharmaceutical company customer victims of the under-delivery fraud described in the Statement of Facts ("the Victim Compensation Payment Amount"). Any of the \$4,531,511 unclaimed by the pharmaceutical company customer victims at the end of the Term will revert to Outcome. Nothing in this Agreement, however, shall be deemed an agreement by the Offices that the Victim Compensation Payment Amount covers the losses to the victims of the investor and lender fraud described in the Statement of Facts, and the Offices are not precluded from arguing in any future prosecution of individuals that the Court should impose restitution for the investor and lender fraud victims and the amount of such restitution.

9. The Offices are not requiring Outcome to pay a criminal monetary penalty under this Agreement, which is conditioned on Outcome paying the Victim Compensation Payment Amount to the pharmaceutical company customer victims by the end of the term. The Offices agree that this disposition is appropriate given the facts and circumstances of this case, including the relevant considerations outlined in Paragraph 1, above, and given the Company's inability to pay a fine in addition to the Victim Compensation Payment Amount. Nothing in this Agreement, however, shall be deemed an agreement by the Offices that the Victim Compensation Payment Amount is the maximum penalty that may be imposed in any future prosecution, and the Offices are not precluded from arguing in any future prosecution that the Court should impose any type of monetary penalty, including a criminal fine, disgorgement or civil or criminal forfeiture, and the

amount of such monetary penalty. Outcome and Outcome Parent shall not seek or accept directly or indirectly reimbursement or indemnification from any source with regard to payments made or in-kind services provided to victims from the Victim Compensation Payment Amount or any other agreement entered into with an enforcement authority or regulator concerning the facts set forth in the attached Statement of Facts.

10. The Offices agree, except as provided herein, that it will not bring any criminal or civil case (except for criminal tax violations, as to which the Offices do not make any agreement) against Outcome, Outcome Parent, or any of their present or former subsidiaries or affiliates relating to any of the conduct described in the attached Statement of Facts. To the extent there is conduct disclosed by Outcome or Outcome Parent that does not relate to any of the conduct described in the attached Statement of Facts, such conduct will not be exempt from prosecution and is not within the scope of or relevant to this Agreement. The Offices, however, may use any information related to the conduct described in the attached Statement of Facts against Outcome: (a) in a prosecution for perjury or obstruction of justice; (b) in a prosecution for making a false statement; (c) in a prosecution or other proceeding relating to any crime of violence; or (d) in a prosecution or other proceeding relating to a violation of any provision of Title 26 of the United States Code. This Agreement does not provide any protection against prosecution for any future conduct by Outcome or Outcome Parent or any of their present or former parents or subsidiaries. In addition, this Agreement does not provide any protection against prosecution of any individuals, regardless of their affiliation with Outcome, Outcome Parent, or any of their present or former parents or subsidiaries.

11. If, during the Term, (a) Outcome commits any felony under U.S. federal law; (b) Outcome or Outcome Parent provides in connection with this Agreement deliberately false, incomplete, or misleading information, including in connection with their disclosure of information about individual culpability; (c) Outcome or Outcome Parent fails to cooperate as set forth in this Agreement; (d) Outcome or Outcome Parent fails to implement a compliance program as set forth in this Agreement and Attachment B; or (e) otherwise fails to completely perform or fulfill each of Outcome or Outcome Parent's obligations under the Agreement, regardless of whether the Offices become aware of such a breach after the Term is complete, Outcome and Outcome Parent shall thereafter be subject to prosecution for any federal criminal violation of which the Offices have knowledge, including, but not limited to, the conduct described in the attached Statement of Facts, which may be pursued by the Offices in the U.S. District Court for the Northern District of Illinois or any other appropriate venue. Determination of whether Outcome or Outcome Parent has breached the Agreement and whether to pursue prosecution of Outcome shall be in the Offices' sole discretion. Any such prosecution may be premised on information provided by Outcome, Outcome Parent, or their personnel. Any such prosecution relating to the conduct described in the attached Statement of Facts or relating to conduct known to the Offices prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against Outcome, Outcome Parent, or their subsidiaries or affiliates, notwithstanding the expiration of the statute of limitations, between the signing of this Agreement and the expiration of the Term plus one year. Thus, by signing this Agreement, the Company agrees that the statute of limitations with respect to any such prosecution that is not time-barred on the date of the signing of this Agreement shall be tolled for the Term plus one year. In addition, Outcome and Outcome Parent

agree that the statute of limitations as to any violation of U.S. federal law that occurs during the Term will be tolled from the date upon which the violation occurs until the earlier of the date upon which the Offices are made aware of the violation or the duration of the Term plus five years, and that this period shall be excluded from any calculation of time for purposes of the application of the statute of limitations.

12. In the event the Offices determine that Outcome or Outcome Parent has breached this Agreement, the Offices agree to provide Outcome and Outcome Parent with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty days of receipt of such notice, Outcome and Outcome Parent shall have the opportunity to respond to the Offices in writing to explain the nature and circumstances of such breach, as well as the actions Outcome and Outcome Parent have taken to address and remediate the situation, which explanation the Offices shall consider in determining whether to pursue prosecution of Outcome, Outcome Parent, or their subsidiaries or affiliates.

13. In the event that the Offices determine that Outcome or Outcome Parent has breached this Agreement: (a) all statements made by or on behalf of Outcome, Outcome Parent, or their subsidiaries and affiliates to the Offices or to the Court, including the attached Statement of Facts, and any testimony given by Outcome, Outcome Parent, or their subsidiaries or affiliates before a grand jury, a court, or any tribunal, or at any legislative hearings, whether prior or subsequent to this Agreement, and any leads or evidence derived from such statements or testimony, shall be admissible in evidence in any and all criminal proceedings brought by the Offices against Outcome, Outcome Parent, or their subsidiaries or affiliates; and (b) Outcome, Outcome Parent, or their subsidiaries or affiliates shall not assert any claim under the United States Constitution, Rule 11(f) of the Federal Rules of Criminal Procedure, Rule 410 of the Federal Rules of Evidence, or any other federal rule that any such statements or testimony made by or on behalf of Outcome, Outcome Parent, or their prior or subsequent to this Agreement, or any leads or evidence derived therefrom, should be suppressed or are otherwise inadmissible. The decision whether conduct or statements of any current director, officer or employee, or any person acting on behalf of, or at the direction of, Outcome, Outcome Parent, or their subsidiaries or affiliates, will be imputed to Outcome or Outcome Parent for the purpose of determining whether Outcome or Outcome Parent has violated any provision of this Agreement shall be in the sole discretion of the Offices.

14. Except as may otherwise be agreed by the parties in connection with a particular transaction, Outcome and Outcome Parent agree that in the event that, during the Term, they undertake any change in corporate form, including if they sell, merge, or transfer business operations that are material to Outcome's or Outcome Parent's consolidated operations, as they exist as of the date of this Agreement, whether such change is structured as a sale, asset sale, merger, transfer, or other change in corporate form, they shall include in any contract for sale, merger, transfer, or other change in corporate form a provision binding the purchaser, or any successor in interest thereto, to the obligations described in this Agreement. The purchaser or successor in interest must also agree in writing that the Offices' ability to determine there has been a breach under this Agreement is applicable in full force to that entity. Outcome and Outcome Parent agree that the failure to include this Agreement's breach provisions in the transaction will make any such transaction null and void. Outcome and Outcome Parent shall provide notice to

the Offices at least thirty (30) days prior to undertaking any such sale, merger, transfer, or other change in corporate form. The Offices shall notify Outcome and Outcome Parent prior to such transaction (or series of transactions) if it determines that the transaction(s) will have the effect of circumventing or frustrating the enforcement purposes of this Agreement. If at any time during the Term Outcome or Outcome Parent engages in a transaction(s) that has the effect of circumventing or frustrating the enforcement purposes of this Agreement, the Offices may deem it a breach of this Agreement pursuant to the breach provisions of this Agreement. Nothing herein shall restrict the Offices from indemnifying (or otherwise holding harmless) the purchaser or successor in interest for penalties or other costs arising from any conduct that may have occurred prior to the date of the transaction, so long as such indemnification does not have the effect of circumventing or frustrating the enforcement purposes of this Agreement, as determined by the Offices.

15. This Agreement is binding on Outcome, Outcome Parent, and the Offices but specifically does not bind any other component of the Department of Justice, other federal agencies, or any state, local or foreign law enforcement or regulatory agencies, or any other authorities, although the Offices will bring the cooperation of Outcome and Outcome Parent and their compliance with their other obligations under this Agreement to the attention of such agencies and authorities if requested to do so by Outcome and Outcome Parent.

16. It is further understood that Outcome, Outcome Parent, and the Offices may disclose this Agreement to the public.

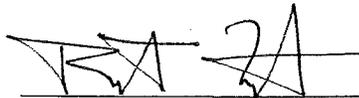
17. This Agreement sets forth all the terms of the agreement between Outcome, Outcome Parent, and the Offices. No amendments, modifications or additions to this Agreement shall be valid unless they are in writing and signed by the Offices, the attorneys for Outcome and Outcome Parent, and duly authorized representatives of Outcome and Outcome Parent.

Sincerely,

ROBERT A. ZINK
Chief, Fraud Section
Criminal Division
United States Department of Justice

Date: 10/30/19

BY:



William E. Johnston
Assistant Chief
Kyle C. Hankey
Trial Attorney

BRIAN HAYES
Attorney for the United States
Acting Under Authority Conferred
by 28 U.S.C. § 515
Northern District of Illinois

Date: 10/30/19

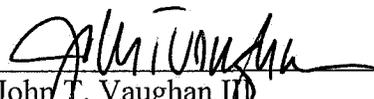
BY:

Brian Hayes by MFM
Matthew F. Madden
Assistant U.S. Attorney

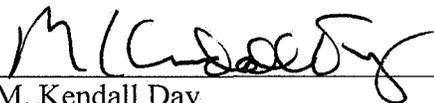
AGREED AND CONSENTED TO:

CONTEXTMEDIA HEALTH, LLC D/B/A OUTCOME HEALTH

Date: 10/18/19

BY: 
John T. Vaughan II
General Counsel & Chief Compliance Officer
Outcome Health

Date: 10/18/19

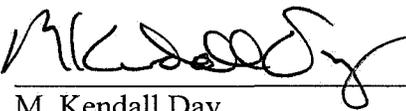
BY: 
M. Kendall Day
Gibson Dunn & Crutcher, LLP
Outside counsel for ContextMedia Health LLC

OUTCOME HEALTH, LLC

Date: 10/18/19

BY: 
John T. Vaughan II
General Counsel & Chief Compliance Officer
Outcome Health

Date: 10/18/19

BY: 
M. Kendall Day
Gibson Dunn & Crutcher, LLP
Outside counsel for Outcome Health, LLC

ATTACHMENT A
STATEMENT OF FACTS

The following Statement of Facts is incorporated by reference as part of the Non-Prosecution Agreement (the “Agreement”) between the United States Department of Justice, Criminal Division, Fraud Section (the “Fraud Section”), the United States Attorney’s Office for the Northern District of Illinois (the “USAO”), and ContextMedia Health, LLC d/b/a Outcome Health (“Outcome”). Outcome hereby agrees and stipulates that the following information is true and accurate. Outcome admits, accepts, and acknowledges that it is responsible for the acts of its former officers, directors, employees, and agents as set forth below.

Outcome and the Relevant Executives

1. Outcome is a healthcare advertising company that places in doctors’ offices television screens and tablets that display educational content and then sells advertising content on those devices to pharmaceutical companies. Outcome was founded under the name of ContextMedia by Executive A and Individual A in 2006. Its d/b/a changed to Outcome Health in January 2017 after acquiring a competitor, AccentHealth. Executive B started working at Outcome in 2008, and was later branded as Outcome’s co-founder, along with Executive A. Executive A and Executive B stepped down from managing Outcome in January 2018, as part of a settlement with equity investors who had sued Executives A and B and Outcome’s then parent company, Outcome Holdings, LLC, for fraud. In June 2018, Executives A and B resigned from Outcome Holdings’ Board of Managers.

2. Executive A was the CEO of Outcome from 2006 until he stepped down in January 2018. Executive B served in various roles, including Chief Strategy Officer and, more recently, President until she stepped down in January 2018. Executive C, who joined Outcome in 2012,

was the Chief Operating Officer and Chief Financial Officer at Outcome from approximately 2015 until 2017, and left Outcome in February 2018. Executive D joined Outcome in 2013, and was the Executive Vice President of Business Growth and Analytics until October 2017.

Under-Delivery Fraud

3. Starting no later than 2012, Outcome, through its officers, employees, and agents, executed a scheme to defraud its pharmaceutical clients by selling advertising inventory that it did not have. Pharmaceutical clients who wanted to advertise on Outcome's network of devices gave Outcome lists of doctors where they wanted their advertisements to play. Outcome typically responded by indicating how many or which of the doctors on the lists were in Outcome's network. This process was known as "list match." At the direction of Executives A, B, C and D, former employees at Outcome, in certain instances, inflated the list-match numbers by falsely representing that Outcome had in its network a higher number of doctors on the clients' list than it actually had.

4. By the time the advertising campaigns started to run, Outcome, in certain instances, still did not have the inventory of devices it had already represented and sold to its clients. Nevertheless, Outcome still invoiced its clients for the full amount of the inventory it had represented and sold, as if the clients' ads had run on (i.e., been delivered to) all of those devices, when they had not. And, at the direction of Executives A, B, C, and D, Outcome concealed the under-delivery from its clients by sending them false proofs of performance and affidavits, which falsely attested that Outcome had delivered advertising to the number of offices or screens specified in their contracts. Also, at the direction of Executives A, B, C, and D, former Outcome employees also fabricated addresses and lists of doctors that were given to clients to make them believe their advertising campaigns were running in places where they were not.

5. Executive C oversaw the finance and accounting teams, which respectively invoiced the clients for the full amounts of the contract and then recorded the revenue on Outcome's financial statements. Executive D, starting in late 2013 and continuing until 2017, ran the list-match process and continued—at times in consultation with Executives A, B, and C—the practice of selling anticipated inventory that had begun no later than 2012.

6. Outcome tracked the difference—or “delta”—between the available amount of inventory and the contracted amount of inventory on a document called a “delta report.” These reports were closely held by only a small group of individuals within Outcome, and not shared with the sales or accounting teams. Indeed, at the direction of Executives A, B, C, and D, Outcome employees selling advertising campaigns were typically not informed that list-match results contained projected inventory due to concerns that those employees would not sell aggressively if they knew the truth.

7. Outcome overbilled clients by more than \$6 million in 2015, and by more than \$25 million in 2016.

False Tablet Metrics

8. In 2013, Outcome started to unveil a new product: tablets to be placed in doctors' exam rooms. The software package Outcome used to track how often patients interacted with the exam room tablets was unreliable and did not consistently produce accurate data. Outcome nevertheless sent its pharmaceutical clients regular reports about the tablets' performance that inflated the number of clicks by patients. Executive C and Executive D instructed Outcome employees to fabricate these numbers to make it appear that patients were interacting with the tablets more than they actually were. On limited occasions, the magnitude of the inflation was over 100 times the real number. The tablet performance reports also concealed any under-delivery

by indicating the campaign was playing on whatever number of tablets that was listed on the contracts rather than the true number.

False Performance Studies

9. Certain of Outcome's advertising contracts had return-on-investment ("ROI") guarantees in which Outcome promised to deliver an additional two or three dollars in revenue for each dollar spent on advertising. To prove that it had met this obligation to its clients, Outcome hired outside firms to analyze prescription data to quantify the amount of additional prescriptions that could be attributed to the advertising campaigns. Starting in 2014 and lasting through approximately 2016, Executive D fraudulently altered the ROI reports in certain instances—to increase the ROI—before sending them to clients.

Concealing Fraud from Auditors

10. Starting in 2015, Outcome hired a "Big 4" accounting firm (the "Accounting Firm") to audit its financial statements. To conceal the delivery shortfalls from the Accounting Firm, Outcome employees, at the direction of Executive D and with the knowledge of Executive C, fabricated lists of locations where devices had played. These misrepresentations were made so that the Accounting Firm would conclude that Outcome had met its contractual obligations to its clients. As part of its audit for the years 2015 and 2016, the Accounting Firm interviewed Executive A, Executive B, and Executive C about whether they were aware of any fraud or allegations of fraud at Outcome. None indicated that they had—even in later 2016 and early 2017 after multiple Outcome employees had raised concerns about fraud, either directly or indirectly, to them. As a result of this concealment, Outcome's 2015 and 2016 audited financial statements reflected material overstatements of Outcome's revenue for those years.

Fraudulent Debt and Equity Financing

11. At the direction of Executives A, B, and C, Outcome then used the inflated revenue figures in their 2015 and 2016 audited financial statements to aid in raising capital. Outcome raised \$110 million in debt financing in April 2016 using the 2015 audited financial statements. The April 2016 debt financing resulted in a dividend of approximately \$30 million to Executive A and approximately \$7.5 million to Executive B. Outcome then raised \$375 million in debt financing in December 2016 to finance the acquisition of AccentHealth, also using the 2015 audited financial statements and unaudited 2016 revenue figures that included revenue Outcome had not earned because it had under-delivered on its advertising campaigns.

12. In early 2017, Outcome then used the 2015 and 2016 audited financial statements (as well as unaudited 2016 financial statements that were similarly false) to raise \$487.5 million in equity financing from a consortium of venture capital investors. The equity financing resulted in a distribution of \$225 million to Executives A and B. Included in the materials presented to its lenders and investors were ROI studies that had been altered by Executive D.

13. These inflated revenue figures and altered ROI studies were material to the lenders and investors who provided Outcome with the capital. In May 2019, these investors and some of the lenders—none of whom were involved in the pre-2018 misconduct and many of whom were victims of it—became owners of ContextMedia and established its parent company Outcome Health, LLC.

ATTACHMENT B

CORPORATE COMPLIANCE PROGRAM

In order to address any deficiencies in their internal controls, compliance code, policies, and procedures regarding compliance with U.S. federal law, ContextMedia Health, LLC d/b/a Outcome Health (“Outcome”) and its parent company, Outcome Health, LLC (“Outcome Parent”), agree to continue to conduct, in a manner consistent with all of its obligations under this Agreement, appropriate reviews of its existing internal controls, policies, and procedures.

Where necessary and appropriate, Outcome and Outcome Parent agree to modify their compliance program, including internal controls, compliance policies, and procedures in order to ensure that they maintain an effective system of internal accounting controls designed to ensure the making and keeping of fair and accurate books, records, and accounts, as well as policies and procedures designed to effectively detect and deter violations of U.S. federal law. At a minimum, this should include, but not be limited to, the following elements to the extent they are not already part of Outcome and Outcome Parent’s existing internal controls, compliance code, policies, and procedures:

High-Level Commitment

1. Outcome and Outcome Parent will ensure that their directors and senior management provide strong, explicit, and visible support and commitment to its corporate policy against violations of U.S. federal law and their compliance code.

Policies and Procedures

2. Outcome and Outcome Parent will develop and promulgate a clearly articulated and visible corporate policy against violations of U.S. federal law, which policy shall be memorialized in a written compliance code.

3. Outcome and Outcome Parent will develop and promulgate compliance policies and procedures designed to reduce the prospect of violations of U.S. federal law and Outcome and Outcome Parent's compliance code, and Outcome and Outcome Parent will take appropriate measures to encourage and support the observance of ethics and compliance policies and procedures against violation of U.S. federal law by personnel at all levels of Outcome and Outcome Parent. These policies and procedures shall apply to all directors, officers, and employees and, where necessary and appropriate, outside parties acting on behalf of Outcome and Outcome Parent. Outcome and Outcome Parent shall notify all employees that compliance with the policies and procedures is the duty of individuals at all levels of the company.

4. Outcome and Outcome Parent will ensure that they have a system of financial and accounting procedures, including a system of internal controls, reasonably designed to ensure the maintenance of fair and accurate books, records, and accounts. This system should be designed to provide reasonable assurances that transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for assets.

Periodic Risk-Based Review

5. Outcome and Outcome Parent will develop these compliance policies and procedures on the basis of a periodic risk assessment addressing the individual circumstances of Outcome and Outcome Parent.

6. Outcome and Outcome Parent shall review these policies and procedures no less than annually and update them as appropriate to ensure their continued effectiveness, taking into account relevant developments in the field and evolving international and industry standards.

Proper Oversight and Independence

7. Outcome or Outcome Parent will assign responsibility to one or more senior corporate executives of Outcome or Outcome Parent for the implementation and oversight of Outcome and Outcome Parent's compliance code, policies, and procedures. Such corporate official(s) shall have the authority to report directly to independent monitoring bodies, including internal audit, Outcome and Outcome Parent's Board of Managers, or any appropriate committee of the Board of Managers, and shall have an adequate level of autonomy from management as well as sufficient resources and authority to maintain such autonomy.

Training and Guidance

8. Outcome and Outcome Parent will implement mechanisms designed to ensure that its compliance code, policies, and procedures are effectively communicated to all directors, officers, employees, and, where necessary and appropriate, agents and business partners. These mechanisms shall include: (a) periodic training for all directors and officers, all employees in positions of leadership or trust, positions that require such training (e.g., internal audit, sales, legal, compliance, finance), and, where necessary and appropriate, agents and business partners;

and (b) corresponding certifications by all such directors, officers, employees, agents, and business partners, certifying compliance with the training requirements.

9. Outcome and Outcome Parent will maintain, or where necessary establish, an effective system for providing guidance and advice to directors, officers, employees, and, where necessary and appropriate, agents and business partners, on complying with Outcome and Outcome Parent's compliance code, policies, and procedures, including when they need advice on an urgent basis.

Internal Reporting and Investigation

10. Outcome and Outcome Parent will maintain, or where necessary establish, an effective system for internal and, where possible, confidential reporting by, and protection of, directors, officers, employees, and, where appropriate, agents and business partners concerning violations of U.S. federal law or Outcome and Outcome Parent's compliance code, policies, and procedures.

11. Outcome and Outcome Parent will maintain, or where necessary establish, an effective and reliable process with sufficient resources for responding to, investigating, and documenting allegations of violations of U.S. federal law or Outcome and Outcome Parent's compliance code, policies, and procedures.

Enforcement and Discipline

12. Outcome and Outcome Parent will implement mechanisms designed to effectively enforce its compliance code, policies, and procedures, including appropriately incentivizing compliance and disciplining violations.

13. Outcome and Outcome Parent will institute appropriate disciplinary procedures to address, among other things, violations of U.S. federal law and Outcome and Outcome Parent's compliance code, policies, and procedures by Outcome and Outcome Parent's directors, officers, and employees. Such procedures should be applied consistently and fairly, regardless of the position held by, or perceived importance of, the director, officer, or employee. Outcome and Outcome Parent shall implement procedures to ensure that where misconduct is discovered, reasonable steps are taken to remedy the harm resulting from such misconduct, and to ensure that appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls, compliance code, policies, and procedures and making modifications necessary to ensure the overall compliance program is effective.

Mergers and Acquisitions

14. Outcome and Outcome Parent will develop and implement policies and procedures for mergers and acquisitions requiring that Outcome and Outcome Parent conduct appropriate risk-based due diligence on potential new business entities.

15. Outcome and Outcome Parent will ensure that Outcome and Outcome Parent's compliance code, policies, and procedures regarding U.S. federal law apply as quickly as is practicable to newly acquired businesses or entities merged with Outcome or Outcome Parent and will promptly train the directors, officers, employees, agents, and business partners consistent with Paragraph 8 above on Outcome and Outcome Parent's compliance code, policies, and procedures.

Monitoring and Testing

16. Outcome and Outcome Parent will conduct periodic reviews and testing of its compliance code, policies, and procedures designed to evaluate and improve their effectiveness in preventing and detecting violations of U.S. federal law and Outcome's and Outcome Parent's code, policies, and procedures, taking into account relevant developments in the field and evolving industry standards.

ATTACHMENT C

REPORTING REQUIREMENTS

ContextMedia Health LLC d/b/a Outcome Health (“Outcome”) and its parent, Outcome Health, LLC (“Outcome Parent”), agree that they will report to the Offices periodically, at no less than twelve-month intervals during a three-year term, regarding remediation and implementation of the compliance program and internal controls, policies, and procedures described in Attachment B. During this three-year period, Outcome and Outcome Parent shall: (1) conduct an initial review and submit an initial report, and (2) conduct and prepare at least two follow-up reviews and reports, as described below:

a. By no later than one year from the date this Agreement is executed, Outcome and Outcome Parent shall submit to the Offices a written report setting forth a complete description of its remediation efforts to date, its proposals reasonably designed to improve the Company’s internal controls, policies, and procedures for ensuring compliance with U.S. federal law, and the proposed scope of the subsequent reviews. The report shall be transmitted to:

William Johnston
Kyle Hankey
Sally Molloy
U.S. Department of Justice, Criminal Division, Fraud Section
1400 New York Avenue NW
Washington, DC 20005

and

Matthew Madden
Assistant United States Attorney
U.S. Attorney’s Office for the Northern District of Illinois
219 South Dearborn Street
Chicago, IL 60604

Outcome and Outcome Parent may extend the time period for issuance of the report with prior written approval of the Offices.

b. Outcome and Outcome Parent shall undertake at least two follow-up reviews and reports, incorporating the views of the Offices on their prior reviews and reports, to further monitor and assess whether the Company's policies and procedures are reasonably designed to detect and prevent violations of U.S. federal law.

c. The first follow-up review and report shall be completed by no later than one year after the initial report is submitted to the Offices. The second follow-up review and report shall be completed and delivered to the Offices no later than thirty days before the end of the Term.

d. The reports will likely include proprietary, financial, confidential, and competitive business information. Moreover, public disclosure of the reports could discourage cooperation, impede pending or potential government investigations and thus undermine the objectives of the reporting requirement. For these reasons, among others, the reports and the contents thereof are intended to remain and shall remain non-public, except as otherwise agreed to by the parties in writing, or except to the extent that the Offices determine in their sole discretion that disclosure would be in furtherance of the Offices' discharge of their duties and responsibilities or is otherwise required by law.

e. Outcome and Outcome Parent may extend the time period for submission of any of the follow-up reports with prior written approval of the Offices.