SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into among 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"), (collectively, the "United States"); the State of New Jersey, acting through the New Jersey State Attorney General, Medicaid Fraud Control Unit ("New Jersey"); Quest Diagnostics, Incorporated ("Quest"); and Douglas S. Rabin, M.D., Gerard Abate, M.D., and Lori Anderson ("Relators") (hereafter collectively referred to as "the Parties"), through their authorized representatives.

RECITALS

A. Quest is a Delaware corporation that provides laboratory testing services to physicians, hospitals, and patients throughout the United States. Quest's principal place of business is located at 500 Plaza Drive, Secaucus, New Jersey.

B. On March 13, 2020, Douglas S. Rabin, M.D., Gerard Abate, M.D., and Lori Anderson filed a *qui tam* action in the United States District Court for the District of New Jersey captioned *United States ex rel. Rabin, et al v. Quest Diagnostics Incorporated and John Doe Companies 1-10*, 20-cv-02752, pursuant to the qui tam provisions of the False Claims Act, 31 U.S.C. § 3730(b), and thereafter, they filed a First Amended Complaint on October 15, 2020 (the "Civil Action").

C. The United States and New Jersey contend that Quest 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") and the Medicaid Program, 42 U.S.C. §§ 1396-1396w-5 ("Medicaid").

D. The United States and New Jersey contend that they have certain civil claims against Quest for submitting or causing the submission of false or fraudulent claims to Medicare and New York and New Jersey Medicaid arising from the following alleged conduct during the period of July 25, 2013 through August 3, 2022:

(1) Quest knowingly and willfully offered and provided health care providers and other decisionmakers remuneration in the form of entertainment events to induce these individuals to refer patients for lab services to Quest, or to arrange for or recommend referrals to Quest, in violation of the Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b). Quest thereby submitted or caused to be submitted false claims for lab services that were paid by Medicare and New York and New Jersey Medicaid.

(2) In particular, the United States and New Jersey contend that:

a. In July 2013, Quest entered into a Naming Rights and Sponsorship Agreement with the New York Football Giants ("New York Giants" or "Giants"). As part of the overall Agreement, Quest entered into a Suite Sublicense Agreement with the Giants, under which the Giants provided suites to Quest at MetLife Stadium for Giants home games. Quest also gained various marketing, commercial programming, and hospitality benefits.

b. Through the benefits Quest gained from its Agreement with the Giants, Quest offered and provided valuable and exclusive entertainment at Giants home games and other Giants commercial hospitality events free of charge to decisionmakers from Quest's client accounts who could refer patients for lab testing to Quest, or who could arrange for or recommend referrals. These events included:

i. Game Day Suite Seats: Seats in Quest's sublicensed suites at MetLife Stadium to watch Giants' home games, where Quest also provided food, alcohol and other beverages, and, in certain instances, parking and/or field access to watch pre-game warmups.

ii. VIP Training Camp: Event that gave VIP customers the opportunity to watch the Giants practice from a dedicated VIP section of the training camp – right next to the field for better viewing and player interaction opportunities. The event included breakfast or lunch and the opportunity to get player autographs and meet some of the players.

iii. Draft Chalk Talks: NFL style chalk talk presentation and interactive session hosted by former New York Giants "legends," where they walked Quest customers through draft strategy, draft predictions, and their own thoughts on that year's lineup. Invitees sat-in on an interactive mock draft and heard stories about the Legends' own draft experiences. The event included dinner at the Giants' training center cafeteria, a meet-and-greet with alumni players, and an insider's tour of the training center.

iv. Family Combine Days: Event in which clients and their family members/children could participate in football drills led by Giants players on the indoor field. Family Combine Days also included opportunities for photos and autographs and a tour of the training center.

c. Quest provided these free entertainment events to its clients, and in certain instances, to family members and guests of its clients, to induce referrals of business to Quest. Quest targeted decisionmakers from current and prospective client accounts who had the power to drive the account's business to Quest, and Quest executives and sales representatives targeted key decisionmakers from its highest value client accounts for these events, to maximize Quest's return on investment ("ROI") from providing the events to its clients. Quest sales representatives were required to attend the events with the individuals they invited, and they tied specific sales goals to the Giants invitations and shared those goals with Quest's senior management.

d. For the 2013 through 2016 football seasons, Quest measured its ROI from providing free Giants events to its clients. Quest calculated the revenue it received from client accounts after entertaining client decisionmakers at the Giants events for up to one year after the event, and Quest compared the revenue gained after the event to the revenue received from the client account prior to the event.

e. Quest billed Medicare and New York and New Jersey Medicaid for claims for lab testing that were referred from client accounts that Quest entertained for free at Giants entertainment events.

That conduct is referred to below as the "Covered Conduct."

E. This Settlement Agreement is neither an admission of liability by Quest nor a concession by the United States and New Jersey that its claims are not well founded.

F. Relators claim entitlement under 31 U.S.C. § 3730(d) to a share of the proceeds of this Settlement Agreement and to Relators' reasonable expenses, attorneys' fees and costs.

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. Quest shall pay the following sums, plus interest at a rate of 4.33% from June 5, 2025, no later than 20 business days after the Effective Date of this Agreement (defined below) by electronic funds transfer pursuant to written instructions to be provided by the Office of the United States Attorney for the District of New Jersey, and by certified funds pursuant to written instructions to be provided by the Office of the Attorney General for the State of New Jersey: (a) $12,969,096 to the United States, of which $6,484,548 is restitution, and (b) $45,480 to the State of New Jersey, of which $22,740 is restitution. The total of these sums **($13,014,576)** shall hereafter be referred to as the "Settlement Amount" and the Settlement Amount plus Interest as described above shall hereafter be referred to as the "Settlement Proceeds."

2. Conditioned upon the United States receiving the Settlement Amount and as soon as feasible after receipt, the United States shall pay $ 2,472,769 to Relators by electronic funds transfer (Relators' Share).

3. Quest has agreed to pay Relators' reasonable expenses, attorneys' fees and costs, as contemplated by 31 U.S.C. § 3730(d), and will do so subject to negotiations between Quest and Relators, or as ordered by the Court.

4. Subject to the exceptions in Paragraph 6 (concerning reserved claims) below, and upon the United States' and New Jersey's receipt of the Settlement Proceeds, the United States and New Jersey fully and finally release Quest, 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 (together, the "Quest Releasees") from any civil or administrative monetary claim the United States has for the 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; the civil monetary provisions of the Stark Law at 42 U.S.C. §§ 1395nn(g)(3) and (g)(4); the New Jersey False Claims Act, N.J. Rev. Stat. §§ 2A:32C-1 et seq.; or the common law theories of payment by mistake, unjust enrichment, and fraud.

5. Subject to the exceptions in Paragraph 6 below, and upon the United States and New Jersey's receipt of the Settlement Proceeds, Relators, for themselves and for their heirs, successors, attorneys, agents, and assigns, release Quest from any civil monetary claim the Relators have on behalf of the United States for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733.

6. Notwithstanding the release given in Paragraph 4 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 or permissive exclusion from Federal health care programs;

d. Any liability to the United States (or its agencies) for any conduct other than the Covered Conduct;

e. Any liability based upon obligations created by this Agreement;

f. Any liability of individuals;

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;

h. Any liability for failure to deliver goods or services due;

i. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct;

7. 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' receipt of the Relators Share, Relators and their heirs, successors, attorneys, agents, and assigns fully and finally release, waive, and forever discharge the United States, New Jersey, their agencies, officers, agents, employees, and servants, from any claims arising from the filing of the Civil Action or under 31 U.S.C. § 3730, and from any claims to a share of the proceeds of this Agreement and/or the Civil Action.

8. Relators, for themselves, and for their heirs, successors, attorneys, agents, and assigns, release Quest, and its officers, agents, and employees, from any liability to Relators arising from the filing of the Civil Action, with the exception of expenses, attorneys' fees, and costs under 31 U.S.C. § 3730(d).

9. Quest waives and shall not assert any defenses Quest may have to any criminal prosecution or administrative action relating to the 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.

10. Quest fully and finally releases the United States, New Jersey, their agencies, officers, agents, employees, and servants, from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Quest has asserted, could have asserted, or may assert in the future against the United States, New Jersey, their agencies, officers, agents, employees, and servants, related to the Covered Conduct or the United States' and New Jersey's investigation or prosecution thereof. Nothing herein shall preclude Quest from asserting any counterclaim or affirmative defense in an action brought against Quest by the United States or the State of New Jersey related to allegations in the Civil Action.

11. Quest fully and finally releases Relators from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Quest has asserted, could have asserted, or may assert in the future against the Relators, related to the *qui tam* and the Relators' investigation and prosecution thereof.

12. The Settlement Amount shall not 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 state payer, related to the Covered Conduct; and Quest agrees not to resubmit to any Medicare contractor or any state payer any previously denied claims related to the Covered Conduct, agrees not to appeal any such denials of claims, and agrees to withdraw any such pending appeals.

13. Quest agrees 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 Quest, its present or former officers, directors, employees, shareholders, and agents in connection with:

(1) the matters covered by this Agreement;

(2) the United States' and New Jersey's audit(s) and civil and any criminal investigation(s) of the matters covered by this Agreement;

(3) Quest's investigation, defense, and corrective actions undertaken in response to the United States' and New Jersey's audit(s) and civil and any criminal investigation(s) in connection with the matters covered by this Agreement (including attorneys' fees);

(4) the negotiation and performance of this Agreement;

(5) the payment Quest makes to the United States and New Jersey pursuant to this Agreement and any payments that Quest may make to Relators, including costs and attorneys fees

are unallowable costs for government contracting purposes and under the Medicare Program, Medicaid Program, TRICARE Program, and Federal Employees Health Benefits Program (FEHBP) (hereinafter referred to as Unallowable Costs).

b. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for by Quest, and Quest 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 Quest or any of its subsidiaries or affiliates to the Medicare, Medicaid, TRICARE, or FEHBP Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment: Quest further agrees that within 90 days of the Effective Date of this Agreement it 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 Quest or any of its 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. Quest agrees that the United States, at a minimum, shall be entitled to recoup from Quest 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 Quest or any of its subsidiaries or affiliates on the effect of inclusion of Unallowable Costs (as defined in this paragraph) on Quest or any of its 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 and New Jersey to audit, examine, or re-examine Quest's books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this paragraph.

14. 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 15 (waiver for beneficiaries paragraph), below.

15. Quest agrees that it waives 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 Covered Conduct.

16. Upon receipt of the payment described in Paragraph 1, above, and the resolution of Relators' claim to reasonable expenses, attorneys' fees and costs under 31 U.S.C. § 3730(d), Parties shall promptly sign and file in the Civil Action a Joint Stipulation of Dismissal of the Civil Action pursuant to Rule 41(a)(1).

17. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

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

19. This Agreement is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Agreement is the United States District Court for the District of New Jersey. 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.

20. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties.

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

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

23. This Agreement is binding on Quest's successors, transferees, heirs, and assigns.

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

25. All Parties acknowledge that the United States and New Jersey may disclose this Agreement, and information about this Agreement, to the public.

26. 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: 10/20/2025 BY: *Susan J. Pappy*

Susan J. Pappy
Assistant United States Attorney
District of New Jersey

DATED: 10/15/25 BY: SUSAN GILLIN Digitally signed by SUSAN GILLIN Date: 2025.10.15 13:31:28 -04'00'

Susan E. Gillin
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

THE STATE OF NEW JERSEY

MATTHEW J. PLATKIN
ATTORNEY GENERAL FOR THE STATE OF NEW JERSEY

DATED: 10/17/2025 BY: _____

AL GARCIA
Interim Insurance Fraud Prosecutor
Office of the Attorney General
State of New Jersey

DATED: _____ BY: _____

GREGORY WOODS
Assistant Commissioner
Division of Medical Assistance and Health Services
Department of Human Services

THE STATE OF NEW JERSEY

MATTHEW J. PLATKIN
ATTORNEY GENERAL FOR THE STATE OF NEW JERSEY

DATED: _____ BY: _____
AL GARCIA
Interim Insurance Fraud Prosecutor
Office of the Attorney General
State of New Jersey

DATED: 10/17/2025 BY: Gregory Woods
GREGORY WOODS
Assistant Commissioner
Division of Medical Assistance and Health Services
Department of Human Services

QUEST DIAGNOSTICS INCORPORATED - DEFENDANT

DATED: 10/14/25 BY: _____
Quest Diagnostics Incorporated

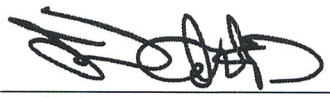
DATED: 10/14/25 BY: _____
David Feder
Fenwick & West LLP

Daniel Kahn
Chase McReynolds
Davis Polk & Wardwell LLP

Craig Carpenito
King & Spalding LLP

Counsel for Quest Diagnostics Incorporated

RELATORS

DATED: 10/15/2025 BY: 

Gerard Abate, M.D.

DATED: _____ BY: _____

Lori Anderson

DATED: _____ BY: _____

Douglas S. Rabin, M.D.

DATED: 10/15/25 BY: 

William L. Hurlock
Christopher Furlong
Frier Levitt
Counsel for Relators

RELATORS

DATED: _____ BY: _____
Gerard Abate, M.D.

DATED: Oct 15, 2025 BY: _____
Lori Anderson

DATED: _____ BY: _____
Douglas S. Rabin, M.D.

DATED: _____ BY: _____
William L. Hurlock
Christopher Furlong
Frier Levitt
Counsel for Relators

Counsel for Quest Diagnostics Incorporated

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RELATORS

DATED: _____ BY: _____
Gerard Abate, M.D.

DATED: _____ BY: _____
Lori Anderson

DATED: _____ BY: _____
Douglas S. Rehm, M.D.

DATED: _____ BY: _____
William T. Burkett
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