



# U.S. Department of JUSTICE

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## **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”) and the Defense Health Agency (“DHA”), acting on behalf of the TRICARE Program (collectively, the “United States”); defendant NEXT Bio-Research Services, LLC d/b/a NEXT Molecular Analytics (“NEXT”); and relators Sunil Wadhwa and Ken Newton (collectively, “Relators”), through their authorized representatives. Collectively, all of the above will be referred to as “the Parties.”

### **RECITALS**

A. NEXT is a clinical laboratory in Chester, Virginia that provides laboratory testing for patients referred by physicians and other healthcare providers. In 2020 and 2021, George Carralejo (“GC”) served as NEXT’s sales director and owned and operated OC Genetic Consultants Inc. (“OCGC”), a sales and marketing company based in California.

B. On November 9, 2020, Relators filed a *qui tam* complaint against NEXT in the United States District Court for the Eastern District of California captioned *United States ex rel. Wadhwa, et al. v. NEXT Bio-Research Services, LLC, et al.*, No. 2:19-cv-01288-JAM-JDP (E.D. Cal.) (UNDER SEAL), pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the Civil Action).

C. The United States contends that NEXT 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”); and the TRICARE Program, 10 U.S.C. §§ 1071–1110b (“TRICARE”).

D. The United States contends that it has certain civil claims against NEXT arising from its knowing submission, or causing the submission of, claims to Medicare, Medicaid, and TRICARE during the period of January 1, 2020 to September 30, 2021, that were false and/or fraudulent for the following reasons (hereinafter, the “Covered Conduct”):

a. During the period of August 1, 2020 to September 30, 2021, GC and NEXT’s contractor OCGC knowingly and willfully arranged for NEXT contractor Ralston Health Group, Inc. (“Ralston”) to pay to Dr. Dan Kelly Eidman, of Houston, Texas, thousands of dollars in monthly kickbacks, in violation of the Anti-Kickback Statute (AKS), 42 U.S.C. § 1320a-7b, that were disguised as consulting and/or medical director fees but actually were offered to induce Dr. Eidman to order laboratory testing from NEXT. NEXT failed to exercise sufficient oversight of OCGC and Ralston and knowingly and willfully paid volume- and value-based commissions in violation of the AKS to OCGC and Ralston to arrange for and recommend laboratory testing orders.

b. During the period of January 1, 2020 to March 28, 2020, GC and NEXT’s contractor OCGC knowingly and willfully arranged for NEXT contractor BeauMed Consultants LLC (“BeauMed”) to pay to Dr. Regina Pondexter Hunter, of Little Rock, Arkansas, thousands of dollars in monthly kickbacks, in violation of the AKS, that were disguised as consulting fees but actually were offered to induce Dr. Hunter to order laboratory testing from NEXT. NEXT failed to exercise sufficient oversight of BeauMed and knowingly and willfully paid volume- and value-based commissions in violation of the AKS to BeauMed to arrange for and recommend laboratory testing orders.

E. 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.

F. This Agreement is neither an admission of liability by NEXT, nor a concession by the United States that its claims are not well founded.

In consideration of the mutual promises and obligations of this Agreement, the Parties agree and covenant as follows:

#### TERMS AND CONDITIONS

1. Under the terms and conditions herein, NEXT shall pay to the United States the sums specified in this paragraph (collectively, “Settlement Amount”) by electronic funds transfer pursuant to written instructions to be provided by the Civil Division of the Department of Justice.

a. Within fifteen (15) calendar days of the Effective Date, NEXT shall pay to the United States Five Hundred Thousand Dollars (\$500,000.00) (“Initial Payment”).

b. NEXT shall pay to the United States Two Hundred Fifty-Eight Thousand Dollars (\$258,000.00), plus interest accruing at a rate of four and three-eighths percent (4.375%) per annum from August 1, 2025 and continuing until and including the date of payment, pursuant to the payment schedule attached as Exhibit A (“Payments Over Time”). The Payments Over Time may be prepaid, in whole or in part, without penalty or premium.

c. If NEXT receives at any time any insurance proceeds for any payments, legal fees, or expenses relating to the Covered Conduct, the Civil Action, or the United States’ investigation thereof from Houston Casualty Company, Tokio Marine HCC, or their related entities (collectively, “Insurance Proceeds”), then NEXT shall pay to the United States within thirty (30) calendar days of receipt of the Insurance Proceeds forty percent (40%) of the following amount: The Insurance Proceeds less the reasonable legal fees and costs incurred and paid by NEXT after the Effective Date in litigation, disputes, mediation, arbitration, settlement discussions, or claims to recover the Insurance Proceeds.

d. If NEXT receives at any time any proceeds to indemnify NEXT for any payments, legal fees, or expenses relating to the Covered Conduct, the Civil Action, or the United States' investigation thereof, including but not limited to such proceeds from current or former NEXT employees or independent contractors (collectively, "Indemnification Proceeds"), then NEXT shall pay to the United States within thirty (30) calendar days of receipt of the Indemnification Proceeds forty percent (40%) of the following amount: The Indemnification Proceeds less the reasonable legal fees and costs incurred and paid by NEXT after the Effective Date in litigation, disputes, mediation, arbitration, settlement discussions, or claims to recover the Indemnification Proceeds.

e. All payments by NEXT under subparagraphs (a), (b), (c), and (d) up to Three Hundred Seventy-Nine Thousand Dollars (\$379,000.00) are restitution to the United States.

f. No later than fourteen (14) calendar days after NEXT receives any Insurance Proceeds or Indemnification Proceeds (collectively, "Proceeds"), NEXT shall email to the undersigned counsel for the Department of Justice and deliver by express mail to Jamie Ann Yavelberg, DJ Nos. 46-48-3731 and 46-11E-7023, Director, Commercial Litigation Branch (Fraud Section), Civil Division, Department of Justice, 175 N Street, NE, Washington, DC 20002, a written summary, with a signed certification of the accuracy of its contents subject to 18 U.S.C. § 1001, detailing the date, amount, and payor of the Proceeds, and the amount of reasonable legal fees incurred and paid by NEXT after the Effective Date in litigation, disputes, or claims to recover the Proceeds.

2. Conditioned upon the United States receiving from NEXT each Settlement Amount payment in Paragraph 1 above, the United States shall pay to Relators by electronic funds transfer fifteen percent (15%) of each such payment received under the Agreement (collectively, "Relators' Share") as soon as feasible after receipt.

3. Within fifteen (15) calendar days of the Effective Date, by electronic funds transfer pursuant to written instructions to be provided by Relators' counsel, NEXT shall pay to Relators, for Relators' counsel, Sixty Thousand Dollars (\$60,000.00) for reasonable expenses necessarily incurred, plus reasonable attorneys' fees and costs (collectively "attorneys' fees") pursuant to 31 U.S.C. § 3730(d).

4. Subject to the exceptions in Paragraph 6 (concerning reserved claims) below, subject to Paragraph 17 (concerning default) and Paragraph 18 (concerning bankruptcy) below, and conditioned on the United States' receipt of the Settlement Amount, the United States releases NEXT 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, as amended; or the common law theories of payment by mistake, unjust enrichment, and fraud.

5. Subject to the exceptions in Paragraph 6 (concerning reserved claims) below, subject to Paragraph 17 (concerning default) and Paragraph 18 (concerning bankruptcy) below, and conditioned on the United States' receipt of the Settlement Amount, Relators, for themselves and for their agents, successors, attorneys, heirs, and assigns (collectively "Relators' agents"), release NEXT from any civil 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 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 healthcare 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 or corporate entities other than NEXT;
- 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; and
- 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, its 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 relating to NEXT.

8. Conditioned upon the Relators' receipt of attorneys' fees as provided in Paragraph 3 above, Relators, for themselves, and for their heirs, successors, attorneys, agents, and assigns, release NEXT and its officers, employees, successors, attorneys, agents, and assigns from any

claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Relators have asserted, or could have asserted, related to the Covered Conduct, the Civil Action, and the investigation and prosecution thereof.

9. NEXT waives and shall not assert any defenses it 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. NEXT fully and finally releases the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) that it has asserted, could have asserted, or may assert in the future against the United States, and its agencies, officers, agents, employees, and servants related to the Covered Conduct, the Civil Action, and the United States' investigation and prosecution thereof.

11. NEXT, for itself, and for its officers, employees, successors, attorneys, agents and assigns fully and finally releases the Relators and their heirs, successors, attorneys, agents and assigns from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that NEXT has asserted, could have asserted, or may assert in the future against the Relators or Relators' heirs, successors, attorneys, agents and assigns related to the Covered Conduct, the Civil Action, and the 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 NEXT agrees not to resubmit to any Medicare contractor or any state payer any



previously denied claims related to the Covered Conduct, agree not to appeal any such denials of claims, and agree to withdraw any such pending appeals.

13. NEXT 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. §§ 1395-1395kkk-1 and 1396-1396w-5; and the regulations and official program directives promulgated thereunder) incurred by or on behalf of NEXT or their present or former employees and agents in connection with:

- (1) the matters covered by this Agreement;
- (2) the United States' audit(s) and civil and criminal investigation(s) of the matters covered by this Agreement;
- (3) NEXT's investigation, defense, and corrective actions undertaken in response to the United States' civil and any criminal investigation(s) in connection with the matters covered by this Agreement (including attorney's fees);
- (4) the negotiation and performance of this Agreement; and
- (5) the payments NEXT makes to the United States pursuant to this Agreement,

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 NEXT, and NEXT 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 NEXT or its present or former employees and agents to the Medicare, Medicaid, TRICARE, or FEHBP Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment: NEXT further agrees that within ninety (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 NEXT, 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. NEXT agrees that the United States, at a minimum, shall be entitled to recoup from NEXT 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 NEXT on the effect of inclusion of Unallowable Costs (as defined in this Paragraph) on NEXT's 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 NEXT's books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this Paragraph.

14. NEXT agrees to cooperate fully, truthfully, completely, and forthrightly with the United States' investigation(s) of, and/or legal proceeding(s) against, individuals and entities not

released in this Agreement. NEXT agrees to encourage, and not impair, the cooperation of NEXT's directors, officers, and employees, and to use its best efforts to make available, and encourage, the cooperation of NEXT's former directors, officers, and employees for interviews and testimony, consistent with the rights and privileges of such individuals. NEXT agrees to furnish to the United States, upon request, complete and unredacted copies of all non-privileged documents, reports, memoranda of interviews, and records in their possession, custody, or control relating to the Covered Conduct, the individuals or entities referenced in the Covered Conduct, NEXT's current or former independent contractor marketers, or healthcare providers who ordered testing from NEXT.

15. 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 16 (waiver for beneficiaries Paragraph), below.

16. NEXT 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.

17. The Settlement Amount represents the amount the United States is willing to accept in compromise of its civil claims against NEXT arising from the Covered Conduct pursuant to the terms and conditions in this Agreement.

a. NEXT shall be in default of this Agreement (Default) if it fails to pay the Settlement Amount as provided in Paragraph 1 above and Exhibit A hereto or if NEXT fails to comply materially with any other term or condition of this Agreement, including Paragraph 14 above (concerning cooperation).

b. If NEXT fails to pay the Settlement Amount as provided in Paragraph 1 above and Exhibit A hereto, NEXT shall be in Default of their payment obligations (“Default”). The United States will provide a written Notice of Default, and NEXT 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 and paying any additional interest accruing under this Agreement up to the date of payment. Notice of Default will be delivered to NEXT, or to such other representative as NEXT shall designate in advance in writing. If NEXT 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 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, or a failure to comply materially with Paragraph 14 above (concerning cooperation), NEXT agrees that the United States, at its sole discretion, may (i) retain any payments previously made, rescind this Agreement, and pursue the Civil Action or bring any civil and/or administrative claim, action, or proceeding against NEXT for the claims that would otherwise be covered by the release provided in Paragraph 4 above, with any recovery reduced by the amount of any payments previously made by NEXT to the United States under this Agreement; (ii) take any action to enforce this Agreement in a new action or by reinstating the Civil Action; (iii) offset the remaining unpaid balance from any amounts due and owing to NEXT 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, NEXT 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, NEXT 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 (i) are filed by the United States against NEXT within one hundred twenty (120) days of written notification that this Agreement has been rescinded, and (ii) relate to the Covered Conduct, except to the extent these defenses were available on the Effective Date. NEXT agrees 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, or a failure to comply materially with Paragraph 14 above (concerning cooperation), OIG-HHS may exclude NEXT from participating in all Federal healthcare programs (Exclusion for Default). OIG-HHS will provide written notice of any such exclusion to NEXT. NEXT waives any further notice of the exclusion under 42 U.S.C. § 1320a-7(b)(7) and agrees 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, NEXT 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. NEXT 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.

18. In exchange for valuable consideration provided in this Agreement, NEXT acknowledges the following:

a. NEXT has reviewed its financial situation and warrants that it is solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I) and shall remain solvent for ninety-one (91) calendar days following payment to the United States of the Settlement Amount.

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 NEXT, 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 NEXT 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. If any of NEXT's payments or 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 Settlement Amount is paid in full, NEXT 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 NEXT's debts, or to adjudicate NEXT as bankrupt or insolvent; or seeking appointment of a receiver, trustee, custodian, or other similar official for NEXT or for all or any substantial part of NEXT's assets:

(i) the United States may rescind the releases in this Agreement and bring any civil and/or administrative claim, action, or proceeding against NEXT for the claims that would otherwise be covered by the release provided in Paragraph 4 above;

(ii) the United States has an undisputed, noncontingent, and liquidated allowed claim against NEXT in the amount of One Million One Hundred Thirty-Seven Thousand Dollars (\$1,137,000.00), less any payments received pursuant to Paragraph 1 above, provided, however, that such payments are not otherwise avoided and recovered from the United States by NEXT or a receiver, trustee, custodian, or other similar official for NEXT;

(iii) if any payments are avoided and recovered by a receiver, trustee, creditor, custodian, or similar official, the United States shall not be responsible for the return of any amounts already paid by the United States to the Relators; and

(iv) if, notwithstanding subparagraph (iii), any amounts already paid by the United States to the Relators pursuant to Paragraph 2 above are recovered from the United States in an action or proceeding filed by a receiver, trustee, creditor, custodian, or similar official in or in connection with a bankruptcy case that is filed within two years of the Effective Date of this Agreement or of any payment made under Paragraph 1 above, Relators shall, within thirty (30) days of written notice from the United States to the undersigned Relators' counsel, return to the United States all such amounts recovered from the United States.

f. NEXT agrees that any civil and/or administrative claim, action, or proceeding brought by the United States under Paragraph 18(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. NEXT 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). NEXT waives 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 NEXT that the releases have been rescinded pursuant to this paragraph, except to the extent such defenses were available on the Effective Date.

19. Upon the United States' receipt of the Initial Payment, and the Relators' receipt of attorneys' fees, the Parties shall promptly sign and file in the Civil Action a Joint Stipulation of Dismissal of the claims against NEXT in the Civil Action pursuant to Rule 41(a)(1). The Joint Stipulation of Dismissal shall be with prejudice as to the United States' and the Relators' claims in the Civil Action against NEXT as to the Covered Conduct and consistent with the terms and conditions of this Agreement. The Notice of Dismissal shall be without prejudice to the United States and with prejudice to the Relators as to all other claims against NEXT in the Civil Action.

20. Except as provided in Paragraph 3 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.

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

22. Relators and NEXT expressly waive all rights they may have by virtue of Section 1542 of the California Civil Code, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

23. This Agreement is governed by the laws of the United States. Except as provided in Paragraph 3 above, the exclusive 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.

24. Except as provided in Paragraph 3 above, this Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties.

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

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

27. This Agreement is binding on NEXT's successors, transferees, heirs, and assigns.

28. All Parties consent to the United States' and Relators' disclosure of this Agreement, and information about this Agreement, to the public.


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

[SIGNATURE PAGE(S) FOLLOW]

THE UNITED STATES OF AMERICA


DATED: 11/07/25

BY:

  
CHRISTOPHER TERRANOVA  
ELIZABETH J. KAPPAKAS  
Trial Attorneys  
Commercial Litigation Branch  
Civil Division  
United States Department of Justice

DATED: 11/6/25

BY:

  
KRUTI DHARIA  
Assistant United States Attorney  
United States Attorney's Office  
District of New Jersey

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

BY:

CATHERINE J. SWANN  
Assistant United States Attorney  
United States Attorney's Office  
Eastern District of California

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

BY:

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

DATED: 11/4/2025

BY:

BORKENHAGEN  
.WESTON.EARL.  
1138755149  
Digitally signed by  
BORKENHAGEN.WESTON.E  
ARL.1138755149  
Date: 2025.11.04 12:15:21  
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for

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

**THE UNITED STATES OF AMERICA**


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

BY: \_\_\_\_\_  
CHRISTOPHER TERRANOVA  
ELIZABETH J. KAPPAKAS  
Trial Attorneys  
Commercial Litigation Branch  
Civil Division  
United States Department of Justice

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

BY: \_\_\_\_\_  
KRUTI DHARIA  
Assistant United States Attorney  
United States Attorney's Office  
District of New Jersey

DATED: 11/7/2025

BY:  \_\_\_\_\_  
CATHERINE J. SWANN  
Assistant United States Attorney  
United States Attorney's Office  
Eastern District of California

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

BY:  \_\_\_\_\_  
TAMARA FORYS  
Digitally signed by TAMARA FORYS  
Date: 2025.11.06 16:42:11 -05'00'  
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

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

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

**THE UNITED STATES OF AMERICA**

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

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

CHRISTOPHER TERRANOVA  
ELIZABETH J. KAPPAKAS  
Trial Attorneys  
Commercial Litigation Branch  
Civil Division  
United States Department of Justice

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

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

KRUTI DHARIA  
Assistant United States Attorney  
United States Attorney's Office  
District of New Jersey

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

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

CATHERINE J. SWANN  
Assistant United States Attorney  
United States Attorney's Office  
Eastern District of California

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

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

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

DATED: 11/4/2025

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

BORKENHAGEN  
.WESTON.EARL.  
1138755149

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BORKENHAGEN.WESTON.E  
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**for**

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

**NEXT**

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

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

Robert B  
Harris

Digitally signed by  
Robert B Harris  
Date: 2025.11.01  
16:25:24 -04'00'

ROBERT B. HARRIS  
Chief Financial Officer and Co-Owner  
NEXT Bio-Research Services, LLC

DATED: 10.30.2025

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

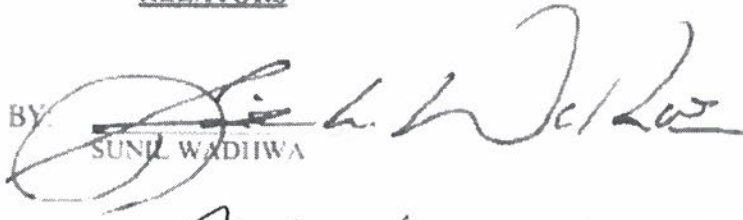


BRANDON M. SANTOS  
PAUL T. ATKINSON  
McGuireWoods LLP  
Counsel for NEXT Bio-Research Services, LLC

RELATORS

DATED: 10/30/25

BY:

  
SUNIL WADHWA

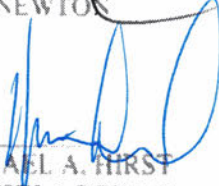
DATED: 10/31/2025

BY:

  
KEN NEWTON

DATED: 11/3/2025

BY:

  
MICHAEL A. HIRST  
MARISTIA BERNAL  
Hirst Law Group, P.C.  
Counsel for Sunil Wadhwa and Ken Newton

**EXHIBIT A**

| <b>Date</b>                | <b>Payment</b>      | <b>4.375% Interest</b> | <b>Principal</b>    | <b>Balance</b> |
|----------------------------|---------------------|------------------------|---------------------|----------------|
|                            |                     |                        |                     | \$258,000.00   |
| 2/1/2026                   | \$68,690.14         | \$5,690.14             | \$63,000.00         | \$195,000.00   |
| 5/1/2026                   | \$66,080.22         | \$2,080.22             | \$64,000.00         | \$131,000.00   |
| 8/1/2026                   | \$66,444.59         | \$1,444.59             | \$65,000.00         | \$66,000.00    |
| 11/1/2026                  | \$66,727.81         | \$727.81               | \$66,000.00         | \$0.00         |
| <b>Total Paid to U.S.:</b> | <b>\$267,942.76</b> | <b>\$9,942.76</b>      | <b>\$258,000.00</b> |                |