

SETTLEMENT AGREEMENT

I. PARTIES

This Settlement Agreement (Agreement) is entered into between: the United States of America, acting through the United States Department of Justice and on behalf of the Office of Inspector General of the Department of Health and Human Services (OIG-HHS), the TRICARE Management Activity (TMA), a field activity of the Department of Defense, acting through the General Counsel of TMA, and the Health Care Financing Administration, a component of the Department of Health and Human Services (HCFA) (collectively, the United States); Syed Rahman, M.D. (Rahman); and the following individuals and entities, personally or through their authorized representatives, which are collectively referred to herein as Defendants: Douglas Colkitt, M.D. (Colkitt), Jerome Derdel, M.D., Oncology Associates, P.C., Oncology Services Corp., National Medical Financial Services, Corp., Billing Services, Inc., Oncology Funding Corp., Harrisburg Oncology Associates, P.C., Indiana Oncology Associates, P.C., Lebanon Oncology Associates, P.C., Pleasant Hills Oncology Associates, P.C., Greater Pittsburgh Oncology Associates, P.C., Stoneboro Oncology Associates, P.C., Warren Oncology Associates, P.C., Phoenixville Oncology Associates, P.C., Littlestown Oncology Associates, P.C., Lehighton Oncology Associates, P.C., Exton Oncology Associates, P.C., Bucks County Oncology Associates, P.C., Colkitt Oncology Group, Inc., Derdel MGH

Oncology Associates, P.C., Greenway Oncology Associates, P.A., Greenbelt Cancer Treatment Center, L.P., Derdel Randallstown Oncology Associates, P.C., Derdel Union Memorial Oncology Associates, P.C., Derdel Riverside Oncology Associates, P.C., Derdel Maryland General Oncology Associates, P.C., Derdel Chesapeake Oncology Associates, P.C., Fort Pierce Oncology Associates, P.A., Okeechobee Oncology Associates, P.A., Key West Oncology Associates, P.A., Tampa Oncology Associates, P.A., Lauderdale Lakes Oncology, P.A., Treasure Coast Oncology Associates, P.A., St. Lawrence Oncology, P.C., Liberty Oncology Associates, P.C., Oneonta Radiation Oncology, P.C., Westchester Oncology, P.C., Community Radiation Therapy Associate, P.C., Kings Plaza Radiology, P.C., Salisbury Oncology Associates, P.C., Albemarle Oncology Associates, P.C., Kankakee Oncology Associates, P.C., Marlton Oncology, P.C., Southern New Jersey Cancer Treatment, Williams County Associates, P.C., Park Oncology Associates, P.C., Park Oncology Associates, Inc., Tri-State Oncology Associates, Inc., Flagstaff Oncology Associates, P.C., Broward Radiation Therapy Corporation, Chesapeake Regional Cancer Center, Inc., Greenbelt Cancer Treatment Center, Oncology Services Corporation of Key West, Inc., Oncology Services Corporation Of Tampa, Inc., Randallstown Oncology Center, Inc., Riverside Oncology Center, Inc., Union Memorial Oncology Center, Inc., GPCC, Inc. f/k/a Greater Pittsburgh Cancer Center, Inc., IRCC, Inc. f/k/a Indiana

Regional Cancer Center, Inc., GHCC, Inc. f/k/a Greater Harrisburg Cancer Center, Inc., LVCC, Inc. f/k/a Lebanon Valley Cancer Center, Inc., MHCC, INC. f/k/a Mahoning-Valley Cancer Center, Inc., MGHCC, Inc. f/k/a MGH Cancer Center, Inc., MGH Cancer Treatment Center L.P., KRTC, Inc. f/k/a Kanakee Radiation Therapy Center, Inc., XCC, INC. f/k/a Exton Cancer Center, Inc., Maryland General Cancer Center, Inc., Albemarle Regional Cancer Center Limited Partnership, Lawnwood Regional Cancer Center Limited Partnership, Oncology Services Corporation of Lawnwood, St. Lucie County Radiation Oncology Ltd., Keys Cancer Center Limited Partnership, Cancer Center, Inc., Skyline Oncology Associates, P.C., Malone Oncology Associates, P.C., and Northwest Radiation Treatment Services, Inc. (NRTS). All entities and persons listed above will be collectively referred to herein as the Parties.

II. DEFINITIONS

As used herein the terms set forth below shall have the following meaning:

Additional Defendants: National Medical Financial Services, Inc., a company that performed billing services for the Colkitt P.C.s; Oncology Services Corporation, a Delaware corporation; and Maryland General Cancer Center, Inc., an entity partially owned by Dr. Colkitt.

Adversary Proceeding: The adversary proceeding pending in the United States District Court for the District of Maryland titled

Merrill Cohen Trustee v. Douglas Colkitt M.D., et al., Adversary
No. 00-1180.

Approval Date: The earlier of: (1) the date that an Order of the Bankruptcy Court is entered approving this Agreement, or (2) the date that the United States provides written notification to Defendants, by hand-delivery or facsimile transmission to Defendants' counsel, of its election not to rescind this Agreement under Subparagraph IV.24.a.

At-Risk Payments: Payments that satisfy either of the following conditions: (1) they are made by a person or entity who becomes the subject of a voluntary or involuntary petition filed under Title 11 of the United States Code within 90 days of the payment; or (2) the United States has yet to be permitted, pursuant to a Final Order, to retain and dispose of the amount paid as the United States sees fit. The recoupment of funds by the United States from an entity included within Subparagraph (1) of this Definition shall be included herein as an At-Risk Payment. However, a distribution to the United States from the EquiMed estate approved by a Final Order shall not be included as an At-Risk Payment.

Bankruptcy Court: The court presiding over those aspects of the EquiMed Bankruptcy involving this Agreement and its implementation.

Civil Action: The case pending in the United States District Court for the District of Maryland titled United States ex rel. Rahman v. Oncology Associates, P.C., et al., No. H-95-2241.

Colkitt Defendants: Colkitt personally, the Colkitt P.C.s, the Additional Defendants and the EquiMed Subsidiaries (i.e., all the Defendants other than Defendants Derdel and NRTS).

Colkitt P.C.s: entities wholly owned by Colkitt including:

Oncology Associates, P.C., Harrisburg Oncology Associates, P.C., Indiana Oncology Associates, P.C., Lebanon Oncology Associates, P.C., Pleasant Hills Oncology Associates, P.C., Greater Pittsburgh Oncology Associates, P.C., Stoneboro Oncology Associates, P.C., Warren Oncology Associates, P.C., Phoenixville Oncology Associates, P.C., Littlestown Oncology Associates, P.C., Lehighton Oncology Associates, P.C., Exton Oncology Associates, P.C., Bucks County Oncology Associates, P.C., Colkitt Oncology Group, Inc., Greenway Oncology Associates, P.A., Greenbelt Cancer Treatment Center, L.P., Fort Pierce Oncology Associates, P.A., Okeechobee Oncology Associates, P.A., Key West Oncology Associates, P.A., Tampa Oncology Associates, P.A., Lauderdale Lakes Oncology, P.A., Treasure Coast Oncology Associates, P.A., St. Lawrence Oncology, P.C., Liberty Oncology Associates, P.C., Oneonta Radiation Oncology, P.C., Westchester Oncology, P.C., Community Radiation Therapy Associate, P.C., Kings Plaza Radiology, P.C., Salisbury Oncology Associates, P.C., Albemarle Oncology Associates, P.C., Kankakee Oncology Associates, P.C., Marlton Oncology, P.C., Williams County Associates, P.C., Park Oncology Associates, P.C., Flagstaff Oncology Associates, P.C., Skyline Oncology Associates, P.C., and Malone Oncology Associates, P.C., Derdel MGH Oncology Associates, P.C., Derdel Randallstown Oncology Associates, P.C., Derdel

Union Memorial Oncology Associates, P.C., Derdel
Riverside Oncology Associates, P.C., Derdel Maryland
General Oncology Associates, P.C., and Derdel Chesapeake
Oncology Associates, P.C.

Covered Conduct: (1) With respect to all Defendants, during the period from January 1, 1992 through June 30, 1996: submitting claims using HCFA Common Procedure Coding System (HCPCS) Codes 77263, 77300, 77310, 77315, 77334, 77336, 77370, 99244 and 99254 to bill for radiation oncology services that were not provided or ordered by a physician, were not medically necessary, or for which defendants in the Civil Action misrepresented the medical services rendered to obtain improperly higher reimbursement or to double bill for such services; (2) against all Defendants, during the period from August 24, 1992 through December 31, 1996: submitting claims for radiation oncology services rendered to hospital inpatients when such claims erroneously identified such patients as out-patients; (3) during the period from January 1998 to April 1999: engaging in fraudulent transfers to and from other defendants in the Civil Action; and (4) any other claims asserted in the Civil Action.

EquiMed Bankruptcy: The bankruptcy proceeding pending in the District of Maryland titled In re EquiMed, Inc., Bankruptcy No. 00-1-1147-PM and Case Number 00-1216, or any other bankruptcy proceeding in which EquiMed, Inc. is a debtor.

EquiMed Subsidiaries: Entities wholly-owned by EquiMed, Inc.

including:

Billing Services, Inc., Oncology Funding Corp., Colkitt Oncology Group, Inc., Greenbelt Cancer Treatment Center, L.P., Park Oncology Associates, Inc., Tri-State Oncology Associates, Inc., Broward Radiation Therapy Corporation, Chesapeake Regional Cancer Center, Inc., Greenbelt Cancer Treatment Center, Oncology Services Corporation of Key West, Inc., Oncology Services Corporation of Tampa, Inc., Randallstown Oncology Center, Inc., Riverside Oncology Center, Inc., Union Memorial Oncology Center, Inc., GPCC, Inc. f/k/a Greater Pittsburgh Cancer Center, Inc., IRCC, Inc. f/k/a Indiana Regional Cancer Center, Inc., GHCC, Inc. f/k/a Greater Harrisburg Cancer Center, Inc., LVCC, Inc. f/k/a Lebanon Valley Cancer Center, Inc., MHCC, INC. f/k/a Mahoning Valley Cancer Center, Inc., MGHCC, Inc. f/k/a MGH Cancer Center, Inc., MGH Cancer Treatment Center L.P., KRTC, Inc. f/k/a Kanakee Radiation Therapy Center, Inc., XCC, INC. f/k/a Exton Cancer Center, Inc., Oncology Services Corporation of Lawnwood, St. Lucie County Radiation Oncology Ltd., and Cancer Center, Inc.

Execution Date: The date of signature of the last signatory to the Agreement, as provided in Paragraph IV. 42 below.

Final Order: An order of any court of competent jurisdiction at the time of the order's entry, from which no appeal has been taken and which is not the subject of a motion for reconsideration or a stay and the time for seeking such relief has elapsed, or if an appeal has been taken, the order is affirmed, or if reconsideration or a stay has been sought, such relief has been denied.

Interest: Interest at the judgment rate set forth in 28 U.S.C. § 1961 that is in effect on the Execution Date of this Agreement and accruing on the outstanding balance due each month from the first day of the first month following the Approval Date.

Keystone, Oaktree et al. Settlement Agreement: The settlement agreement between the United States, Rahman, and Keystone Oncology LLC, Oaktree Cancer Care, Inc., Rosewood Cancer Care, Inc. and Jefferson Radiation Oncology Center Limited Partnership, which is being signed contemporaneously with this Agreement.

NRTS: Northwest Radiation Treatment Services, Inc.

Payment In Full: Payment In Full shall be deemed to have occurred only when both of the following conditions are satisfied: the United States has received payments of the full Settlement Amount pursuant to Final Orders, and at least 91 days have elapsed since the last such payment was made to the United States. Provided, however, that if any such payments of the Settlement Amount include At-Risk Payments, Payment in Full has not occurred and Defendants' payment obligations are not deemed satisfied until: (1) defendants in the Civil Action pay, in addition to the Settlement Amount, and pursuant to the terms and conditions set forth in Subparagraph IV.1.c. below, a sum equal to the At-Risk Payments, and (2) the additional sum paid pursuant to Subparagraph IV.1.C. consists of Secure Payments.

Promissory Note: The promissory note to be signed by Colkitt personally, the EquiMed Subsidiaries, the Colkitt P.C.s and the Additional Defendants. The Promissory Note is attached hereto as Attachment 2.

Russell and Colkitt Settlement Agreement: The settlement agreement between the United States, Rahman, Colkitt and Joanne Russell, another defendant in the Civil Action, which is being signed contemporaneously with this Agreement.

Secure Payments: Payments from any of the defendants in the Civil Action to the United States that are not At-Risk Payments.

Settlement Amount: Nine million, eight hundred eighty five thousand dollars (\$9,885,000.00) plus Interest.

Transferee Entities: Entities to whom EquiMed, Inc. or any of the EquiMed Subsidiaries transferred, or intend to transfer pursuant to a prior agreement, property or equipment previously used in the operation of cancer centers owned by or affiliated with EquiMed, Inc. including JMR Medical Associates, P.C., Carolina Cancer Care, LLC, Southern Oncology, P.A., Eastern Pennsylvania Oncology, LLC, Massachusetts Radiation Oncology Services, P.C., Chester County Oncology, LC, Florida Oncology, P.A., and Coastal Oncology, LLC.

III. PREAMBLE

As a preamble to this Agreement, the Parties agree to the following:

A. Defendants are individuals and entities that are or were in the business of providing radiation oncology services to cancer patients in Pennsylvania, Maryland, New Jersey, New York, North Carolina, Ohio, Arizona, Illinois and Florida, or in the business of billing for such services.

B. Syed Rahman, M.D. (the Relator) is a physician who, from 1993 to 1994, provided radiation oncology services as a subcontractor under contract with Defendant Derdel Union Memorial Oncology Associates, P.C. in Maryland. In 1995, Rahman filed the Civil Action under the qui tam provisions of the False Claims Act, as amended, 31 U.S.C. §§ 3729-3733 (False Claims Act).

C. The United States contends that Defendants submitted or caused to be submitted claims for payment to the Medicare Program (Medicare), Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395ggg and the TRICARE program (also known as the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS)), 10 U.S.C. §§ 1071-1109.

D. The United States contends that it has certain civil claims against Defendants under the False Claims Act, the Federal Debt Collection Procedures Act, 28 U.S.C. §§ 3001-3308, and/or the common law doctrines of unjust enrichment, payment by mistake of fact, alter ego and mere instrumentality, fraudulent transfer and successor liability, for engaging in the Covered Conduct.

E. The United States also contends that it has certain administrative claims against Defendants under the provisions for permissive exclusion from the Medicare, Medicaid and other federal health care programs, 42 U.S.C. § 1320a-7(b), and the provisions for civil monetary penalties, 42 U.S.C. § 1320a-7a, for the Covered Conduct.

F. Defendants deny the contentions of the United States as set forth in Paragraphs C through E above. Defendants also dispute that the Bankruptcy Court has jurisdiction over this Agreement or over any of the funds to be paid to the United States pursuant to this Agreement. Except for the representations in Paragraph 31 regarding the Defendants' solvency and for representations in Paragraph 32 regarding bankruptcy proceedings commenced within 91 days of any payments under this Agreement, the Parties agree that nothing in this Agreement constitutes an admission by any person or entity with respect to any issue of law or fact.

G. In order to avoid the delay, uncertainty, inconvenience and expense of protracted litigation of these claims, the Parties reach a full and final settlement as set forth below. This settlement, when combined with the Keystone, Oaktree et al. Settlement Agreement, the Russell and Colkitt Settlement Agreement, and the Corporate Integrity Agreements constitutes a full settlement between the United States, Relator and Defendants.

IV. TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the mutual promises, covenants, and obligations set forth below, and for good and valuable consideration as stated herein, the Parties agree as follows:

1. Settlement Payments To the United States and Relator:

a. The Colkitt Defendants agree to pay: (1) to the United States the collective sum of nine million, eight hundred eighty five thousand dollars (\$9,885,000.00) plus Interest (the Settlement Amount) pursuant to the terms set forth below; and (2) to the Relator's Counsel, London & Mead (Relator's Counsel), the collective sum of one hundred fifteen thousand dollars (\$115,000.00) plus Interest (Relator's Attorney's Fees) pursuant to the terms set forth below.

b. For the purposes of crediting payments of principal or interest toward the Settlement Amount or toward any payment due under the Promissory Note, except to the extent the Promissory Note explicitly provides to the contrary:

(i) Payment of the Suspense Amount, referenced in Subparagraph 3.a. below, is deemed to be made on the first day of the first month following the Approval Date;

(ii) Payments made resulting from the liquidation of assets, pursuant to Paragraph 6 below, are deemed to be made as of the date that the Colkitt Defendants submit a written proposal to the Bankruptcy Court for the liquidation of the assets;

(iii) Funds recouped by the United States pursuant to Subparagraph 3.b. below are deemed to be paid on the date of the recoupment;

(iv) Additional payments are deemed to be made on the date that the funds are transferred to the United States or to an escrow account for the United States' benefit.

(v) Notwithstanding Subparagraphs b.(i)-b.(iv) of this Paragraph, if any payment is an At-Risk Payment and either (1) the United States is not permitted by Final Order to retain the payment and dispose of the funds as it sees fit, or (2) the payment is avoided, then the payment will be deemed as if it were never made.

c. In the event that any payment of the Settlement Amount consists of At-Risk Payments, then:

(i) The Colkitt Defendants shall continue to be obligated to make additional payments pursuant to this Agreement equal to the amount of such At-Risk Payments (hereafter the additional amounts paid are referred to as Supplemental Payment Amounts). No amounts, including Supplemental Payment Amounts, shall be credited to the payment of the full Settlement Amount for purposes of determining Payment in Full except insofar as they arise from Secure Payments.

(ii) Supplemental Payment Amounts shall be paid into an escrow account maintained by an escrow agent approved in writing

by counsel for the United States to secure Payment in Full. The Supplemental Payment Amounts shall remain in the escrow account until a Final Order is entered determining that the At-Risk Payments are not avoidable or until the time permitted by law for seeking avoidance of the At-Risk Payments has elapsed. If an At-Risk Payment is avoided, to the extent a Supplemental Payment Amount arises from payments that the United States has been permitted to retain by a Final Order, that Supplemental Payment Amount shall be released from the escrow account and paid to the United States. If the At-Risk Payments are not avoided and the time permitted by law for seeking avoidance has elapsed, the Supplemental Payment Amount corresponding to the At-Risk Payment shall be released from the escrow account and paid to the entity or individual who made the Supplemental Payment. Once Payment in Full occurs, all Supplemental Payments paid into the escrow account other than the Secure Payments that directly contributed to Payment in Full shall be released from the escrow account and paid to the entity or individual who made the Supplemental Payment.

2. Bankruptcy Court Approval: This Agreement shall be submitted to the Bankruptcy Court for its approval promptly after the Execution Date.

3. Suspense Amount:

a. The Parties acknowledge that the sum of two million nine hundred sixty thousand six hundred sixty three dollars and

sixty four cents (\$2,960,663.64) has been withheld by the United States from several Colkitt P.C.s and individual physicians who were employed by, or under contract with, the Colkitt P.C.s, pursuant to 42 C.F.R. part 405, Subpart C, as set forth in Attachment 1 (Suspense Amount). The Parties agree that, subject to Bankruptcy Court approval as set forth in paragraph 8 below, the Suspense Amount will be credited towards the Settlement Amount. The Suspense Amount was withheld in order to recover an alleged Medicare overpayment against several Colkitt P.C.s and individual physicians who were employed by, or under contract with Colkitt P.C.s. Subject to the limitations to the releases provided by the United States in this Agreement that are referenced in Paragraph 15 below, the United States hereby agrees to accept the Suspense Amount as a compromise in full settlement of the United States' Medicare overpayment claims with the express understanding that no portion of such overpayment claims relates to claims submitted after the Execution Date. In consideration for this compromise, Defendants hereby release HCFA and its Medicare Carriers from any claims that Defendants have now, or may have in the future, to receipt of the Suspense Amount or any part of the Suspense Amount. Defendants further release HCFA and its Medicare Carriers, and agree to refrain from instituting, directing or maintaining any administrative claim or any other cause of action against HCFA and/or its Medicare Carriers with respect to the Suspense Amount or

any part of the Suspense Amount. Defendants also hereby waive any right to administrative or judicial review with respect to the underlying claims for Medicare reimbursement for the items or services included within the Covered Conduct, and Defendants hereby withdraw any appeals that are pending administratively or judicially relating to such claims. The United States' agreement to compromise its Medicare overpayment claims shall be effective as of the Approval Date, but shall be voided (i) as to all Defendants, in the event that the United States rescinds this Agreement pursuant to Paragraph 24 below; and (ii) as to any Defendant whose obligations under this Agreement are avoided as discussed in Paragraph 32 below, provided that Payment in Full has not occurred after giving effect to any such avoidance.

b. The parties also agree that HCFA retains the right, but not the obligation, to recoup from future Medicare payments to those Defendants who are incurring payment obligations pursuant to Paragraph 1 above whatever amounts may be necessary to collect the Settlement Amount, though not in excess of the amounts set forth on Schedule 1A to the Promissory Note. Defendants will not challenge such recoupment actions on the part of HCFA.

4. Promissory Note And Consent Judgment: Within seven business days of the Execution Date, the Colkitt Defendants shall execute a promissory note (Promissory Note) and consent judgment (Consent Judgment) in the amount of the Settlement Amount and for

the benefit of the United States, in substantially the form attached hereto as Attachment 2. Each of the individuals and entities entering into the Promissory Note and Consent Judgment shall be jointly and severally liable to the United States to satisfy the obligations therein. In the event of default under the Promissory Note, the Colkitt Defendants consent to the entry of judgment against them. The United States will not file or record any such Consent Judgment until there is an event of default under the Promissory Note.

5. Payments From Sales Or Transfers: The Colkitt Defendants agree that, in the event that any assets or interests of Colkitt (excluding assets that Defendant Colkitt owns jointly with Joanne Russell but not excluding Oncology Services Corporation or the assets thereof), the EquiMed Subsidiaries, the Colkitt P.C.s, or the Additional Defendants are voluntarily sold or transferred prior to Payment in Full, Colkitt, the EquiMed Subsidiaries, the Colkitt P.C.s and/or the Additional Defendants will make payment to the United States or its designee equal to the difference between (i) the total amount of consideration paid by the transferee or buyer of the asset or interest, and (ii) the sum of any reasonable costs of sale plus any amounts actually used to pay off any debt secured by the asset or interest being sold or transferred. Unless otherwise ordered by the Bankruptcy Court, all such payments shall be made to the United States or its designee within 15 calendar

days of the date of the sale or transfer of such asset or interest and shall be made by electronic funds transfer pursuant to written instructions given by the United States at the time of the sale or transfer.

This Paragraph shall apply, and the Colkitt Defendants shall continue to make payments to the United States or its designee pursuant to this Paragraph, for every transfer or sale of assets or interests that occurs until Payment In Full; provided, however, that the Colkitt Defendants shall only be required to make such payments in the amount of the Settlement Amount minus the sum of Secure Payments to the United States by defendants in the Civil Action. The United States shall not retain payments made under this Paragraph in excess of the Settlement Amount after Payment in Full. The Colkitt Defendants are not relieved of the obligations of this paragraph for the period ending twelve months after the Approval Date even if Six Million Eight Hundred Eighty Five Thousand Dollars (\$6,885,000.00) or more has already been paid to the United States prior to twelve months after the Approval Date.

6. Restrictions on Certain Transfers or Liquidations: In recognition of the pendency of the EquiMed Bankruptcy and the Adversary Proceeding which involve certain properties that may be liquidated or transferred in order to pay the Settlement Amount, the Colkitt Defendants agree to the following regarding any assets which are liquidated in order to pay the Settlement Amount: No

assets of any of the Colkitt Defendants (excluding assets owned by Defendant Colkitt as a joint tenant with Defendant Russell but not excluding Oncology Services Corporation or the assets thereof) shall be voluntarily transferred, sold, encumbered, or otherwise liquidated by the Colkitt Defendants outside of the ordinary course of business unless: (i) the Colkitt Defendants have sought and obtained prior approval of the Bankruptcy Court with respect to the transaction; or (ii) the Bankruptcy Court has ruled that it will not make a decision to approve the transaction on jurisdictional grounds. Further, no Defendant business entity, nor any business entities owned or controlled by Defendant Colkitt (excluding entities that Colkitt owns as a joint tenant with Russell, but not excluding Oncology Services Corporation) shall transfer any assets to Defendant Colkitt or members of his family (as that term is defined in 42 U.S.C. § 1320a-7(j)) outside of the ordinary course of business without Bankruptcy Court approval.

Notwithstanding the above provisions of this Subparagraph, at any time after the Approval Date, any Party may petition the Bankruptcy Court for a ruling that certain categories of transactions should not require prior Bankruptcy Court approval or should be evaluated by the Bankruptcy Court on an expedited basis, or for a ruling that the Bankruptcy Court lacks jurisdiction over some or all of the proposed transactions.

7. Payments To Be Placed In An Escrow Account: Any cash

payments that the United States receives directly or indirectly from the Defendants as payment towards the Settlement Amount shall be paid into an escrow account established by Defendant Colkitt naming the United States as the sole, permanent beneficiary (Escrow Account) unless: (1) the parties are directed otherwise by the Bankruptcy Court; (2) the Bankruptcy Court has already ruled that the asset from which the monies were derived was not an asset of the bankruptcy estate of EquiMed, Inc. or any other bankrupt individual or entity whose bankruptcy is before the Bankruptcy Court; or (3) the Bankruptcy Court has already determined that the United States is entitled to receipt of the funds paid. If either of the conditions set forth in Subparagraphs (2) or (3) apply, the United States may retain and disburse the funds as it sees fit.

Within seven (7) days of the Execution Date, Defendant Colkitt shall establish the Escrow Account. Defendant Colkitt shall also establish a separate Escrow Account in which funds received by the United States from the defendants in the Civil Action that are signatories to the Keystone, Oaktree et al. Settlement Agreement shall be deposited (Keystone et al. Escrow Account). Defendant Colkitt shall name the trustee of the Escrow Account and the Keystone et al. Escrow Account subject to the approval of the United States. The trustee shall only invest in securities of the United States Government or in a mutual fund investing only in securities of the United States Government. Defendant Colkitt

shall pay all fees and expenses associated with the Escrow Account and the Keystone et al. Escrow Account. Interest accruing in the Escrow Account and the Keystone et al. Escrow Account shall be deposited into the respective escrow accounts, and credited towards the Settlement Amount.

Once funds are paid into the Escrow Account or the Keystone et al. Escrow Account, no funds shall be disbursed to the United States absent a Final Order of the Bankruptcy Court or other court of competent jurisdiction.

8. Approval Of United States' Right To Retain Suspense Amount and Recoupment Amounts: The United States' retention of any or all of the Suspense Amount, or any amounts recouped by HCFA pursuant to Subparagraph 3.b. above, shall also be subject to the approval of the Bankruptcy Court. Neither the Suspense Amount nor any amounts recouped pursuant to Subparagraph 3.b. will be credited towards the Settlement Amount unless the United States is permitted to retain the funds by a Final Order of the Bankruptcy Court or other court of competent jurisdiction, though in no event will an amount recouped pursuant to Subparagraph 3.b. be credited towards the Settlement Amount if the recoupment is an At-Risk Payment.

9. Payments From Other Defendants Or Through EquiMed Bankruptcy: Any Secure Payments that the United States receives pursuant to the Keystone, Oaktree et al. Settlement Agreement, the Russell and Colkitt Settlement Agreement, and/or through

distributions in the EquiMed Bankruptcy or in any bankruptcy proceeding relating to any of the Defendants shall be credited towards the Settlement Amount.

10. No Limitation On Legal Arguments Of Parties Or Third-Parties/The Terms Herein Do Not Trump Court Orders: Except as explicitly set forth herein, no provision of this Agreement shall be construed, interpreted or deemed to limit or restrict in any way the ability, right or opportunity of any Party to this Agreement, or any creditor or other party in interest to the case pending before the Bankruptcy Court to pursue any legal argument, cause of action, or claim in that proceeding, including but not limited to the Adversary Proceeding. No provision of this Agreement shall be construed, interpreted or deemed to require the sale or transfer of assets of the Defendants by or to any particular individual or entity, in any particular order, or in any particular grouping. None of the Parties to this Agreement shall be obligated to perform any act otherwise required under this Agreement if such performance would violate an order of a court of competent jurisdiction.

11. Compensation Restrictions: Defendant Colkitt has provided to the United States a sworn statement setting forth his compensation arrangement with each business entity that he owns or controls. Until Payment In Full, Defendant Colkitt shall not increase the amount of compensation he receives from any such entity that Defendant Colkitt owns or controls (excluding entities

that Colkitt owns as a joint tenant with Russell but not excluding Oncology Services Corporation).

12. Procedure For Payment-By Defendants To Relator's Counsel:

Within three business days of the Approval Date, the Colkitt Defendants shall pay Relator's Counsel the amount of One Hundred Fifteen Thousand Dollars (\$115,000.00). Payment shall be made by electronic funds transfer, or some alternative method, pursuant to written instructions to be provided by Relator's Counsel. The payment shall be submitted to the Bankruptcy Court for its approval. Moreover, with respect to this payment, the Colkitt Defendants shall be required to comply with the same restrictions on certain transfers or liquidations that are set forth in Paragraph 6 above with respect to transfers or liquidations in order to pay the Settlement Amount. Any amount that the Relator's Counsel receives from Defendants but which the Relator's Counsel ultimately disgorges, pursuant to an Order of the Bankruptcy Court or other tribunal, shall be treated for purposes of computing the amount owed to Relator's Counsel as if such money was never paid to Relator's Counsel. In the event that Relator's Counsel is required to disgorge any such funds, Interest shall accrue on the amount of such disgorgement until the amount disgorged is paid back to Relator's Counsel.

13. Security Interests, Insurance: To secure the obligations set forth in Paragraphs 1 and 4, simultaneously with the execution of this Agreement, the Colkitt Defendants agree as follows:

a. The individuals or entities listed on the attached schedule of security interests (Attachment 3) shall provide to the United States, on or before the Execution Date, a security interest in the Colkitt Defendants' interests in the assets described in Attachment 3, in a form that shall be acceptable to the United States.

b. Subject to the condition that all rights to insurance are retained to defend any claim (including third party claims or cross claims) relating to the Covered Conduct that has or may be made by any party other than the United States, all Parties other than NRTS agree that any proceeds from insurance policies that provide coverage for some or all of the Covered Conduct in which any of the Defendants, or their officers and directors, are insured parties will be paid to the United States to satisfy the Settlement Amount up to Payment in Full. Defendants further agree that, to the extent permitted by law, the United States will have ultimate authority to determine: (i) whether to accept a payment by Defendants' insurers for the Covered Conduct, and (ii) whether to commence litigation, or continue active litigation regarding any claims to obtain payment on the relevant policies.

Notwithstanding any other provision of this Paragraph, the United

States shall not be entitled to recover from Defendants or Defendants' counsel any amounts paid or owed by insurers for legal fees and expenses actually incurred.

If the United States accepts payment by an insurer toward the Settlement Amount, the United States shall thereby waive its rights to rescind this Agreement unless: (i) the insurer agrees to provide a defense to the Civil Action to its insured(s) if the United States were to rescind this Agreement; or (ii) those Defendants who are insured parties consent to the United States' acceptance of such payment.

14. Relator's Share: The United States and Relator agree that, pursuant to 31 U.S.C. § 3730(d)(1), the relator's share of the Settlement Amount is seventeen and one-half percent (17.5%). Accordingly, the United States shall, as soon as is practicable, remit to Relator's Counsel on behalf of the Relator, seventeen and one-half percent (17.5%) of all portions of the Settlement Amount that: (a) the United States recovers, (b) the United States is permitted to retain by a Final Order, and (c) do not arise from At-Risk Payments, except to the extent the payments have been approved by a Final Order and are no longer avoidable by law.

Settlement proceeds, exclusive of attorneys' fees, received by Relator out of Secure Payments, shall be deposited in an interest-bearing account to be established and maintained by Relator's attorneys London & Mead. No settlement proceeds shall be disbursed

to Relator by the United States until such proceeds qualify as Secure Payments. In the event that the United States opts to rescind this Agreement within three years of the Approval Date, or, if any proceedings relating to implementation of this Agreement are pending on the third anniversary of the Approval Date within six months of the entry of a Final Order in the last such proceeding:

(1) Relator shall refund to Defendants, within thirty days of notice to Relator's attorneys of the United States' exercise of its right of rescission, all settlement proceeds paid to Relator or his attorneys under this Agreement, with interest; and (2) Relator's duty to refund settlement proceedings shall be enforceable in an action at law brought within one year of the due date for payment of the refund. The prevailing party in such action shall be entitled to payment of its attorneys' fees and costs incurred in the action.

Settlement proceeds may be disbursed to Relator out of escrow on the earliest of the following occurrences:

(i) notice by the United States to Relator and Defendants that the United States has received Payment in Full; (ii) notice by the United States to Relator and Defendants that the United States waives its right to rescind the Agreement; (iii) on the third anniversary of the Approval Date if no proceedings relating to implementation of the Agreement are pending hearing or disposition by the bankruptcy court, district court, or an appellate court on that date; and (iv) six months after the entry of a Final Order in the last proceeding relating to implementation of the Agreement that was pending on the third anniversary of the Approval Date.

Notwithstanding Paragraph 24, once Settlement proceeds have been disbursed to Relator in accordance with this Paragraph, Relator shall have no further obligation to return such disbursed funds at any time in the future, regardless of whether the United States later exercises its rescission rights under this Agreement.

In the event the United States opts to rescind this Agreement, any judgment subsequently obtained by the United States against Defendants pertaining to the Covered Conduct shall be reduced by the amount paid in settlement to Relator and his attorneys and not refunded to Defendants, and the United States may deduct this amount from any sum owed to Relator and his attorneys in connection with the civil action that resulted in such a subsequent judgment.

15. Release By United States: Subject to the conditions set forth below in this Paragraph and the exceptions set forth in Paragraph 20 below (Exclusions From Release), and in consideration of the obligations of Defendants set forth in this Agreement, the United States (on behalf of itself, its officers, agents, agencies and departments, but not the United States Trustee or any trustee appointed in a bankruptcy proceeding) agrees to release all Defendants, and their officers and directors, from any civil or administrative monetary claim the United States has or may have 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 Fraudulent Transfer Provisions of the Federal Debt Collection Procedures Act, 28 U.S.C. §§ 3206-3308, the common law theories of payment by mistake, unjust enrichment, breach of contract, fraud, fraudulent transfers, alter ego, mere instrumentality, and any claims asserted in the Civil Action for the Covered Conduct. This release is effective as of

the Approval Date. Provided, however, that this release shall be voided (a) as to all Defendants in the event that the United States rescinds this Agreement pursuant to Paragraph 24 below; and (b) as to any Defendant whose obligations under this Agreement are avoided as discussed in Paragraph 32 below, provided that Payment in Full has not occurred after giving effect to any such avoidance.

Notwithstanding any other provisions of this Settlement Agreement, including any releases contained herein, the United States expressly reserves and shall have the right to file and defend a proof of claim, and receive a distribution on account of any proof of claim filed by the United States or its various departments and agencies, including but not limited to the Department of Health and Human Services and TMA, in the EquiMed Bankruptcy and/or the bankruptcy of any Defendant other than NRTS and Derdel, whether or not procedurally or substantively consolidated.

16. Release By OIG-HHS: Subject to the exceptions set forth in Paragraph 20 below (Exclusions From Release), and in consideration of the obligations of Defendants set forth in this Agreement, the OIG-HHS agrees to release and refrain from instituting, directing or maintaining any administrative claim or any action seeking exclusion from the Medicare, Medicaid or other Federal health care programs (as defined in 42 U.S.C. § 1320b-7(f)) against Defendants, and their officers and directors, under 42

U.S.C. § 1320a-7a (Civil Monetary Penalties Law), or 42 U.S.C. § 1320a-7(b) (permissive exclusion), for the Covered Conduct, except as reserved in this Paragraph. The OIG-HHS expressly reserves all rights to comply with any statutory obligations to exclude Defendants from the Medicare, Medicaid or other Federal health care program under 42 U.S.C. Section 1320a-7(a) (mandatory exclusion) based upon the Covered Conduct. Nothing in this Paragraph precludes the OIG-HHS from taking action against entities or persons or for conduct and practices to the extent claims have been reserved in Paragraph 20 (Exclusions From Releases) below. This release is effective as of the Approval Date. Provided, however, that this release shall be voided (a) as to all Defendants in the event that the United States rescinds this Agreement pursuant to Paragraph 24 below; and (b) as to any Defendant whose obligations under this Agreement are avoided as discussed in Paragraph 32 below, provided that Payment in Full has not occurred after giving effect to any such avoidance.

17. Release By TMA: Subject to the exceptions set forth in Paragraph 20 below (Exclusions From Releases), and in consideration of the obligations of Defendants set forth in this Agreement, the TMA agrees to release and refrain from instituting, directing, or maintaining any administrative claim or any action seeking exclusion from the TRICARE Program against Defendants, and their officers and directors, under 32 C.F.R. § 199.9 for the Covered

Conduct, except as reserved in this Paragraph. The TMA expressly reserves authority to exclude Defendants from the TRICARE program under 32 C.F.R. §§ 199.9 (f) (1) (i) (A), (f) (1) (i) (B), (f) (1) (i) (D), and (f) (1) (iii), based upon the Covered Conduct. Nothing in this Paragraph precludes the TMA from taking action against entities or persons or for conduct and practices to the extent claims have been reserved in Paragraph 20 below (Exclusions From Releases). This release is effective as of the Approval Date. Provided, however, that this release shall be voided (a) as to all Defendants in the event that the United States rescinds this Agreement pursuant to Paragraph 24 below; and (b) as to any Defendant whose obligations under this Agreement are avoided as discussed in Paragraph 32 below, provided that Payment in Full has not occurred after giving effect to any such avoidance.

18. Releases Of Defendants By Relator: Subject to the express reservations in this paragraph, in consideration of the obligations of Defendants set forth in this Agreement, the Relator and Relator's Counsel, for themselves, their heirs, successors and assigns and anyone claiming through them or on their behalf, hereby unconditionally and absolutely and forever remise, release quitclaim and forever discharge Defendants to the fullest extent permitted by law, from any and all, and all manner of, action and actions, cause or causes of action, complaints, grievances, suits, debts, dues, offsets, recoupments, claims, counterclaims, sums of

money, accounts, reckonings, bonds, bills, specialities, liens, charges, accountings, covenants, contracts, controversies, agreements, promises, variances, trespasses, contributions, indemnifications, damages, judgments, decrees, extents, executions, rights, liabilities, obligations, losses, demands, costs and expenses (including without limitation, court costs and attorneys' fees), of whatever kind of nature, whether at law or in equity, or otherwise, whether known or unknown, fixed or contingent, which they ever had, now have, or may have for, upon, or by reason, of any cause, matter or thing whatsoever occurring from any time up to and including the Effective Date against Defendants, except for the obligations imposed by this Agreement. The releases set forth in this Paragraph are effective as of the Approval Date, but shall be revocable by the Relator or Relator's Counsel: (a) if the United States revokes its releases of Defendants pursuant to Paragraphs 25, 26 or 32 below; or (b) as to the Colkitt Defendants, if the Colkitt Defendants fail to satisfy their obligations to Relator's Counsel as set forth in Paragraph 12 above.

19. Releases Of The United States By Relator: In consideration of the obligations of the United States set forth in this Agreement, the Russell and Colkitt Settlement Agreement and the Keystone, Oaktree et al. Settlement Agreement, Relator and Relator's Counsel agree to release the United States from any claims arising from or relating to the filing of the Civil Action

and for any claims pursuant to 31 U.S.C. § 3730(d)(1), for a share of the proceeds of the settlement under this Agreement. In addition, pursuant to 31 U.S.C. § 3730(c)(2)(B), Relator and Relator's Counsel agree that the settlement of the allegations in the Civil Action as to the Relator is fair, adequate and reasonable under the circumstances.

20. Exclusions From Releases: Notwithstanding any term of this Agreement, specifically reserved and excluded from the scope and terms of this Agreement as to any entity or person (including Defendants) are any and all of the following:

a. Any civil, criminal or administrative claims arising under Title 26, U.S. Code (Internal Revenue Code);

b. Any criminal liability;

c. Any administrative liability, including mandatory exclusion from Federal health care programs, but not including those administrative claims that are released pursuant to Paragraphs 16 and 17;

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

e. Any claims based upon such obligations as are created by this Agreement, including those created by the Corporate Integrity Agreements referred to in Paragraph 22 below;

f. Any express or implied warranty claims or other claims for defective or deficient products or services, including

quality of goods or services, provided by Defendants, EquiMed or EquiMed subsidiaries;

g. Any civil or administrative claims against individuals other than Colkitt and Derdel, including current or former directors, officers, employees, agents or shareholders of Defendants or EquiMed who receive written notification that they are the target of a criminal investigation (as defined in the United States Attorneys' Manual), are criminally indicted or charged, or are convicted, or who enter into a criminal plea agreement related to the Covered Conduct.

21. Releases Only For Benefit Of Parties: This Agreement is intended to be for the benefit of the Parties only and by this instrument the Parties do not release any claims against any other person or entity.

22. Corporate Integrity Agreement: As part of the consideration for entering into this Agreement, Defendants have entered into Corporate Integrity Agreements with HHS, attached as Attachment 4. Defendants will begin implementation of their obligations under the Corporate Integrity Agreements on the Approval Date.

23. Financial Disclosures: Defendant Colkitt has provided sworn financial disclosure statements relating to his personal and corporate assets and in connection with the security agreements entered into in connection with this Agreement (Financial

Statements) to the United States, and the United States has relied on the accuracy and completeness of those Financial Statements in reaching this Agreement. Colkitt warrants that the Financial Statements are thorough, accurate, and complete. Colkitt further warrants that neither he nor entities that he owns or controls has an interest in any assets which have not been disclosed in the Financial Statements, and that he has made no misrepresentations on, or in connection with, the Financial Statements. In the event the United States learns of any asset(s) in which Colkitt or any entity that he owns or controls had an interest at the time of this Agreement which was not disclosed in the Financial Statements, or in the event the United States learns of a misrepresentation by Colkitt on, or in connection with, the Financial Statements, and in the event such nondisclosure or misrepresentation changes the estimated net worth of Colkitt or his entities set forth on the Financial Statements by twenty five thousand dollars (\$25,000.00) or more, the United States, provided that it has not received the full Settlement Amount from Defendants, may at its option: (1) rescind this Agreement and file or reinstate its suit upon the underlying claims described in Paragraphs III C-E; or (2) let the Agreement stand and collect from the Defendant whose assets were not disclosed or misrepresented, or from Colkitt, one hundred percent (100%) of the amount of any undisclosed or misrepresented assets, provided that the United States shall not retain any more

assets than are necessary to receive Payment in Full of the Settlement Amount and shall return any excess assets. Defendants agree not to contest any collection action undertaken by the United States pursuant to this provision.

24. Rescission By The United States: The United States may, at will, elect to rescind this Agreement upon the occurrence of any of the following:

a. Failure of the Bankruptcy Court to approve this Agreement or the Keystone, Oaktree et al. Settlement Agreement within 135 days from the Execution Date;

b. Failure of Defendants Colkitt and Russell to comply with the terms set forth in Paragraph 4 of the Russell and Colkitt Settlement Agreement; or

c. Failure of the Colkitt Defendants to comply with the payment obligations set forth in the Promissory Note; provided, however, that nothing in this Subparagraph shall limit the United States' rights otherwise to enforce this Agreement;

d. The occurrence of a Material Breach as set forth in Paragraph 27;

e. Nondisclosures or misrepresentations in connection with Financial Disclosures that, pursuant to the terms explicitly set forth in Paragraph 23 above, permit the United States to rescind this Agreement; or

f. A Final Order by a court of competent jurisdiction reversing an order by the Bankruptcy Court approving either this Agreement or the Keystone, Oaktree et al. Settlement Agreement.

25. Effect Of Recission Under 24(a), (c), (d), (e) or (f): In the event that the United States opts to rescind this Agreement under Paragraph 24(a), (c), (d), (e) or (f) above:

a. The Releases set forth herein shall be automatically revoked;

b. Defendants shall be restored to the factual and legal positions that they held immediately prior to entering into this Agreement, including, notwithstanding any asserted lien or set off;

(i) the return of any monies that the Defendants paid toward the Settlement Amount, including the return of any funds paid into an escrow account (unless otherwise ordered by the Bankruptcy Court or other court of competent jurisdiction);

(ii) the return of any collateral of which the United States has taken possession (unless otherwise ordered by the Bankruptcy Court or other court of competent jurisdiction);

(iii) the voiding of any security agreement, stock pledge Agreement, or escrow pledge agreement granted to effectuate this Agreement;

(iv) the return by Relator and Relator's Counsel of all monies that they receive from Defendants or the United States;

(v) the reinstatement of the temporary restraining order (TRO) that was entered in the Civil Action, except that Defendants do not waive any arguments with respect to the TRO that exist as of the day prior to the Execution Date; and

(vi) the right of any party herein to claim ownership of the Suspense Amount; provided, however, that no obligation on the United States set forth in this Subparagraph b. (vi) to return monies to the Defendants shall preclude the United States from complying with an order of a Court or with the obligations pursuant to regulation or statute, other than the laws referenced in Paragraphs III C-E above or other statutes or regulations enforced by the Department of Health and Human Services or TMA;

c. Defendants, in their own capacity or on behalf of any other individual or entity, expressly agree not to plead, argue or otherwise raise any defenses, except to the extent these defenses were available on the date prior to the Execution Date, under the theories of statute of limitations, laches, estoppel or similar theories, to any civil or administrative claims which:

(i) are filed by the United States within 30 calendar days of written notification to Defendants that this Agreement has been rescinded; and

(ii) relate to the Covered Conduct.

26. Effect of Recission Under Paragraph 24(b): In the event that the United States elects to rescind this Agreement pursuant to Paragraph 24(b):

a. Defendants shall be deemed to have irrevocably waived any rights to claim ownership of the Suspense Amount. The Suspense Amount shall, nevertheless, be credited to any judgment recovered by the United States against the Defendants or to any subsequent settlement negotiated regarding the Covered Conduct.

b. The Effect of Recission provisions set forth in subparagraph 25(a), 25(b) (i)-(v), and 25(c) shall apply.

27. Material Breach: A failure by the Defendants to comply with the obligations imposed upon them by Paragraphs 3-6, 11-13, 30 and 32-34 of this Agreement will constitute a Material Breach of the Agreement if not cured within the United States' satisfaction within 30 days of the date that written notice of the failure to comply is provided to the relevant Defendants' counsel. Defendant Colkitt is personally responsible for any Material Breach of an obligation imposed upon him, the Colkitt P.C.s, the EquiMed Subsidiaries and the Additional Defendants, insofar as Defendant Colkitt remains in control of any of these entities.

In the event that any Defendant Materially Breaches this Agreement the United States may exercise, at its sole option, one or more of the following rights, as applicable: (i) rescind the Agreement; (ii) file an action for specific performance of the

Agreement (excluding the Corporate Integrity Agreements, which will be separately enforced by HHS/OIG pursuant to their own terms); (iii) execute on the Consent Judgment and/or Promissory Note; and (iv) exercise any other right granted by law, or under the terms of this Agreement, or recognizable at common law or in equity. In addition, any Defendant that Materially Breaches this Agreement shall pay the United States all reasonable costs of collection and enforcement of this Agreement, including attorney's fees and expenses, and Colkitt shall personally be responsible for making such a payment in the event of a Material Breach by any Defendant entity that he owns or controls, including Oncology Services Corporation. The United States reserves the option of referring such matters for private collection. Further, upon declaration of a Material Breach, HHS/OIG may, at its option, seek exclusion of the party who has Materially Breached this Agreement from participation in the Medicare, Medicaid and all other federal health care programs pursuant to the procedures set forth in the Corporate Integrity Agreements. Any exclusion imposed by HHS/OIG will have national effect and will also apply to all other Federal procurement and non-procurement programs. Upon curing said default, said Defendant(s) may apply for reinstatement after the date specified in the notice of exclusion, in accordance with 42 C.F.R. § 1001.3001. This provision does not affect the rights, obligations, or causes of action the OIG or HHS may have under any

authority other than that specifically referred to in this Paragraph.

28. Waiver Of Certain Defenses: Defendants, in their own capacities or on behalf of any other individual or entity, waive and will not assert in response to any criminal prosecution or administrative action relating to the Covered Conduct any defenses 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 Settlement bars a remedy sought in such criminal prosecution or administrative action. Defendants, in their own capacities or on behalf of any other individual or entity, agree that this settlement is not punitive in purpose or effect. Nothing in this paragraph or any other provision of this Agreement constitutes an agreement by the United States concerning the characterization of the Settlement Amount for purposes of the Internal Revenue Laws, Title 26 of the United States Code.

29. Release By Defendants:

a. Defendants, in their own capacities or on behalf of any other individual or entity, fully and finally release the United States, and its agencies, employees, servants, and agents, from any claims (including attorneys fees, costs, and expenses of every kind and however denominated) which Defendants, in their own capacities or on behalf of any other individual or entity, have

asserted, could have asserted, or may assert in the future against the United States, and its agencies, employees, servants, and agents, related to the Covered Conduct and the United States' investigation and prosecution thereof. The releases set forth in this subparagraph are effective as of the Approval Date; provided, however, that in the event that the United States elects to rescind this Agreement pursuant to Paragraph 24 above, these releases shall be void.

b. Defendants, for themselves, their heirs, successors and assigns and anyone claiming through them or on their behalf, hereby unconditionally and absolutely and forever remise, release, quitclaim and forever discharge Relator and Relator's Counsel to the fullest extent permitted by law, from any and all, and all manner of, action and actions, cause or causes of action, complaints, grievances, suits, debts, dues, offsets, recoupments, claims, counterclaims, sums of money, accounts, reckonings, bonds, bills, specialities, liens, charges, accountings, covenants, contracts, controversies, agreements, promises, variances, trespasses, contributions, indemnifications, damages, judgments, decrees, extents, executions, rights, liabilities, obligations, losses, demands, costs and expenses (including without limitation, court costs and attorneys' fees), of whatever kind of nature, whether at law or in equity, or otherwise, whether known or unknown, fixed or contingent, which they ever had, now have, or may

have for, upon, or by reason, of any cause, matter or thing whatsoever occurring from any time up to and including the Effective Date against Relator and Relator's Counsel, except for the obligations imposed by this Agreement. The releases set forth in this subparagraph are effective as of the Approval Date; provided, however, that in the event that the United States elects to rescind this Agreement pursuant to Paragraph 24 above, these releases shall be void.

30. Administrative Restrictions And Obligations/Agreement Not To Seek Payments From Beneficiaries:

a. Other than credits towards the Settlement Amount as set forth in Paragraph 3 (relating to the Suspense Amount), the amount that the Colkitt Defendants must pay pursuant to Paragraph 4 of this Agreement above will not be decreased as a result of the denial of claims for payment now being withheld from payment by any Medicare carrier or intermediary, TRICARE carrier, or any State payer, related to the Covered Conduct; and Defendants agree not to resubmit to any Medicare carrier or intermediary, TRICARE carrier or any State payer any previously denied claims related to the Covered Conduct, and agree not to appeal any such denials of claims.

b. Defendants agree that all costs (as defined in the Federal Acquisition Regulations (FAR) § 31.205-47 and in Titles XVIII and XIX of the Social Security Act, 42 U.S.C. §§ 1395-1395ggg

and 1396-1396v, and the regulations promulgated thereunder) incurred by or on behalf of Defendants, in their own capacities or on behalf of any other individual or entity, in connection with: (1) the matters covered by this Agreement and/or the Russell and Colkitt Settlement Agreement; (2) the Government's audit(s) and civil and any criminal investigation(s) of the matters covered by this Agreement; (3) the investigation, defense, and corrective actions undertaken by Defendants, in their own capacity or on behalf of any other individual or entity, in response to the Government's audit(s) and civil and any criminal litigation or investigation(s) in connection with the matters covered by this Agreement (including attorney's fees), including the obligations undertaken pursuant to the Corporate Integrity Agreements incorporated in this Settlement Agreement; (4) the negotiation of this Agreement; and (5) the payment made pursuant to this Agreement, are unallowable costs on Government contracts and under the Medicare Program, Medicaid Program, TRICARE Program, Veterans Affairs Program (VA) and Federal Employee Health Benefits Program (FEHBP) (hereafter, unallowable costs). These unallowable costs will be separately determined and accounted for by Defendants, and Defendants, in their own capacities or on behalf of any other individual or entity, will 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 Defendants or any of their subsidiaries to the Medicare, Medicaid, TRICARE, VA or FEHBP programs. If any of these individuals or entities file cost reports, such costs shall be placed in a nonreimbursable cost center.

c. Defendants further agree that within 60 days of the Approval Date of this Agreement they will identify to applicable Medicare and TRICARE fiscal intermediaries, carriers and/or contractors, and Medicaid, VA 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 Defendants, in their own capacities or on behalf of any other individual or entity, and will request, and agree, that such cost reports, cost statements, information reports or payment requests, even if already settled, be reopened and adjusted to account for the effect of the inclusion of the unallowable costs. Insofar as any such unallowable costs are, or have been included on previously-submitted cost reports, information reports, cost statements or requests for payment, Defendants agree that the United States will be entitled to recoup any overpayment from the Defendant(s) responsible for the

submission of such unallowable costs. 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 Defendants, in their own capacities or on behalf of any other individual or entity, or any of Defendants' subsidiaries on the effect of inclusion of unallowable costs (as defined in this paragraph) on Defendants' or EquiMed's, or any other entity's cost reports, cost statements or information reports. Nothing in this Agreement shall constitute a waiver of the rights of the United States to examine or reexamine the unallowable costs described in this Paragraph.

d. Defendants agree that they, in their own capacities or on behalf of any other individual or entity, will not seek payment for any of the health care billings covered by this Agreement from any health care beneficiaries or their parents or sponsors. Defendants, in their own capacities and on behalf of any other individual or entity, waive any causes of action against these beneficiaries or their parents or sponsors based upon the claims for payment covered by this Agreement.

31. Colkitt Warranty Regarding Solvency: Colkitt warrants that he and Russell are collectively solvent within the meaning of 11 U.S.C. Section 547(b)(3) on the basis of the assumptions that the claims asserted against them jointly in the Civil Action are

limited to three million one hundred fifty thousand dollars (\$3,150,000.00), that the claims asserted against them jointly in the Adversary Proceeding will not result in a joint liability in excess of the costs of defense, and that liabilities of or claims against either but not both of them cannot be collected from jointly owned or entireties assets. Colkitt believes these assumptions are reasonable. Further, the Parties expressly warrant that, in evaluating whether to execute this Agreement, the Parties (i) have intended that the mutual promises, covenants and obligations set forth herein constitute a contemporaneous exchange for new value given to Defendants, within the meaning of 11 U.S.C. Section 547(c)(1), and (2) have concluded that these mutual promises, covenants and obligations do, in fact, constitute such a contemporaneous exchange.

32. Bankruptcy Of Defendants Other Than EquiMed: In the event that any of the Colkitt Defendants commences, or a third party commences, prior to Payment in Full, any case, proceeding, or other action (i) under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have any order for relief of any of the Colkitt Defendants' debts, or seeking to adjudicate any of the Colkitt Defendants as bankrupt or insolvent, or (ii) seeking appointment of a receiver, trustee, custodian or other similar official for any of the Colkitt Defendants or for all or any substantial part of the Colkitt Defendants' assets,

Defendants, in their own capacities and on behalf of any other individual or entity, agree as follows:

a. The Colkitt Defendants' obligations under this Agreement may not be avoided pursuant to 11 U.S.C. § 547, and the Colkitt Defendants will not argue or otherwise take the position in any such case, proceeding or action that: (i) the obligations under this Agreement may be avoided under 11 U.S.C. § 547; (ii) any of the Colkitt Defendants were insolvent at the time this Agreement was entered into, or became insolvent as a result of the payment made to the United States hereunder; or (iii) the mutual promises, covenants and obligations set forth in this Agreement do not constitute a contemporaneous exchange for new value given to the Colkitt Defendants.

b. In the event that the obligations hereunder are avoided for any reason, including, but not limited to, through the exercise of a trustee's powers under the Bankruptcy Code, the United States, at its sole option, may, provided that Payment In Full has not occurred after giving effect to any avoidance, void the releases provided by the United States in this Agreement with respect to those Defendants whose obligations are being avoided and bring any civil and/or administrative claim, action or proceeding against those Defendants whose obligations are avoided for the claims that would otherwise be covered by the releases provided in Paragraphs 15-17, above. In the event that the United States voids

such releases and pursues any such claim, action or proceeding, the Colkitt Defendants agree that (i) in the event of a voluntary or involuntary liquidation or reorganization case by or against the Colkitt Defendants under bankruptcy, receivership, or other insolvency law, the Colkitt Defendants agree (a) not to contest or oppose any motion filed by the United States seeking relief from the automatic stay, 11 U.S.C. § 362(a), nor (b) to seek relief under 11 U.S.C. § 105 to enjoin or restrain the United States from recovering monies owed by the Colkitt Defendants arising out of their participation in Medicare, Medicaid, or other federal health care programs; (ii) the Colkitt Defendants will 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 claims, actions or proceedings which are brought by the United States pursuant to this Paragraph regarding the Covered Conduct, except to the extent such defenses were available on the date prior to the Execution Date; and (iii) solely for the purposes of any civil or administrative claim, action or proceeding brought pursuant to this Paragraph, in the event that the obligations hereunder are avoided for one or more of the Colkitt Defendants other than Colkitt personally, the United States has a valid claim against such Defendants in any amount up to sixty five million five hundred and fifty thousand dollars (\$65,550,000.00), and the United States may pursue its claim, inter

alia, in the case, action or proceeding referenced in the first clause of this Paragraph, as well as in any other case, action, or proceeding.

c. The Colkitt Defendants acknowledge that their agreements in this Paragraph are provided in exchange for valuable consideration provided in this Agreement.

d. Defendants agree that in the event that any Defendant shall be adjudicated as bankrupt or insolvent, (i) this Agreement remains fully enforceable with respect to all other Undersigned Defendants, and (ii) to the extent that a Court later determines that a party to this Agreement lacked authority to execute the Agreement on behalf of that party, this Agreement shall remain in force and enforceable against any and all remaining parties to the Agreement, as if the party without authority had never signed the Agreement.

e. To the extent that this Agreement or any ancillary Agreement executed by the Parties encumbers any assets that are held by the Bankruptcy Court to be included within the estate of EquiMed or any other entity or individual adjudicated as bankrupt or insolvent prior to the Execution Date, the United States shall void any such encumbrances as required to release the assets of a bankruptcy estate.

33. EquiMed Bankruptcy: Solely for the purposes of any bankruptcy proceeding in which EquiMed is adjudicated as a bankrupt

debtor, Defendants stipulate that the United States has a valid claim against EquiMed in any amount up to sixty five million five hundred and fifty thousand dollars (\$65,550,000.00). Provided, however, that nothing in this Paragraph shall prevent in any way parties to that bankruptcy proceeding other than Defendants from contesting the validity of that claim; and provided further that Colkitt and Derdel do not admit that they personally have liability for claims that the United States asserts against EquiMed or that EquiMed has a valid claim for indemnification or contribution against Colkitt and/or Derdel.

34. Best Efforts: Defendants will use their best efforts in fulfilling their obligations to comply with all provisions of this Agreement including, but not limited to, any obligations imposed on Defendants to satisfy the monetary obligations to the United States and Relator's Counsel as set forth in Paragraphs 1, 3-5 and 12 above and the Promissory Note.

35. Legal And Other Costs: Other than as set forth in Paragraph 12 relating to Relator's Counsel's Attorneys Fees, the Parties to this Agreement will bear their own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement. Provided, however, that the Defendants do not waive claims or potential claims against each other with regard to legal fees and costs.

36. Governing Law And Jurisdiction: This Agreement is governed by the laws of the United States. Except for disputes under the Corporate Integrity Agreement which shall be resolved subject to the provisions of the Corporate Integrity Agreement, the Parties agree that the exclusive jurisdiction and venue for any dispute arising between and among the Parties under this Agreement will be the United States District Court for the District of Maryland.

37. Other Agreements, Amendments: This Agreement, the Keystone, Oaktree and Rosewood Settlement Agreement, the Russell and Colkitt Settlement Agreement and the Corporate Integrity Agreements constitute the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties, except that only Defendants and OIG-HHS must agree in writing to modification of the Corporate Integrity Agreements, pursuant to the terms of the Corporate Integrity Agreements.

38. Representations By Signors: The undersigned individuals signing this Agreement on behalf of Defendants and the Relator represent and warrant that they are authorized by Defendants and the Relator, respectively, to execute this Agreement. The undersigned United States signatories represent that they are signing this Agreement in their official capacities and that they are authorized to execute this Agreement. All Parties represent that this Agreement is freely and voluntarily entered into without

any degree of duress or compulsion whatsoever. The attorneys for Defendants and the Relator have executed this Agreement only for the purpose of confirming that they have provided advice to their respective clients with respect to this Agreement and for no other purpose.

39. Execution In Counterparts: This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same agreement.

40. Dismissal Of Civil Action: Within three days after the Approval Date, the Parties shall present to the Court in the Civil Action a joint motion to dismiss all allegations in the Civil Action against Defendants and the Transferee Entities without prejudice. Within 30 days of Payment In Full, the United States shall file an Amended Notice of Dismissal With Prejudice as to all claims for the Covered Conduct against Defendants and any other defendant in the Civil Action aside from EquiMed and any other entity that becomes a debtor in the EquiMed bankruptcy proceeding, subject to the condition that the releases set forth herein are explicitly limited, as reflected in Paragraph 20 above (Exclusions From Releases).

41. Notice to Parties: Any notices or other written correspondence required to be delivered pursuant to this Settlement Agreement shall be directed to the following addresses:

a. Correspondence to the United States shall be directed to the United States Attorney for the District of Maryland, 6625 United States Courthouse, 101 W. Lombard St., Baltimore, MD 21201. The first page of the correspondence shall explicitly reference the name of the Civil Action.

b. Correspondence to Defendants and Relator shall be directed to their undersigned counsel.

42. Execution Date: This Agreement is effective on the date of signature of the last signatory to the Agreement (Execution Date).

43. Disclosures About This Agreement to the Public: Defendants hereby consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

THE UNITED STATES OF AMERICA

DATED: 7/20/00

BY: Daniel A. Spiro
MICHAEL F. HERTZ
POLLY A. DAMMANN
DANIEL A. SPIRO
PAMELA K. RILEY
REBECCA ROHR
Trial Attorneys
Commercial Litigation Branch
Civil Division
U.S. Department of Justice

DATED: 7/13/00 ^{by DAF}

BY: S. Hollis Fleischer
S. HOLLIS FLEISCHER
Assistant United States
Attorney
District of Maryland

DATED: 7/5/00

BY:

Laurie E. Rucoba

LAURIE E. RUCOBA
Assistant United States
Attorney
Southern District of Florida

DATED: _____

BY:

LEWIS MORRIS
Assistant Inspector General
Office of Counsel to the
Inspector General
Office of Inspector General
United States Department of
Health and Human Services

DATED: _____

BY:

DEBORAH TAYLOR
Deputy Chief
Financial Officer
Health Care Financing
Administration
United States Department of
Health and Human Services

DATED: _____

BY:

ROBERT L. SHEPHERD
Deputy General Counsel
TRICARE Management Activity
United States Department
of Defense

DATED: _____

BY: _____
LAURIE E. RUCOBA
Assistant United States
Attorney
Southern District of Florida

DATED: 7/10/00

BY: *L. Morris*
LEWIS MORRIS
Assistant Inspector General
Office of Counsel to the
Inspector General
Office of Inspector General
United States Department of
Health and Human Services

DATED: _____

BY: _____
DEBORAH TAYLOR
Deputy Chief
Financial Officer
Health Care Financing
Administration
United States Department of
Health and Human Services

DATED: _____

BY: _____
ROBERT L. SHEPHERD
Deputy General Counsel
TRICARE Management Activity
United States Department
of Defense

DATED: _____

BY: _____
LAURIE E. RUCOBA
Assistant United States
Attorney
Southern District of Florida

DATED: _____

BY: _____
LEWIS MORRIS
Assistant Inspector General
Office of Counsel to the
Inspector General
Office of Inspector General
United States Department of
Health and Human Services

DATED: 7-13-00 *by DTS*

BY: *Deborah Taylor*
by Leah Mosehall
DEBORAH TAYLOR
Deputy Chief
Financial Officer
Health Care Financing
Administration
United States Department of
Health and Human Services

DATED: _____

BY: _____
ROBERT L. SHEPHERD
Deputy General Counsel
TRICARE Management Activity
United States Department
of Defense

DATED: _____

BY: _____
LAURIE E. RUCOBA
Assistant United States
Attorney
Southern District of Florida

DATED: _____

BY: _____
LEWIS MORRIS
Assistant Inspector General
Office of Counsel to the
Inspector General
Office of Inspector General
United States Department of
Health and Human Services

DATED: _____

BY: _____
DEBORAH TAYLOR
Deputy Chief
Financial Officer
Health Care Financing
Administration
United States Department of
Health and Human Services

DATED: June 30, 2000

BY: Gerald P. Clancy, Acting Deputy
ROBERT L. SHEPHERD *Retired General*
for Deputy General Counsel
TRICARE Management Activity
United States Department
of Defense

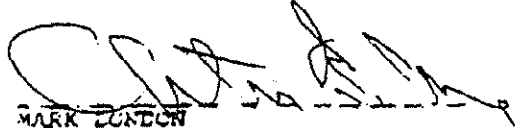
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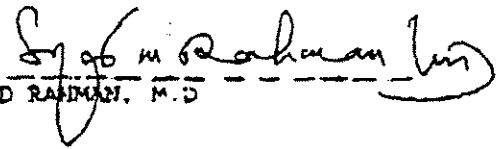
P.09
P.05

THE RELATOR SYED RAHMAN, M.D.

DATED: 7-13-2000 *by JAS*

BY: 
MARK LONDON
CHRISTOPHER MEAD
LONDON & MEAD

DATED: 7-3-2000

BY: 
SYED RAHMAN, M.D.

DEFENDANTS

DATED: _____

BY: _____
DOUGLAS R. COLKITT, M.D.,
individually and on behalf of
Defendants, except Northwest
Radiation Treatment Services
and Jerome Dardel, M.D.

DATED: _____

BY: _____
PHILIP H. LEBOWITZ
DAVID RICHMAN
Pepper Hamilton LLP

Counsel for Colkitt and other
Defendants except Northwest
Radiation Treatment Services
and Jerome Dardel, M.D.

THE RELATOR - SYED RAHMAN, M.D.

DATED: _____

BY:

MARK LONDON
CHRISTOPHER MEAD
LONDON & MEAD

DATED: _____

BY:

SYED RAHMAN, M.D.

DEFENDANTS

DATED: 7-13-00 ^{by DHS}

BY:

DR Colkitt
DOUGLAS R. COLKITT, M.D.,
individually and on behalf of
Defendants, except Northwest
Radiation Treatment Services
and Jerome Dardel, M.D.

DATED: _____

BY:

PHILIP H. LEBOWITZ
DAVID RICHMAN
Pepper Hamilton LLP

Counsel for Colkitt and other
Defendants except Northwest
Radiation Treatment Services
and Jerome Dardel, M.D.

THE RELATOR - SYED RAHMAN, M.D.

DATED: _____

BY: _____
MARK LONDON
CHRISTOPHER MEAD
LONDON & MEAD

DATED: _____

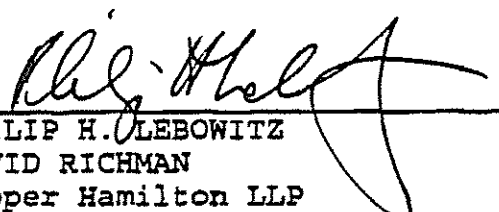
BY: _____
SYED RAHMAN, M.D.

DEFENDANTS

DATED: _____

BY: _____
DOUGLAS R. COLKITT, M.D.,
individually and on behalf of
Defendants, except Northwest
Radiation Treatment Services
and Jerome Derdel, M.D.

DATED: 7-13-00 ^{by DAS}

BY: 
PHILIP H. LEBOWITZ
DAVID RICHMAN
Pepper Hamilton LLP

Counsel for Colkitt and other
Defendants except Northwest
Radiation Treatment Services
and Jerome Derdel, M.D.

JUN-30-2000 13:48

DATED: June 30, 2000 BY: J. Larry Heinike
J. Larry Heinike
President/CEO, Northwest
Radiation Treatment Services

DATED: June 30, 2000 BY: NIMBERLY N. TARVER
NIMBERLY N. TARVER
Ober, Kaler, Grimes & Shriver
Counsel for Northwest Radiation
Treatment Services

DATED: _____ BY: _____
JEROME DERDEL, M.D.

DATED: _____ BY: _____
DAVID M. SINN
Williams & Connolly
Counsel for Jerome Dardel, M.D.

Settlement Agreement Between
William H. Hester, Plaintiff, and
Colin H. Collier, Defendant, et al.

- 56 -

TOTAL P.03

DATED: _____

BY: _____

_____, Northwest
Radiation Treatment Services

DATED: _____

BY: _____

KIMBERLY N. TARVER
Ober, Kaler, Grimes & Shriver
Counsel for Northwest Radiation
Treatment Services

DATED: 7/6/00

BY: Jerome Derdel MD

JEROME DERDEL, M.D.

DATED: 7/13/00 ^{by AWS}

BY: David M. Zinn/pepe

DAVID M. ZINN
Williams & Connolly
Counsel for Jerome Derdel, M.D.