

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 of the Department of Health and Human Services (OIG-HHS), the Defense Health Agency (DHA) which administers the TRICARE Program, and the Office of Personnel Management (OPM), which administers the Federal Employees Health Benefits Program (FEHBP) (collectively, the United States); the State of California, acting through the California Department of Justice; Braden Partners, LP, doing business as Pacific Pulmonary Services, and Teijin Pharma USA LLC; and Relator Manuel Alcaine (hereafter collectively referred to as the Parties), through their authorized representatives.

RECITALS

A. Braden Partners, LP, doing business as Pacific Pulmonary Services, a limited partnership with its principal place of business in California, furnishes stationary and portable oxygen tanks and related supplies, and sleep therapy equipment, such as Continuous Positive Airway Pressure (CPAP), Bilevel Positive Airway Pressure (BiPAP) masks and related supplies, to patients' homes in California and other states. Pacific Pulmonary Services participates in several federal health care programs that provide reimbursement for the equipment it provides to federal beneficiaries. Teijin Pharma USA LLC, a Delaware limited liability company with its principal place of business in California, holds a 1% interest in Pacific Pulmonary Services and is its general partner. Braden Partners, LP, and Teijin Pharma USA LLC are collectively referred to herein as PPS.

B. On October 12, 2010, Relator, Manuel Alcaine, filed a *qui tam* action in the

United States District Court for the Northern District of California captioned *United States and the State of California, ex rel. Alcaine v. Braden Partners, LP dba PPS, Teijin Pharma USA LLC, dba as PPS, Peter B. Kelly and Chad Heath Martin, as individuals and as general partners of Braden Partners, LP, San Leandro Sleep Disorders Center, PC, Contra Costa Sleep Center, LLC, Dr. Kirit Patel, Dr. Jagjeet Kalra and Dr. Ron Kass, dba as Hayward EB Sleep Disorders Center, Dr. Man Kong Leung, dba Pacific Coast Sleep Disorders and Dr. Haramandeep Singh dba Sleep Medicine Specialists of California*, Case No. 10-cv-4597-PJH (the Action), pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the FCA) and the California False Claims Act, California Government Code § 12650 *et seq.*

C. The United States contends that PPS submitted or caused to be submitted false claims for payment to the Medicare Program, Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395kkk-1, the Medicaid Program, 42 U.S.C. §§ 1396-1396w-5 (Medicaid), the TRICARE Program, 10 U.S.C. §§ 1071-1110b, and the Federal Employees Healthcare Benefits Program (FEHBP), 5 U.S.C. §§ 8901 8914 (collectively, the Federal Health Programs). The United States and the State of California contend that PPS submitted claims for payment to the California Medi-Cal program, California Welfare and Institutions Code §§ 14000-14199.2 (the California Health Program).

D. The United States contends that it has certain civil claims against PPS as follows: for the period of October 12, 2004 through December 31, 2015, PPS knowingly submitted or caused to be submitted to the Federal Health Programs claims with an initial date of service within such period for the provision of home oxygen equipment furnished to beneficiaries of those programs without the appropriate physician evaluation consistent with applicable Medicare or Federal Health Program requirements for the equipment supplied by PPS; and (2) for the

period of October 12, 2004 through October 12, 2011, PPS knowingly submitted or caused to be submitted claims for sleep therapy equipment, or related supplies, marketed or promoted by its patient care coordinators (PCCs) who had established arrangements with sleep testing labs or their personnel to refer Federal Health Program beneficiaries to the sleep labs for testing services in exchange for referrals of the beneficiaries for PPS equipment or supplies. The conduct described in this paragraph is referred to below as the "Covered Conduct."

E. The State of California contends that for the period of October 12, 2004 through October 12, 2011, PPS knowingly submitted or caused to be submitted to the California Health Program claims for sleep therapy equipment, or related supplies, marketed or promoted by patient care coordinators engaged by PPS where such PCCs had established arrangements with sleep testing labs or their personnel to obtain referrals of California Medi-Cal beneficiaries for such equipment or supplies in exchange for the referral or recommendation of Medi-Cal beneficiaries to the sleep labs for testing services. The conduct described in this paragraph is referred to below as the "California Covered Conduct."

F. This Settlement Agreement is neither an admission of liability by PPS, nor a concession by the United States or California that their claims are not well founded. PPS denies the Relator's allegations and the contentions of the United States and of the State of California.

G. Relator claims entitlement under 31 U.S.C. § 3730(d) and under the California Government Code §§ 12650, *et seq.* to a share of the proceeds of this Settlement Agreement and to Relator's reasonable expenses, attorneys' fees and costs.

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

TERMS AND CONDITIONS

1. PPS shall pay to the United States \$11.4 million (the Settlement Amount) no later than 5 days after the Effective Date of this Agreement (as defined in Paragraph 33 below) by electronic funds transfer pursuant to written instructions to be provided by the Office of the United States Attorney for the Northern District of California.

2. Conditioned upon the United States receiving from PPS the Settlement Amount and as soon as feasible after receipt, the United States shall pay 16 percent of such amount to Relator by electronic funds transfer pursuant to written instructions provided by Relator's counsel.

3. Subject to the exceptions in Paragraphs 7 (concerning excluded claims), 9 and 10 (concerning bankruptcy proceedings commenced within 91 days of the Effective Date of this Agreement or any payment made under this Agreement), and 12 (concerning undisclosed assets) below, and conditioned upon PPS' full payment of the Settlement Amount, the United States releases PPS together with its current and former parent companies (whether direct or indirect) and direct and indirect subsidiaries of such parent companies; divisions; current or former legal entity owners (regardless of the structure or incorporation status of such entity) and the legal entity successors and assigns of any of them (regardless of the structure or incorporation status of such entity); and current and former general and limited partners that are legal entities or partnerships (regardless of the structure or incorporation status of such entity) that hold an ownership interest in PPS, 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; any statutory provision for which the Civil Division of the Department of Justice has actual and present authority to assert and compromise claims pursuant to 28 C.F.R.,

Part 0, Subpart I, § 0.45(d); and the common law theories of payment by mistake, unjust enrichment and fraud. The United States does not release any individual person from liability under the above statutes.

4. Subject to the exceptions in Paragraphs 7 (concerning excluded claims), 9 and 10 (concerning bankruptcy proceedings commenced within 91 days of the Effective Date of this Agreement or any payment made under this Agreement), and 12 (concerning undisclosed assets) below, and conditioned upon PPS' full payment of the Settlement Amount, the State of California releases PPS together with its current and former parent companies (whether direct or indirect) and direct and indirect subsidiaries of such parent companies; divisions; current or former legal entity owners (regardless of the structure or incorporation status of such entity) and the legal entity successors and assigns of any of them (regardless of the structure or incorporation status of such entity); and current and former general and limited partners that are legal entities or partnerships (regardless of the structure or incorporation status of such entity) that hold an ownership interest in PPS, from any civil or administrative monetary claim the State of California has for the California Covered Conduct under the California False Claims Act, California Government Code § 12652, the California Health & Safety Code § 445, the California Welfare & Institutions Code § 14000 – 14199.2, or the common law theories of payment by mistake, unjust enrichment, and fraud.

5. Subject to the exceptions in Paragraphs 7 (concerning excluded claims), 9 (concerning an Avoidance Event) and 12 (concerning undisclosed assets) below, and conditioned upon PPS' full payment of the Settlement Amount, Relator, for himself and for his heirs, successors, attorneys, agents, and assigns, releases PPS from any civil monetary claim the Relator has on behalf of the United States and the State of California for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733, and under the California False Claims Act,

Cal. Govt. Code § 12652, except that Relator does not release or waive, and specifically reserves, any claims under 31 U.S.C. § 3730(d) for attorneys' fees, costs, and expenses and any claims under 31 U.S.C. § 3730(h) for retaliation. Relator's claims under 31 U.S.C. §§ 3730(d) and (h) are anticipated to be resolved pursuant to a separate agreement to be entered into between Relator and PPS within five (5) days after the Effective Date of this Agreement.

6. In consideration of the obligations of PPS in this Agreement and the Corporate Integrity Agreement (CIA), entered into between OIG-HHS and PPS, and conditioned upon PPS' full payment of the Settlement Amount, the OIG-HHS agrees to release and refrain from instituting, directing, or maintaining any administrative action seeking exclusion from Medicare, Medicaid, and other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)) against PPS under 42 U.S.C. § 1320a-7a (Civil Monetary Penalties Law) or 42 U.S.C. § 1320a-7(b)(7) (permissive exclusion for fraud, kickbacks, and other prohibited activities) for the Covered Conduct above, except as reserved in Paragraphs 7 (concerning excluded claims), 9 and 10 (concerning bankruptcy proceedings commenced within 91 days of the Effective Date of this Agreement or any payment made under this Agreement), and 12 (concerning undisclosed assets) below, and as reserved in this Paragraph. The OIG-HHS expressly reserves all rights to comply with any statutory obligations to exclude PPS from Medicare, Medicaid, and other Federal health care programs under 42 U.S.C. § 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, for which claims have been reserved in Paragraph 7, below.

7. Notwithstanding the releases given in Paragraphs 3 through 6 of this Agreement or any other term of this Agreement, the following claims of the United States and the State of California are specifically reserved and are not released:

- a. Any liability arising under Title 26, U.S. Code (Internal Revenue Code) or the California Revenue Code;
- b. Any criminal liability;
- c. Except as explicitly stated in this Agreement, any administrative liability, including mandatory and permissive exclusion from Federal or State health care programs;
- d. Any liability to the United States (or its agencies) or to the State of California for any conduct other than the Covered Conduct or the California Covered Conduct;
- e. Any liability based upon obligations created by this Agreement;
- f. Any liability for express or implied warranty claims or other claims for defective or deficient products or services, including quality of goods or services;
- g. Any liability for failure to deliver goods or services due;
- h. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct or the California Covered Conduct;
- i. Any liability of individuals.

8. Relator and his 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 Relator's receipt of the payment described in Paragraph 2 and any payment due under Paragraph 12, Relator and his 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 or asserted within such Action or under 31 U.S.C. § 3730, and from any claims to a share of the proceeds of this Agreement and/or the Action.

9. As security for PPS' payment of the Settlement Amount, an amount equal to the Settlement Amount has been deposited in escrow for the benefit of the United States (the Escrowed Amount) by a solvent third-party (the Depositor) and does not consist of PPS' monies or proceeds of other PPS property. If after the Effective Date of this Agreement or of any payment made under this Agreement, PPS' obligations under this Agreement are avoided and recovered for any reason (an Avoidance Event), including, but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code, then the United States shall immediately be entitled to receive payment of the Escrowed Amount, including all accumulated interest, and such amounts shall be released in accordance with the Escrow Agreement dated as of March 31, 2017, attached hereto as Exhibit 1. Notwithstanding the foregoing, if 91 days have passed following the United States' receipt of payment in full of the Settlement Amount and neither PPS nor a third party has commenced any case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors (a) seeking to have any order for relief of PPS' debts, or seeking to adjudicate PPS as bankrupt or insolvent, or (b) seeking appointment of a receiver, trustee, custodian, or other similar official for PPS or for all or any substantial part of PPS' assets, and no Avoidance Event has been sought or commenced, then the United States and the Depositor shall jointly instruct the escrow agent to deliver the Escrowed Amount (including all accumulated interest) to the Depositor, the United States shall relinquish any claim to the Escrowed Amount or any portion thereof, and the funds being held in escrow shall be released in accordance with the Escrow Agreement. If, for any reason, an Avoidance Event occurs and the United States has not received the Escrowed Amount within 30 days of the Avoidance Event, then the United States may, at its option, (x) rescind this

Agreement, and the United States and California may reinstate and file a lawsuit based upon the Covered Conduct and/or the California Covered Conduct, or (y) let the Agreement stand and collect the Escrowed Amount and all accumulated interest, and PPS agrees not to contest any such collection action undertaken by the United States under this clause, and to immediately pay the United States all reasonable costs incurred in such a collection action, including attorney's fees and expenses.

10. The Settlement Amount represents the amount the United States is willing to accept in compromise of its civil claims arising from the Covered Conduct due to PPS' financial condition as reflected in the Financial Statements it provided the United States. If PPS commences, or a third party commences, any case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors (a) seeking to have any order for relief of PPS' debts, or seeking to adjudicate PPS as bankrupt or insolvent; or (b) seeking appointment of a receiver, trustee, custodian, or other similar official for PPS or for all or any substantial part of PPS' assets (an Insolvency Proceeding), PPS agrees that, in any Insolvency Proceeding, the United States shall hold a non-contingent and liquidated claim of three times the United States' damages, plus applicable statutory penalties, under the False Claims Act for the Covered Conduct; provided, however, that the United States' recovery on account of such a claim shall be reduced by any payments received under this Agreement, to the extent that such payments are not otherwise avoided and recovered by PPS, or a receiver, trustee, custodian, or other similar official for PPS, in whole or in part, in such Insolvency Proceeding.

11. PPS acknowledges the following.

a. PPS has reviewed its financial situation and warrants that, as of the Effective Date of this Agreement, PPS is solvent, to the extent that it continues to receive funding from

outside sources, as disclosed to the United States, in order to meet its obligations as they come due.

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

12. PPS has provided sworn financial disclosure statements (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. PPS warrants that the Financial Statements submitted as of October 7, 2015 are complete, accurate, and current and that the company's financial condition has not materially improved, i.e., that PPS' total assets on the Effective Date of this Agreement do not exceed the amount disclosed in the Financial Statements by \$1.5 million or more. Nonetheless, if the United States learns of an asset(s) in which PPS has an interest at the time of this Agreement in the total amount of \$1.5 million or more that was not disclosed in the Financial Statements, or if the United States learns of any misrepresentation by PPS on, or in connection with, the Financial Statements, the United States may at its option: (a) rescind this Agreement and reinstate and file a lawsuit based upon the Covered Conduct, or (b) let the Agreement stand and collect the full Settlement Amount plus one hundred percent (100%)

of the value of the company's previously undisclosed assets. PPS agrees not to contest any collection action undertaken by the United States pursuant to this provision, and to immediately pay the United States all reasonable costs incurred in such an action, including attorney's fees and expenses. In the event that the United States rescinds this Agreement and files a lawsuit pursuant to this paragraph, PPS reserves all rights, arguments, and defenses in connection with such lawsuit except as provided in Paragraph 13 below. The United States shall pay Relator 16 percent of any additional amounts it recovers under this paragraph as soon as feasible after the United States' receipt of such additional payment(s).

13. In the event of a rescission pursuant to Paragraph 9 or 12 above, PPS agrees not to plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any civil or administrative claims that (a) are filed by the United States, the State of California or Relator within 90 calendar days of written notification to PPS that this Agreement has been rescinded, and (b) relate to the Covered Conduct and/or the California Covered Conduct.

14. PPS 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. 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.

15. PPS 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 PPS has asserted, could have asserted, or may assert in the future against the United States, its agencies, officers, agents, employees, and servants, related to the Covered Conduct and the United States' investigation and prosecution thereof.

16. PPS fully and finally releases the State of California, its agencies, officers, agents, employees, and servants, from any claims (including attorney's fees, costs, and expenses of every kind and however denominated that PPS has asserted, could have asserted, or may assert in the future against the State of California its agencies, officers, agents, employees, and servants related to the California Covered Conduct and the State of California's investigation and prosecution thereof.

17. PPS fully and finally releases the Relator from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) that PPS has asserted, could have asserted, or may assert in the future against the Relator, related to the Action and the Relator's investigation and prosecution thereof.

18. 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), Medicaid contractors, or any TRICARE or FEHB contractor, or any state payer, related to the Covered Conduct; and PPS agrees not to resubmit to any Medicare, Medicaid, TRICARE or FEHB contractor or any state payer any previously denied claims related to the Covered Conduct, agrees not to appeal any such denials of claims, and agrees to withdraw any such pending appeals.

19. PPS 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 PPS, or its present or former officers, directors, employees, shareholders, and agents in connection with:

- (1) the matters covered by this Agreement;
- (2) the United States' audit(s) and civil and any criminal investigation(s) of the matters covered by this Agreement;
- (3) PPS' investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil and any criminal investigation(s) in connection with the matters covered by this Agreement (including attorney's fees);
- (4) the negotiation and performance of this Agreement;
- (5) the payment PPS makes to the United States pursuant to this Agreement and any payments that PPS may make to Relator, including costs and attorneys' fees; and
- (6) the negotiation of, and obligations undertaken pursuant to a CIA to: (i) retain an independent review organization to perform annual reviews as described in Section III of the CIA; and (ii) prepare and submit reports to the OIG-HHS

are unallowable costs for government contracting purposes and under the Medicare and Medicaid Programs, TRICARE, and FEHBP programs (hereinafter referred to as Unallowable Costs). However, nothing in paragraph 19.a. (6) that may apply to the obligations undertaken pursuant to a CIA affects the status of costs that are not allowable based on any other authority applicable to PPS.

b. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for by each company doing business as PPS, and PPS 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 either of them or any of their subsidiaries or affiliates to the Medicare, Medicaid, TRICARE, or FEHBP Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment: PPS further agrees that within 90 days of the Effective Date of this Agreement it shall identify to applicable Medicare and TRICARE fiscal intermediaries, carriers, and/or contractors, and Medicaid and FEHBP fiscal agents, any Unallowable Costs (as defined in Paragraph 19.a) 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 PPS or any of its subsidiaries or affiliates, and shall request, and agree, that such cost reports, cost statements, information reports, or payment requests, even if already settled, be adjusted to account for the effect of the inclusion of the Unallowable Costs. PPS agrees that the United States, at a minimum, shall be entitled to recoup from it 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 United States Department of Justice and/or the affected agencies. The United States reserves its rights to disagree with any calculations submitted by PPS or any of its subsidiaries or affiliates on the effect of inclusion of Unallowable Costs (as defined in Paragraph 19.a above) on PPS or any of its subsidiaries' or affiliates' cost reports, cost statements, or information reports.

d. Nothing in this Agreement shall constitute a waiver of the rights of the United States to audit, examine, or re-examine PPS' books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this Paragraph.

20. PPS agrees to cooperate fully and truthfully with the United States' investigation of individuals and entities not released in this Agreement. Upon reasonable notice, PPS shall use its best efforts to make available the directors, officers, and employees for interviews and testimony, consistent with the rights and privileges of such individuals. Upon request by the United States, PPS shall use its best efforts to provide last known contact information for former directors, officers and employees, including any last known place of residence. To the extent not already produced, PPS further agrees to furnish to the United States, upon request, complete and unredacted copies of all non-privileged, non-work product documents, reports, memoranda of interviews, and records in its possession, custody, or control concerning any investigation of the Covered Conduct that PPS has undertaken, or that has been performed by another on its behalf (not including work product).

21. 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 Paragraphs 3 through 6, above and Paragraph 22 (waiver for beneficiaries paragraph), below.

22. PPS 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 and the California Covered Conduct.

23. Upon receipt of the payment described in Paragraph 1, above, the Relator, the United States, and the State of California, shall promptly sign and file in the Action a joint stipulation of voluntary dismissal of certain claims and preservation of certain relator claims, and

order thereon in the form attached hereto as Exhibit 2, subject to the terms of this Settlement Agreement pursuant to Rule 41(a)(1). With respect to the United States and California, the Civil Action shall be dismissed with prejudice against Defendants Braden Partners, LP, dba Pacific Pulmonary Services, and Teijin Pharma USA LLC, as to the Covered Conduct and the California Covered Conduct, respectively, and without prejudice as to all remaining defendants and claims. Relator will dismiss the Civil Action with prejudice as to Defendants Braden Partners, LP, dba Pacific Pulmonary Services, and Teijin Pharma USA LLC, and without prejudice as to the remaining defendants, provided, however, that such dismissal does not dismiss, waive or release Relator's claim under 31 U.S.C. § 3730(d) for expenses or attorney's fees and costs, or his claim under 31 U.S.C. § 3730(h), which are expressly preserved and shall be resolved either by the Court or through a separate agreement between Relator and PPS. Following the execution by Relator and PPS of the anticipated settlement agreement separately resolving Relator's preserved claims, Relator will file a voluntary stipulation of dismissal of those claims, in accordance with such agreement.

24. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement with the exception of the Relator and Relator's attorneys who reserve the right to seek legal and other costs from PPS.

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

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

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

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

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

30. This Agreement is binding on PPS' successors, transferees, heirs, and assigns.

31. This Agreement is binding on Relator's successors, transferees, heirs, and assigns.

32. All parties consent to the United States' and the State of California's disclosure of this Agreement, and information about this Agreement, to the public.

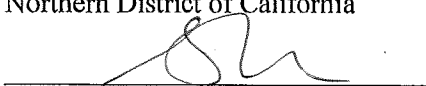
33. This Agreement is effective on the date of signature of the last signatory to the Agreement (Effective Date of this Agreement). Facsimiles and electronic transmissions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

THE UNITED STATES OF AMERICA

BRIAN J. STRETCH
United States Attorney
Northern District of California

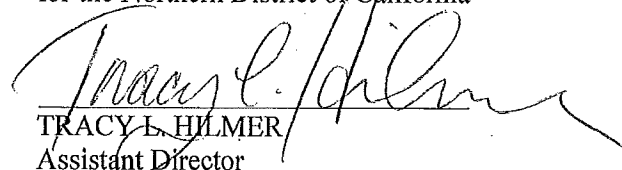
DATED: 4/18/17

BY:


GIOCONDA R. MOLINARI
Assistant United States Attorney
United States Attorney's Office
for the Northern District of California

DATED: 3/31/2017

BY:


TRACY L. HILMER
Assistant Director
Commercial Litigation Branch
Civil Division
United States Department of Justice

DATED: 03/31/17

BY: Lisa M. Re

LISA M. RE
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Department of Health and Human Services

DATED: _____

BY: _____

LEIGH A. BRADLEY
General Counsel, Defense Health Agency
United States Department of Defense

DATED: _____

BY: _____

EDWARD M. DEHARDE
Acting Assistant Director of Federal Employee Insurance
Operations
Healthcare and Insurance
U.S. Office of Personnel Management

STATE OF CALIFORNIA

KATHLEEN A. KENEALY
Acting Attorney General, State of California

DATED: _____

BY: _____

JOHN FISHER
Deputy Attorney General
Attorneys for the State of California

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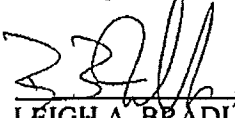
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DATED: _____

BY: _____

LISA M. RE
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Department of Health and Human Services

DATED: April 17, 2017 BY: _____


LEIGH A. BRADLEY
General Counsel, Defense Health Agency
United States Department of Defense

Deputy General Counsel

DATED: _____

BY: _____

EDWARD M. DEHARDE
Acting Assistant Director of Federal Employee Insurance
Operations
Healthcare and Insurance
U.S. Office of Personnel Management

STATE OF CALIFORNIA

KATHLEEN A. KENEALY
Acting Attorney General, State of California

DATED: _____

BY: _____

JOHN FISHER
Deputy Attorney General
Attorneys for the State of California

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DATED: _____

BY: _____

LISA M. RE
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Department of Health and Human Services

DATED: _____

BY: _____

LEIGH A. BRADLEY
General Counsel, Defense Health Agency
United States Department of Defense

DATED: 4/3/17

BY: 

EDWARD M. DEHARDE
Acting Assistant Director of Federal Employee Insurance
Operations
Healthcare and Insurance
U.S. Office of Personnel Management

STATE OF CALIFORNIA

KATHLEEN A. KENEALY
Acting Attorney General, State of California

DATED: _____

BY: _____

JOHN FISHER
Deputy Attorney General
Attorneys for the State of California

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DATED: _____

BY: _____

LISA M. RE
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Department of Health and Human Services

DATED: _____

BY: _____

LEIGH A. BRADLEY
General Counsel, Defense Health Agency
United States Department of Defense

DATED: _____

BY: _____

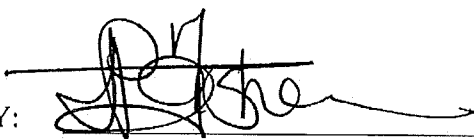
EDWARD M. DEHARDE
Acting Assistant Director of Federal Employee Insurance
Operations
Healthcare and Insurance
U.S. Office of Personnel Management

STATE OF CALIFORNIA

XAVIER BECERRA
Attorney General, State of California

DATED: 4/3/17

BY: _____


JOHN FISHER
Deputy Attorney General
Attorneys for the State of California

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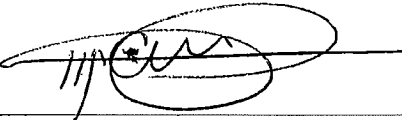
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RELATOR

DATED: 3-31-17

BY:



MANUEL ALCÁINE
Qui Tam Relator

DATED: _____

BY:

RICHARD W. RAUSHENBUSH
BARBARA GIUFFRÉ
Attorneys for *Qui Tam* Relator

DATED: _____

BY:

JANET REHNQUIST
Rehnquist Law PLLC
Attorneys for *Qui Tam* Relator

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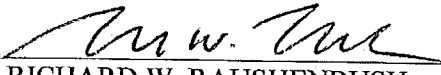
RELATOR

DATED: _____

BY: _____

MANUEL ALCANE
Qui Tam Relator

DATED: 3/31/2017 BY: _____


RICHARD W. RAUSHENBUSH
BARBARA GIUFFRE
Attorneys for *Qui Tam* Relator

DATED: _____

BY: _____

JANET REHNQUIST
Rehnquist Law PLLC
Attorneys for *Qui Tam* Relator

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RELATOR

DATED: _____

BY: _____

MANUEL ALCAINE

Qui Tam Relator

DATED: _____

BY: _____

RICHARD W. RAUSHENBUSH

BARBARA GIUFFRE

Attorneys for *Qui Tam* Relator

DATED: 4/3/2017

BY: _____



JANET REHNQUIST

Rehnquist Law PLLC

Attorneys for *Qui Tam* Relator

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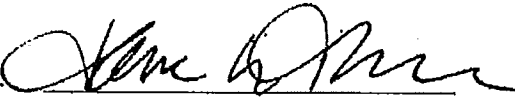
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BRADEN PARTNERS LP d/b/a PACIFIC PULMONARY SERVICES

DATED: Mar 31, 2017

BY:



JANE THOMAS
Chief Executive Officer
Braden Partners, LP

DATED: _____

BY:

WALTER F. BROWN, JR.
AMY M. ROSS
Orrick, Herrington & Sutcliffe LLP
Attorneys for Braden Partners LP dba PPS

DATED: _____

BY:

BARRY D. ALEXANDER
Polsinelli, PC
Attorney for Braden Partners LP dba PPS

TEIJIN PHARMA USA LLC

DATED: March 31, 2017 BY:



Tsutomu Igawa
Chairman of the Board
Teijin Pharma USA LLC

DATED: _____

BY:

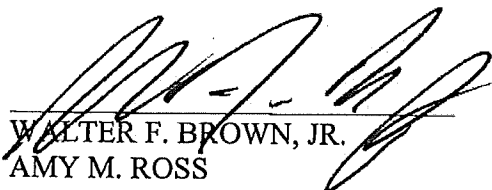
MARC H. AXELBAUM
Pillsbury Winthrop Shaw Pittman LLP
Attorney for Teijin Pharma USA LLC

BRADEN PARTNERS LP d/b/a PACIFIC PULMONARY SERVICES

DATED: _____

BY: _____
JANE THOMAS
Chief Executive Officer
Braden Partners, LP

DATED: 3/31/17

BY:  _____
WALTER F. BROWN, JR.
AMY M. ROSS
Orrick, Herrington & Sutcliffe LLP
Attorneys for Braden Partners LP dba PPS

DATED: _____

BY: _____
BARRY D. ALEXANDER
Polsinelli, PC
Attorney for Braden Partners LP dba PPS

TEIJIN PHARMA USA LLC

DATED: _____

BY: _____
Tsutomu Igawa
Chairman of the Board
Teijin Pharma USA LLC

DATED: _____

BY: _____
MARC H. AXELBAUM
Pillsbury Winthrop Shaw Pittman LLP
Attorney for Teijin Pharma USA LLC

BRADEN PARTNERS LP d/b/a PACIFIC PULMONARY SERVICES

DATED: _____


BY: _____
JANE THOMAS
Chief Executive Officer
Braden Partners, LP

DATED: _____

BY: _____
WALTER F. BROWN, JR.
AMY M. ROSS
Orrick, Herrington & Sutcliffe LLP
Attorneys for Braden Partners LP dba PPS

DATED: 3/30/17

BY: _____


BARRY D. ALEXANDER
Polsinelli, PC
Attorney for Braden Partners LP dba PPS

TEIJIN PHARMA USA LLC

DATED: _____

BY: _____
Tsutomu Igawa
Chairman of the Board
Teijin Pharma USA LLC

DATED: _____

BY: _____
MARC H. AXELBAUM
Pillsbury Winthrop Shaw Pittman LLP
Attorney for Teijin Pharma USA LLC

BRADEN PARTNERS LP d/b/a PACIFIC PULMONARY SERVICES

DATED: _____

BY: _____

JANE THOMAS
Chief Executive Officer
Braden Partners, LP

DATED: _____

BY: _____

WALTER F. BROWN, JR.
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Orrick, Herrington & Sutcliffe LLP
Attorneys for Braden Partners LP dba PPS

DATED: _____

BY: _____

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Polsinelli, PC
Attorney for Braden Partners LP dba PPS

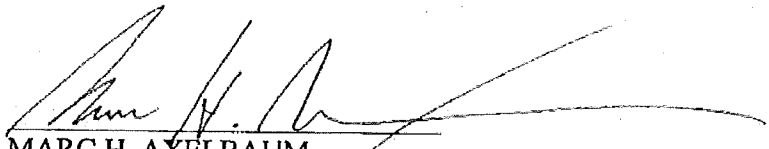
TEIJIN PHARMA USA LLC

DATED: _____

BY: _____

Tsutomu Igawa
Chairman of the Board
Teijin Pharma USA LLC

DATED: March 30, 2017 BY: _____


MARC H. AXELBAUM
Pillsbury Winthrop Shaw Pittman LLP
Attorney for Teijin Pharma USA LLC