

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

UNITED STATES OF AMERICA *ex rel.* JANE  
DOE,

Plaintiff,

v.

FPR SPECIALTY PHARMACY, LLC; MEAD  
SQUARE PHARMACY, INC.; CHRISTOPHER  
K. CASEY; WILLIAM RUE; DR. DANIEL C.  
ROTH; and DR. CATHERINE M. LAVIGNE,

Defendants.

No. 16 Civ. 5204 (PAE)

UNITED STATES OF AMERICA,

Plaintiff-Intervenor,

v.

FPR SPECIALTY PHARMACY, LLC; MEAD  
SQUARE PHARMACY, INC.; CHRISTOPHER  
K. CASEY; and WILLIAM RUE,

Defendants.

**STIPULATION AND ORDER OF  
SETTLEMENT AND DISMISSAL  
AS TO DEFENDANT WILLIAM  
RUE**

WHEREAS, this Stipulation and Order of Settlement and Dismissal (“Stipulation”) is entered into by and among plaintiff the United States of America (the “United States” or “Government”), by its attorney, Geoffrey S. Berman, United States Attorney for the Southern District of New York; relator Jane Doe (“Relator”), by her authorized representatives; and defendant William Rue (“Rue”), by their authorized representatives (together with the Government and Relator, the “Parties);

WHEREAS, on or about June 30, 2016, the Relator filed a complaint under the *qui tam* provisions of the False Claims Act (“FCA”), 31 U.S.C. § 3729 *et seq.*, against FPR Specialty

Pharmacy, LLC (“FPR”), Mead Square Pharmacy, Inc. (“Mead Square”), Christopher K. Casey (“Casey”), and Rue (together the “Pharmacy Defendants”)<sup>1</sup> alleging, *inter alia*, that they violated the FCA by dispensing and selling by mail compounded prescription pharmaceutical preparations to customers covered by federal and state healthcare programs who were located in states in which the Pharmacy Defendants were not, or should not have been, licensed to do so, and that they dispensed and sold such prescription medications in a manner that violated the Anti-Kickback Statute (“AKS”), 42 U.S.C. § 1320a-7b (the “Relator Complaint”);

WHEREAS, on or about January 29, 2018, the Relator filed an amended *qui tam* complaint against the same defendants, as well as Dr. Daniel C. Roth and Dr. Catherine M. LaVigne (the “Physician Defendants”), reiterating the allegations against the Pharmacy Defendants (but only with regard to patients covered by federal healthcare programs), and alleging that the Physician Defendants violated the AKS by accepting certain payments from the Pharmacy Defendants (the “Relator Amended Complaint”);

WHEREAS, the Government alleges that from 2011 to 2015 (the “Covered Period”):

- a. The Pharmacies sold a compounding prescription preparation known as “Focused Pain Relief,” an analgesic cream, to their mail-order customers around the country;
- b. Mead Square sold the preparation in question from 2011 until August 2013, and FPR sold it from August 2013 until 2015;
- c. The Pharmacy Defendants violated the FCA by dispensing and selling by mail compounded prescription pharmaceutical preparations to customers covered by federal healthcare programs who were located in states in which the pharmacies were not licensed to do so;

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<sup>1</sup> Relator’s original complaint was also brought on behalf of several states: the State of California, the State of Connecticut, the State of Florida, the State of Illinois, the State of Indiana, the State of Iowa, the State of New Jersey, the State of New Mexico, the State of New York, the State of Tennessee, the State of Texas, and the Commonwealth of Virginia (together, the “States”). The States consented to the dismissal of the claims on their behalf.

- d. The Pharmacy Defendants violated the FCA by not disclosing, in connection with their applications to become licensed mail-order pharmacies to customers in certain states, that they had previously sold prescription drugs to customers in those states without being licensed, which would likely have resulted in the rejection of their applications;
- e. The Pharmacy Defendants violated the FCA by not disclosing, in connection with their applications to become licensed mail-order pharmacies to customers in certain states, the relevant criminal history of Casey, the companies' pharmacist-in-charge, despite specific questions asking them to do so, which would likely have resulted in the rejection of their applications;
- f. The Pharmacy Defendants violated the AKS (and thus the FCA) by not charging their customers who were covered by federal healthcare programs the required copay or coinsurance payments mandated by those programs for prescription drugs; and
- g. The Pharmacy Defendants violated the AKS (and thus the FCA) by entering into agreements with independent sales agents and distributors to solicit physicians to prescribe their pharmaceutical preparations, which provided that the pharmacies would pay the sales agents and distributors specific sums as sales commissions for each prescription prescribed by a physician assigned to the particular agent or distributor, and by actually paying their sales agents and distributors sales commissions on a per-prescription basis in accordance with these agreements.

The conduct described in this paragraph is the "Covered Conduct" for purposes of this Stipulation;

WHEREAS, contemporaneous with the filing of this Stipulation, the Government is filing a Notice of Election to Intervene in Part and a Complaint-In-Partial-Intervention in the above-referenced *qui tam* action ("Government Complaint"), in which it is asserting claims against the Pharmacy Defendants under the FCA and common law for the Covered Conduct, and declining to intervene against the Physician Defendants;

WHEREAS, the Parties have, through this Stipulation, reached a mutually agreeable resolution addressing the claims asserted against Rue in the Government Complaint and the Relator Amended Complaint, for the Covered Conduct;

NOW, THEREFORE, upon the Parties' agreement IT IS HEREBY ORDERED that:

### TERMS AND CONDITIONS

1. The Parties agree that this Court has subject matter jurisdiction over this action and consent to this Court's exercise of personal jurisdiction over each of them.
2. Rue admits, acknowledges and accepts responsibility for the following conduct:
  - a. During the Covered Period, FPR and Mead Square, located in Victor, New York (together, the "Pharmacies"), sold a compounding prescription preparation known as "Focused Pain Relief," an analgesic cream, to their mail-order customers around the country. Mead Square sold the preparation in question from 2011 until August 2013, and FPR sold it from August 2013 until 2015.
  - b. During the Covered Period, Rue was a part owner of FPR and was its president and chief executive officer. During part of the Covered Period, Rue was also an employee of Mead Square.
  - c. A substantial number of the Pharmacies' customers who purchased Focused Pain Relief by mail order were covered by federal healthcare programs, including Tricare, Medicare, military veterans' programs, federal workers' compensation programs, and federal employee health-insurance programs. The Pharmacies submitted claims for payment to these federal healthcare programs in connection with their customers' prescriptions for Focused Pain Relief, which were written by licensed physicians.
  - d. During the Covered Period, the Pharmacies sold prescriptions to customers covered by federal healthcare programs who were located in several states in which they were not licensed or no longer licensed by the relevant state pharmacy boards to operate as an out-of-state mail-order pharmacy or otherwise sell prescription drugs to residents of those states.
  - e. The Pharmacies did not disclose, in connection with their applications to state pharmacy boards when they had previously sold mail-order prescription drugs to residents of those states where the Pharmacies either were not licensed or had license applications pending but not yet issued.
  - f. During the Covered Period, the Pharmacies often did not charge their customers who were covered by federal healthcare programs the required copays or coinsurance payments mandated by those programs for prescription drugs, in connection with their sales of Focused Pain Relief to those customers.

- g. From 2012 until mid-2014, the Pharmacies entered into agreements with independent sales agents and distributors to solicit physicians to prescribe Focused Pain Relief. These agreements, which were often signed by Rue, generally provided that the Pharmacies would pay the sales agents and distributors specific sums as sales commissions for each prescription of Focused Pain Relief prescribed by a physician assigned to the particular agent or distributor. The Pharmacies actually paid their sales agents and distributors sales commissions on a per-prescription basis, in accordance with these agreements.

3. Rue agrees to pay and the Government agrees to accept settlement payments totaling sixty-one thousand dollars (\$61,000) (the “Settlement Amount”), to be paid according to the schedule set forth below. Rue agrees that he shall not seek indemnification from any source with respect to any portion of the Settlement Amount. Rue shall make the below-referenced payments (each a “Settlement Payment”) in accordance with instructions to be provided by the United States Attorney’s Office for the Southern District of New York. The Settlement Amount constitutes restitution to the United States.

- a. Within three weeks of the Effective Date (defined below in Paragraph 31), Rue shall pay the Government the sum of twenty-five thousand dollars (\$25,000);
- b. For five years after the Effective Date, Rue will make monthly payments of six hundred dollars (\$600) on the first calendar day of each month, for a total of thirty-six thousand dollars (\$36,000).

4. Subject to the exceptions in Paragraphs 9 and 16 below (concerning excluded claims and bankruptcy proceedings), and conditioned upon Rue’s full compliance with the terms of this Stipulation, including full payment of the Settlement Amount to the United States pursuant to Paragraph 3 above, the United States releases Rue, including his successors, heirs, and assigns, from any civil or administrative monetary claim that the United States has for the Covered Conduct under the FCA, the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a, the Program Fraud Civil Remedies Act, 31 U.S.C. § 3801-3812, and the common law theories of fraud, payment by mistake, and unjust enrichment.

5. Rue fully and finally releases the United States, its agencies, officers, employees, servants, and agents from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that he has asserted, could have asserted, or may assert in the future against the United States, its agencies, officers, employees, servants, or agents related to the Covered Conduct and the United States' investigation, prosecution and settlement thereof.

6. Conditioned on Rue's timely payment of the full Settlement Amount pursuant to Paragraph 3 above, the Relator, for herself and her heirs, successors, attorneys, agents, and assigns, releases Rue, including his successors, heirs, assigns, attorneys, and other agents, from any and all manner of claims, proceedings, liens, and causes of action of any kind or description that the Relator has against Rue related to or arising from the Relator Complaint or the Relator Amended Complaint; provided, however, that nothing in this Stipulation shall preclude Relator from seeking to recover, and Relator does not release here, her reasonable expenses and attorneys' fees and costs pursuant to 31 U.S.C. § 3730(d).

7. As a condition for Relator's agreement herein, including dismissal of relator's claims with prejudice, Rue agrees that Relator and her attorneys are entitled to reasonable expenses, attorney's fees and costs pursuant to 31 U.S.C. § 3730(d); provided, however, that Rue expressly reserves his right to challenge the amount and reasonableness of Relator's claim for attorneys' fees, expenses, and costs. Relator and Rue agree that the Court shall have continuing jurisdiction to issue orders with regard to any disputes over the amounts for expenses, attorney's fees, and costs. They further agree that, should the parties be unable to reach an agreement on amounts, Relator may file a motion for attorney's fees, costs, and expenses within 60 days of the Effective Date, or within such longer period that is agreed by the Relator and Rue and approved by the Court.

8. In consideration of the execution of this Stipulation by the Relator and the Relator's release as set forth in Paragraph 6 above, Rue, including his heirs, assigns, attorneys, and other agents, releases the Relator and her successors, heirs, assigns, attorneys, and other agents, from any and all manner of claims, proceedings, liens, and causes of action of any kind or description that Rue has against Relator related to or arising from the Relator Complaint or the Relator Amended Complaint.

9. Notwithstanding the releases given in Paragraph 4 above, or any other term of this Stipulation, the following claims of the Government are specifically reserved and are not released by this Stipulation:

- a. any liability arising under Title 26, United States Code (Internal Revenue Code);
- b. any criminal liability;
- c. except as explicitly stated in this Stipulation, any administrative liability, including but not limited to the mandatory or permissive exclusion from Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)) under 42 U.S.C. § 1320a-7(a) (mandatory exclusion) or 42 U.S.C. § 1320a-7(b) (permissive exclusion);
- d. any liability to the United States (or its agencies) for any conduct other than the Covered Conduct;
- e. any liability based upon obligations created by this Stipulation; and
- f. any liability of individuals other than Rue.

10. Rue shall be in default of this Stipulation if he fails to make any of the Settlement Payments set forth in Paragraph 3 above on or before the due date for such payment, or if he fails to comply materially with any other term of this Stipulation that applies to him ("Default"). The Government shall provide written notice to Rue of any Default in the manner set forth in Paragraph 30 below. Rue shall then have an opportunity to cure the Default within ten (10) calendar days from the date of delivery of the notice of Default. In the event that a Default is not

fully cured within ten (10) calendar days of the delivery of the notice of Default (“Uncured Default”), interest shall accrue at the rate of 12% per annum compounded daily on the remaining unpaid principal balance of the Consent Judgment Amount (defined below), beginning ten (10) calendar days after mailing of the notice of Default. In the event of an Uncured Default, Rue shall agree to the entry of a consent judgment in favor of the Government and against the Pharmacy Defendants, jointly and severally, in the amount of five million four hundred twenty-seven thousand two hundred seventy-six dollars (\$5,427,276) (the “Consent Judgment Amount”), a copy of which is attached hereto as Exhibit A (the “Consent Judgment”). In the event that the Pharmacy Defendants have paid any amounts to the Government prior to the Uncured Default, they may, within ten (10) calendar days of the Uncured Default, execute and deliver to the United States a substitute consent judgment that includes only the amount of the unpaid portion of the Consent Judgment Amount. In the event that only Rue, but not the FPR Defendants, has an Uncured Default, Rue shall, within ten (10) calendar days of the Uncured Default, execute and deliver to the United States a substitute consent judgment against him that includes only the amount of the unpaid portion of the Consent Judgment Amount. The United States may also, at its option, (a) rescind this Stipulation and reinstate the claims asserted against Rue in the Government Complaint; (b) seek specific performance of this Stipulation; (c) offset the remaining unpaid balance of the Consent Judgment Amount from any amounts due and owing Rue by any department, agency, or agent of the United States; or (d) exercise any other rights granted by law, or under the terms of this Stipulation, or recognizable at common law or in equity. Rue shall not contest any offset imposed or any collection undertaken by the Government pursuant to this paragraph, either administratively or in any federal or state court. In addition, Rue shall pay the Government all reasonable costs of collection and enforcement



under this paragraph, including attorneys' fees and expenses. In the event that the United States opts to rescind this Stipulation pursuant to this paragraph, Rue shall not 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 relate to the Covered Conduct.

11. Rue, having truthfully admitted to the conduct set forth in Paragraph 2 hereof (the "Admitted Conduct"), agrees he shall not, through his attorneys or agents, make any public statement, including but not limited to, any statement in a press release, social media forum, or website, that contradicts or is inconsistent with the Admitted Conduct or suggests that the Admitted Conduct is not wrongful (a "Contradictory Statement"). Any Contradictory Statement by Rue, his attorneys or agents, shall constitute a violation of this Consent Order, thereby authorizing the Government to pursue any of the remedies set forth in Paragraph 10 hereof, or seek other appropriate relief from the Court. Before pursuing any remedy, the Government shall notify Rue that it has determined that he has made a Contradictory Statement. Upon receiving notice from the Government, Rue may cure the violation by repudiating the Contradictory Statement in a press release or other public statement within four business days. If Rue learns of a potential Contradictory Statement by his attorneys or agents, he must notify the Government of the statement within 24 hours. The decision as to whether any statement constitutes a Contradictory Statement or will be imputed to Rue for the purpose of this Consent Order, or whether Rue adequately repudiated a Contradictory Statement to cure a violation of this Consent Order, shall be within the sole discretion of the Government. Consistent with this provision, Rue may raise defenses and/or assert affirmative claims or defenses in any proceeding brought by private and/or public parties, so long as doing so would not contradict or be inconsistent with the Admitted Conduct.

12. The Relator and her heirs, successors, attorneys, agents, and assigns shall not object to this Stipulation; Relator agrees and confirms that the terms of this Stipulation are fair, adequate, and reasonable under all the circumstances, pursuant to 31 U.S.C. § 3730(c)(2)(B).

13. Rue agrees that he waives and shall not seek payment for any of the healthcare billings covered by this Stipulation from any healthcare beneficiaries or their parents, sponsors, legally responsible individuals, or third-party payors based upon the claims defined as Covered Conduct.

14. Rue waives and shall not assert any defenses he 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 Stipulation bars a remedy sought in such criminal prosecution or administrative action.

15. Rue represents and warrants that he has reviewed his financial situation, that he is currently not insolvent as such term is defined in 11 U.S.C. § 101(32), and that he reasonably believes that he shall remain solvent while making all of the Settlement Payments to the Government. Further, the Parties warrant that, in evaluating whether to execute this Stipulation, they: (a) have intended that the mutual promises, covenants, and obligations set forth constitute a contemporaneous exchange for new value given to Rue, within the meaning of 11 U.S.C. § 547(c)(1); and (b) have concluded that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange. Further, the Parties warrant that the mutual promises, covenants, and obligations set forth herein are intended to and do, in fact, represent a reasonably equivalent exchange of value that is not intended to hinder, delay, or defraud any

entity to which Rue was or became indebted to on or after the date of this Stipulation, within the meaning of 11 U.S.C. § 548(a)(1).

16. If within 91 days of the Effective Date of this Stipulation or any payment made under this Stipulation, Rue commences any case, action, or other proceeding under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors or a third party commences any case, action, or other proceeding under any law related to bankruptcy, insolvency, reorganization, or relief of debtors (a) seeking an order for relief of his debts, or seeking to adjudicate him as bankrupt or insolvent; or (b) seeking appointment of a receiver, trustee, custodian, or other similar official for him or for all or part of his assets, Rue agrees as follows:

- a. Rue's obligations under this Stipulation may not be avoided pursuant to 11 U.S.C. § 547, and he shall not argue or otherwise take the position in any such case, action, or proceeding that (i) his obligations under this Stipulation may be avoided under 11 U.S.C. § 547; (ii) he was insolvent at the time this Stipulation was entered into; or (iii) the mutual promises, covenants, and obligations set forth in this Stipulation do not constitute a contemporaneous exchange for new value given to them.
- b. If Rue's obligations under this Stipulation are avoided for any reason, including, but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code, the Government, at its option, may rescind the release in this Stipulation and bring any civil and/or administrative claim, action, or proceeding against Rue for the claims that would otherwise be covered by the release in Paragraph 4 above. Rue agrees that (i) any such claim, action, or proceeding brought by the Government would not be subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) as a result of the case, action, or proceeding described in the first sentence of this paragraph, and he shall not argue or otherwise contend that the Government's claim, action, or proceeding is subject to an automatic stay; (ii) Rue shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any claim, action, or proceeding that is brought by the Government within 60 calendar days of written notification to him that the release has been rescinded pursuant to this paragraph, except to the extent such defenses were available on June 30, 2016; and (iii) the Government has a valid claim against Rue in the amount of the Consent Judgment Amount and the Government may pursue its claim in the case, action, or

proceeding described in the first sentence of this paragraph, as well as in any other case, action, or proceeding.

- c. Rue acknowledges that the agreements in this paragraph are provided in exchange for valuable consideration provided in this Stipulation.

17. Rue has provided sworn financial disclosure statements and other information and materials relevant to his ability to make payments to resolve this matter (“Financial Information”) to the United States and the United States has relied on the accuracy and completeness of that Financial Information in reaching this Stipulation. Rue warrants that the Financial Information is complete, accurate, and current. If the United States learns of asset(s) in which Rue had an interest at the time of this Stipulation that were not disclosed in the Financial Information, or if the United States learns of any misrepresentation by Rue on, or in connection with, the Financial Information, and if such nondisclosure or misrepresentation changes the net worth of Rue as reflected in the Financial Information by twenty thousand dollars (\$20,000) or more, the United States may at its option: (a) rescind this Stipulation and reinstate its suit against Rue based on the Covered Conduct, or (b) let the Stipulation stand and collect the full Settlement Amount plus one hundred percent (100%) of the value of the net worth of Rue previously undisclosed. Rue agrees not to contest any collection action undertaken by the United States pursuant to this provision, and immediately to pay the United States all reasonable costs incurred in such an action, including attorneys’ fees and expenses.

18. In the event that the United States, pursuant to Paragraph 17 above (concerning disclosure of assets) opts to rescind this Stipulation, Rue 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 within 180 calendar days of written notification to him that this Stipulation has been rescinded, and (b) are

based on the Covered Conduct, except to the extent these defenses were available on June 30, 2016.

19. 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), any carrier or payer for any federal healthcare program, including Tricare, military veterans' programs, federal workers' compensation programs, and federal employee health-insurance programs, or any state payer, related to the Covered Conduct; and the FPR Defendants agree not to resubmit to any Medicare contractor, any carrier or payer for any federal healthcare program, or any state payer any previously denied claims related to the Covered Conduct, agree not to appeal any such denials of claims, and agree to withdraw any such pending appeals.

20. Rue 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 Rue in connection with:
  - (1) the matters covered by this Stipulation;
  - (2) the United States' audit(s) and civil investigation(s) of matters covered by this Stipulation;
  - (3) Rue's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil investigation(s) in connection with matters covered by this Stipulation (including attorneys' fees);
  - (4) the negotiation and performance of this Stipulation; and
  - (5) any payment Rue makes to the United States pursuant to this Stipulation and any payment Rue may make to the Relator, including expenses, costs and attorneys' fees;

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

- b. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for by Rue, and Rue shall not charge such Unallowable Costs directly or indirectly to any contracts with the United States.
- c. Treatment of Unallowable Costs Previously Submitted for Payment: Within 90 days of the Effective Date of this Stipulation, Rue shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs (as defined in this paragraph) included in payments previously sought by Rue from the United States. Rue agrees that the United States, at a minimum, shall be entitled to recoup from him any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously submitted requests for payment. Any payments due shall be paid to the United States pursuant to the direction of the Department of Justice and/or the affected agencies. The United States, including the Department of Justice and/or the affected agencies, reserves its right to audit, examine, or re-examine Rue’s books and records and to disagree with any calculation submitted by them or any of their subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by Rue, or the effect of any such Unallowable Costs on the amounts of such payments.
- d. Nothing in this Stipulation shall constitute a waiver of the rights of the United States to audit, examine, or re-examine Rue’s books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this paragraph.

21. This Stipulation 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 as otherwise provided herein.

22. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Stipulation; provided, however, nothing in this Stipulation shall preclude the Relator from seeking to recover her expenses or attorneys’ fees and costs from Rue, pursuant to 31 U.S.C. § 3730(d).

23. Any failure by the Government to insist upon the full or material performance of any of the provisions of this Stipulation shall not be deemed a waiver of any of the provisions

hereof, and the Government, notwithstanding that failure, shall have the right thereafter to insist upon the full or material performance of any and all of the provisions of this Stipulation.

24. This Stipulation is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Stipulation is the United States District Court for the Southern District of New York. For purposes of construing this Stipulation, this Stipulation shall be deemed to have been drafted by all Parties to this Stipulation and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

25. This Stipulation constitutes the complete agreement between the Parties with respect to the subject matter hereof. This Stipulation may not be amended except by written consent of the Parties.

26. The undersigned counsel and other signatories represent and warrant that they are fully authorized to execute this Stipulation on behalf of the persons and the entities indicated below.

27. This Stipulation is binding on Rue's successors, transferees, heirs, and assigns.

28. This Stipulation is binding on the Relator's successors, transferees, heirs, and assigns.

29. This Stipulation may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Stipulation. E-mails that attach signatures in PDF form or facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Stipulation.

30. Any notice pursuant to this Stipulation shall be in writing and shall, unless expressly provided otherwise herein, be delivered by hand, express courier, or e-mail transmission followed by postage-prepaid mail, and shall be addressed as follows:

TO THE UNITED STATES:

Jean-David Barnea  
Assistant United States Attorney  
United States Attorney's Office  
Southern District of New York  
86 Chambers Street, Third Floor  
New York, NY 10007  
Email: Jean-David.Barnea@usdoj.gov

TO RUE:

John F. Speranza, Esq.  
1800 First Federal Plaza  
28 East Main Street  
Rochester, NY 14614  
Email: speranza@frontiernet.net

TO RELATOR:

Randall M. Fox, Esq.  
Kirby McInerney LLP  
250 Park Avenue, Suite 820  
New York, NY 10177  
Email: rfox@kmlp.com

31. The effective date of this Stipulation is the date upon which the Stipulation is approved by the Court (the "Effective Date").

32. Nothing in this Stipulation affects the Relator's claims against the Physician Defendants.

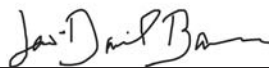


Agreed to by:

**THE UNITED STATES OF AMERICA**

Dated: New York, New York  
March 30, 2020

GEOFFREY S. BERMAN  
United States Attorney for the  
Southern District of New York

By:   
\_\_\_\_\_  
JEAN-DAVID BARNEA  
Assistant United States Attorney  
86 Chambers Street, Third Floor  
New York, New York 10007  
Tel.: (212) 637-2679  
Fax: (212) 637-2686

*Attorney for the United States of America*

**RELATOR**

Dated: New York, New York  
March 26, 2020

KIRBY MCINERNEY LLP

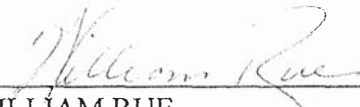
By:

  
RANDALL M. FOX, ESQ.  
250 Park Avenue, Suite 820  
New York, NY 10177  
Tel.: (212) 371-6600  
Fax: (212) 751-2540


*Attorneys for Relator*

DEFENDANT WILLIAM RUE

Dated: Victor, New York  
March 27, 2020


  
\_\_\_\_\_  
WILLIAM RUE

Dated: Rochester, New York  
March 30, 2020

By:   
\_\_\_\_\_  
JOHN F. SPERANZA, ESQ.  
1800 First Federal Plaza  
28 East Main Street  
Rochester, NY 14614  
Tel: (585) 454-1500  
Fax: (585) 454-2150

*Attorney for Rue*

SO ORDERED:

  
\_\_\_\_\_  
HON. PAUL A. ENGELMAYER  
UNITED STATES DISTRICT JUDGE

Dated: April 2, 2020