SETTLEMENT AGREEMENT

This Settlement Agreement (Agreement) is entered into among the United States of America, acting through the United States Department of Justice and on behalf of the Office of Inspector General (OIG-HHS) of the Department of Health and Human Services (HHS), the Defense Health Agency (DHA), acting on behalf of the TRICARE Program; and the United States Department of Veterans Affairs (VA) (collectively, the “United States”), Donell Burkett and Daniel Hunter Pledger (the “Defendants”), and Denise Aucoin and Brent Aucoin, (the “Relators”) (together with the United States and the Defendants, the “Parties”), through their authorized representatives.

RECITALS

A. Defendants Donell Burkett and Daniel Hunter Pledger are former owners and executives of Advanced Pathology Solutions (“APS”), an anatomic pathology laboratory located in North Little Rock, Arkansas.

B. On April 9, 2021, Denise Aucoin and Brent Aucoin filed a *qui tam* action in the United States District Court for the Eastern District of Arkansas captioned *United States ex rel. Aucoin v. Advanced Pathology Solutions*, No. 4:21-cv-277, pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the “Civil Action”). The United States intervened in the Civil Action on March 2, 2026, and filed its Complaint in Intervention on April 9, 2026.

C. The United States contends that Defendants submitted or caused to be submitted claims for payment to the Medicare Program, Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395lll (“Medicare”); the TRICARE Program, 10 U.S.C. §§ 1071-1110b (“TRICARE”); and the Department of Veterans Affairs, Veterans Health Administration, 38 U.S.C. Chapter 17.

D. The United States contends that it has certain civil claims against Defendants as follows: During the period from January 1, 2015, through July 31, 2022, Defendants (i) knowingly and willfully provided unlawful remuneration to gastroenterology practices in exchange for patient referrals; and (ii) submitted or caused the submission of claims for medically unnecessary pathology testing, as set out in the United States' Complaint-in-Intervention in the Civil Action. This conduct is referred to below as the "Covered Conduct."

E. This Agreement is neither an admission of liability by Defendants nor a concession by the United States that its claims are not well founded. Defendants deny the United States' allegations in Paragraph D, Relators' allegations in the Civil Action, and the United States' allegations in its Complaint-in-Intervention in the Civil Action.

F. Relators claim entitlement under 31 U.S.C. § 3730(d) to their reasonable expenses, attorneys' fees and costs as to the Covered Conduct.

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. Defendants shall pay to the United States six million dollars ($6,000,000) (the "Settlement Amount") and interest on the Settlement Amount at a rate of 4.375% per annum from May 14, 2026, of which three million dollars ($3,000,000) is restitution. The Settlement Amount and interest shall be paid as follows:

a. Defendant Pledger will make a payment of $3,450,000 within ten days of the Effective Date.

b. Over a period of one year, Defendant Burkett will make payments pursuant to the schedule attached as Exhibit A. Interest shall accrue on the unpaid Settlement Amount as indicated in Exhibit A.

Collectively, the Settlement Amount and interest received by the United States shall be referred to as the "Settlement Payments." Defendants agree that they are each jointly and severally liable for the Settlement Payments and Relators' reasonable expenses, attorneys' fees and costs under 31 U.S.C. § 3730(d). The Parties agree that the United States District Court shall have continuing jurisdiction to issue orders with regard to any disputes over Relators' reasonable expenses, attorneys' fees and costs as to the Covered Conduct.

2. Conditioned upon the United States receiving the Settlement Amount payments, the United States agrees that it shall pay to Relators by electronic funds transfer 17.89% of each such payment received under the Settlement Agreement, including a proportionate share of any interest, as soon as feasible after receipt of the payment ("Relators' Share").

3. Subject to the exceptions in Paragraph 6 (concerning reserved claims) below, and subject to Paragraph 16 (concerning default), Paragraph 17 (concerning bankruptcy), and upon the United States' receipt of the Settlement Amount**,** plus interest due under Paragraph 1, the United States releases Defendants 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; or the common law theories of payment by mistake, unjust enrichment, and fraud.

4. Relators' claims for attorneys' fees and costs pursuant to 31 U.S.C. §3730(d) are not released pursuant to or covered by this Agreement. These claims will either be the subject of

a separate agreement between Relator and the Defendants or will be litigated in the event that Relators and Defendants are unable to reach an agreement.

5. Subject to the exceptions in Paragraph 6 below, and subject to Paragraph 16 (concerning default), Paragraph 17 (concerning bankruptcy), and upon the United States' receipt of the Settlement Amount**,** plus interest due under Paragraph 1, and upon resolution of Relators' claims for attorneys' fees and costs pursuant to 31 U.S.C. §3730(d), Relators, for themselves and for their heirs, successors, attorneys, agents, and assigns, release Defendants from any civil monetary claim Relators have (whether known or unknown) on behalf of the United States for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Federal Anti-Kickback Statute, 42 U.S.C. § 1320a-7a; or any related state laws through the Effective Date of this Agreement.

6. Notwithstanding the releases given in Paragraph 3 of this Agreement, or any other term of this Agreement, the following claims and rights of the United States are specifically reserved and are not released:

a. Any liability arising under Title 26, U.S. Code (Internal Revenue Code);

b. Any criminal liability;

c. Except as explicitly stated in this Agreement, any administrative liability or enforcement right, including mandatory or permissive exclusion from Federal health care programs;

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

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

f. Any liability of individuals other than Donell Burkett and Daniel Hunter Pledger;

g. Any liability for express or implied warranty claims or other claims for defective or deficient products or services, including quality of goods and services;

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

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

7. Relators and their heirs, successors, attorneys, agents, and assigns shall not object to this Agreement but agree and confirm that this Agreement is fair, adequate, and reasonable under all the circumstances, pursuant to 31 U.S.C. § 3730(c)(2)(B). Conditioned upon receipt of the Relators' Share by Relator Denise Aucoin, Relators and their heirs, successors, attorneys, agents, and assigns fully and finally release, waive, and forever discharge the United States, its agencies, officers, agents, employees, and servants, from any claims arising from the filing of the Civil Action or under 31 U.S.C. § 3730, and from any claims to a share of the proceeds of this Agreement and/or the Civil Action.

8. Except for Relators' claims under 31 U.S.C. § 3730(d) for attorneys' fees, costs and expenses, which are reserved and will be addressed separately by Relators and Defendants, and subject to the exceptions in Paragraph 6 above, Paragraph 16 (concerning default), and Paragraph 17 (concerning bankruptcy) below, and upon the United States' receipt of the Settlement Amount**,** plus interest due under Paragraph 1, Relators, for themselves and for their heirs, successors, attorneys, agents, and assigns, fully and finally release, waive, and forever discharge Defendants Donell Burkett and Daniel Hunter Pledger, individually, from any and all claims, demands, causes of action, suits, damages, expenses, fees, and liabilities of every kind and character, whether known or unknown, suspected or unsuspected, accrued or contingent, arising from or relating to (i) the filing or prosecution of the Civil Action, (ii) Relators'

employment with Advanced Pathology Solutions and the termination thereof, and (iii) any other facts, transactions, or occurrences arising or accruing on or before the Effective Date of this Agreement.

9. Defendants waive and shall not assert any defenses Defendants may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Agreement bars a remedy sought in such criminal prosecution or administrative action.

10. Defendants fully and finally release the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Defendants have 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 or the United States' investigation or prosecution thereof.

11. Defendants fully and finally release Relators from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Defendants have asserted, could have asserted, or may assert in the future against the Relators, related to the Covered Conduct and the Relators' investigation and prosecution thereof, and Relators' employment with Advanced Pathology Solutions and the termination thereof.

12. The Settlement Amount shall not be decreased as a result of the denial of claims for payment now being withheld from payment by any Medicare contractor (e.g., Medicare Administrative Contractor, fiscal intermediary, carrier), TRICARE contractor or payer, VA contractor or payer, or any state payer, related to the Covered Conduct; and Defendants agree not

to resubmit to any Medicare contractor, TRICARE contractor or payer, VA contractor or payer, or any state payer any previously denied claims related to the Covered Conduct, agree not to appeal any such denials of claims, and agree to withdraw any such pending appeals.

13. Defendants agree to the following:

a. Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47; and in Titles XVIII and XIX of the Social Security Act, 42 U.S.C. §§ 1395-1395lll and 1396-1396w-5; and the regulations and official program directives promulgated thereunder) incurred by or on behalf of Defendants, their 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 investigation of the matters covered by this Agreement;

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

(4) the negotiation and performance of this Agreement; and

(5) the payments Defendants make to the United States pursuant to this Agreement and any payments that Defendants may make to Relators, including costs and attorneys' fees

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

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

c. Treatment of Unallowable Costs Previously Submitted for Payment: Defendants further agree that within 90 days of the Effective Date of this Agreement it shall identify to applicable Medicare and TRICARE fiscal intermediaries, carriers, and/or contractors, and Medicaid and FEHBP fiscal agents, any Unallowable Costs (as defined in this paragraph) included in payments previously sought from the United States, or any State Medicaid program, including, but not limited to, payments sought in any cost reports, cost statements, information reports, or payment requests already submitted by Defendants 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. Defendants agree that the United States, at a minimum, shall be entitled to recoup from Defendants any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously-submitted cost reports, information reports, cost statements, or requests for payment.

Any payments due after the adjustments have been made shall be paid to the United States pursuant to the direction of the Department of Justice and/or the affected agencies. The United States reserves its rights to disagree with any calculations submitted by Defendants on the effect of inclusion of Unallowable Costs (as defined in this paragraph) on Defendants' 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 Defendants' books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this paragraph.

14. This Agreement is intended to be for the benefit of the Parties only. The Parties do not release any claims against any other person or entity, except to the extent provided for in Paragraph 15 (waiver for beneficiaries paragraph), below.

15. Defendants agree that they waive and shall not seek payment for any of the health care billings covered by this Agreement from any health care beneficiaries or their parents, sponsors, legally responsible individuals, or third-party payors based upon the claims defined as Covered Conduct.

16. a. In the event that Defendants fail to pay the Settlement Amount as provided in the payment schedule set forth in Paragraph 1 above, Defendants shall be in Default of Defendants' payment obligations ("Default"). The United States will provide a written Notice of Default, and Defendants shall have an opportunity to cure such Default within seven (7) calendar days from the date of receipt of the Notice of Default by making the payment due under the payment schedule and paying any additional interest accruing under this Agreement up to the date of payment. Notice of Default will be delivered to Defendants, or to such other representative as Defendants shall designate in advance in writing. If Defendants fail to cure the Default within seven (7) calendar days of receiving the Notice of Default and in the absence of an agreement with the United States to a modified payment schedule ("Uncured Default"), the remaining unpaid balance of the Settlement Amount shall become immediately due and payable, and interest on the remaining unpaid balance shall thereafter accrue at the rate of 12% per annum, compounded daily from the date of Default, on the remaining unpaid total (principal and interest balance).

b. In the event of Uncured Default, Defendants agree that the United States, at its sole discretion, may (i) retain any payments previously made, rescind this Agreement and pursue the Civil Action or bring any civil and/or administrative claim, action, or proceeding against Defendants for the claims that would otherwise be covered by the releases provided in Paragraph 3 above, with any recovery reduced by the amount of any payments previously made by Defendants to the United States under this Agreement; (ii) take any action to enforce this Agreement in a new action or by reinstating the Civil Action; (iii) offset the remaining unpaid balance from any amounts due and owing to Defendants and/or affiliated companies by any department, agency, or agent of the United States at the time of Default or subsequently; and/or (iv) exercise any other right granted by law, or under the terms of this Agreement, or recognizable at common law or in equity. The United States shall be entitled to any other rights granted by law or in equity by reason of Default, including referral of this matter for private collection. In the event the United States pursues a collection action, Defendants agree immediately to pay the United States the greater of (i) a ten-percent (10%) surcharge of the amount collected, as allowed by 28 U.S.C. § 3011(a), or (ii) the United States' reasonable attorneys' fees and expenses incurred in such an action. In the event that the United States opts to rescind this Agreement pursuant to this paragraph, Defendants waive and agree not to plead, argue, or otherwise raise any defenses of statute of limitations, laches, estoppel or similar theories, to any civil or administrative claims that are (i) filed by the United States against Defendants within 120 days of written notification that this Agreement has been rescinded, and (ii) relate to the Covered Conduct, except to the extent these defenses were available on April 9, 2026. Defendants agree not to contest any offset, recoupment, and /or collection action undertaken by the United States pursuant to this paragraph, either administratively or in any state or federal court, except on the grounds of actual payment to the United States.

17. In exchange for valuable consideration provided in this Agreement, Defendants and Relators acknowledge the following:

a. Defendants have reviewed their financial situation and warrant that they are solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I) and shall remain solvent following final payment to the United States of the Settlement Amount.

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

c. The mutual promises, covenants, and obligations set forth herein are intended by the Parties to, and do in fact, constitute a reasonably equivalent exchange of value.

d. The Parties do not intend to hinder, delay, or defraud any entity to which Defendants were or became indebted to on or after the date of any transfer contemplated in this Agreement, within the meaning of 11 U.S.C. § 548(a)(1).

e. If any of Defendants' payments or obligations under this Agreement are avoided for any reason (including but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code) or if, before the Settlement Amount is paid in full, Defendants or a third party commence a case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors seeking any order for relief of Defendants' debts, or to adjudicate Defendants as bankrupt or insolvent; or seeking appointment of a receiver, trustee, custodian, or other similar official for Defendants or for all or any substantial part of Defendants' assets:

(i) the United States may rescind the releases in this Agreement and bring any civil and/or administrative claim, action, or proceeding against Defendants for the claims that would otherwise be covered by the releases provided in Paragraph 3 above;

(ii) the United States has an undisputed, noncontingent, and liquidated allowed claim against Defendants in the amount of $60,000,000, less any payments received pursuant to Paragraph 1 of this Agreement, provided, however, that such payments are not otherwise avoided and recovered from the United States by Defendants, a receiver, trustee, custodian, or other similar official for Defendants;

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

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

f. Defendants agree that any civil and/or administrative claim, action, or proceeding brought by the United States under Paragraph 17.e is not subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) because it would be an exercise of the United States' police and regulatory power. Defendants shall not argue or otherwise contend that the United States' claim, action, or proceeding is subject to an automatic stay and, to the extent necessary, consent to relief from the automatic stay for cause under 11 U.S.C. § 362(d)(1). Defendants waive and shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any such civil or administrative claim, action, or proceeding brought by the United States within 120 days of written notification to Defendants that the releases have been rescinded pursuant to this paragraph, except to the extent such defenses were available on April 9, 2026.

18. Upon the Effective Date of this Agreement, the parties to the Civil Action shall file a Notice of Settlement and an Unopposed Motion to Unseal the relator complaints, the United States' Complaint-in-Intervention, the Notice of Settlement, and all filings after the Notice of Settlement.

19. Upon receipt of the Settlement Amount described in Paragraph 1, the parties shall promptly sign and file in the Civil Action a Joint Partial Stipulation of Dismissal as to Defendants pursuant to Rule 41(a)(1).

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

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

22. This Agreement is governed by the laws of the United States. The exclusive venue for any dispute relating to this Agreement shall be the United States District Court for the Eastern District of Arkansas. 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.

23. Defendants and Relators agree that the United States District Court for the Eastern District of Arkansas shall have continuing jurisdiction to issue orders with regard to any disputes over Relators' reasonable expenses, attorneys' fees and costs as to the Covered Conduct.

24. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties. Forbearance by the United States from pursuing any remedy or relief available to it under this Agreement shall not constitute a waiver of rights under this Agreement.

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

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

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

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

29. All Parties consent to the United States' disclosure of this Agreement, and information about this Agreement, including the Complaint-in-Intervention, to the public.

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

THE UNITED STATES OF AMERICA

DATED: 6/12/2026 BY: ____________________

Evan J. Ballan
Jeff A. McSorley
Trial Attorneys
Commercial Litigation Branch
Civil Division
United States Department of Justice

DATED: 6/10/2026 BY: ____________________

Jamie Goss Dempsey
Assistant United States Attorney
Eastern District of Arkansas

DATED: __________ BY: ____________________

Susan E. Gillin
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
United States Department of Health and Human Services

DATED: __________ BY: ____________________

Salvatore M. Maida
General Counsel
Defense Health Agency
United States Department of Defense

THE UNITED STATES OF AMERICA

DATED: ________ BY: ______________________
Evan J. Ballan
Jeff A. McSorley
Trial Attorneys
Commercial Litigation Branch
Civil Division
United States Department of Justice

DATED: ________ BY: ______________________
Jamie Goss Dempsey
Assistant United States Attorney
Eastern District of Arkansas

DATED: ________ BY: SPENCER TURNBULL Digitally signed by SPENCER TURNBULL Date: 2026.06.11 15:15:21 -04'00'
Susan E. Gillin
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
United States Department of Health and Human Services

DATED: ________ BY: ______________________
Salvatore M. Maida
General Counsel
Defense Health Agency
United States Department of Defense

THE UNITED STATES OF AMERICA

DATED: __________ BY: ____________________________

Evan J. Ballan
Jeff A. McSorley
Trial Attorneys
Commercial Litigation Branch
Civil Division
United States Department of Justice

DATED: __________ BY: ____________________________

Jamie Goss Dempsey
Assistant United States Attorney
Eastern District of Arkansas

DATED: __________ BY: ____________________________

Susan E. Gillin
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
United States Department of Health and Human Services

BORKENHAGEN.WESTON.EARL.1138755149 Digitally signed by BORKENHAGEN.WESTON.EARL.1138755149 Date: 2026.06.11 07:31:08 -04'00'

DATED: 6/11/2026 BY: ____________________________

Salvatore M. Maida
For General Counsel
Defense Health Agency
United States Department of Defense

DANIEL HUNTER PLEDGER - DEFENDANT

DATED: 6/12/26 BY: ______________________
Daniel Hunter Pledger

DATED: 6/12/26 BY: ______________________
Scott Richardson
Counsel for Daniel Hunter Pledger

DONELL BURKETT - DEFENDANT

DATED: 6/12/26 BY: ______________________
Donell Burkett

DATED: 6/12/26 BY: ______________________
Scott Richardson
Counsel for Donell Burkett

DENISE AUCOIN AND BRENT AUCOIN - RELATORS

DATED: 6/10/26 BY: Denise Aucoin
Denise Aucoin

DATED: 6/10/2026 BY: Brent Aucoin
Brent Aucoin

DATED: 6/11/2026 BY: Renee Brooker
Renée Brooker Tycko & Zavareei LLP
Counsel for Denise Aucoin and Brent Aucoin

EXHIBIT A

Due Date	Lump Sum or Fixed Payment*
Within 10 Days from Effective Date	$850,000
Within 6 months of Effective Date	$850,000
Within 12 months of Effective Date	$850,000
TOTAL:	**$2,550,000***

*In addition to the lump sum or fixed payment amount stated in this table, any payments made after May 14, 2026, shall include interest at a rate of 4.375% per annum from May 14, 2026.