

## SETTLEMENT AGREEMENT AND MUTUAL RELEASE

THIS SETTLEMENT AGREEMENT AND MUTUAL RELEASE (“Settlement Agreement”) is entered into on this 1st day of September 2020 (“Effective Date”) by and between Ahmed Ali and Ynaam L.L.C. d/b/a Nour Pharmacy, located at 1578 Main Avenue, Clifton, New Jersey 07011 (hereinafter collectively referred to as “Nour Pharmacy”), represented by Angelo J. Cifaldi, Esq., of Wilentz, Goldman and Spitzer, PA, and the STATE OF NEW JERSEY, OFFICE OF THE STATE COMPTROLLER, MEDICAID FRAUD DIVISION (“MFD”). The Nour Pharmacy and MFD are hereinafter referred to as the “Parties” and each individually as a “Party.”

WHEREAS, MFD conducted a pharmacy inventory analysis (“Inventory Analysis”) and found that during the period of review between March 1, 2012 through March 1, 2017, Nour Pharmacy submitted claims for pharmaceutical products provided to Medicaid patients that could not be supported by wholesaler invoices, contrary to N.J.S.A. 30:4D-12(d) and N.J.A.C. 10:49-9.8 (hereinafter referred to as the “Covered Conduct”); and

WHEREAS, MFD issued a Notice of Claim, Notice of Withhold and Certificate of Debt in the matter on January 6, 2020; and

WHEREAS, Nour Pharmacy submitted documentation to MFD to support a number of the discrepant claims along with facts and information that it maintained would reduce the overpayment amount; and

WHEREAS, MFD took into consideration additional documentation, facts, and information that Nour Pharmacy supplied; and

WHEREAS, MFD determined that, based on the Covered Conduct, Nour Pharmacy received an overpayment from the Medicaid program; and

WHEREAS, a portion of funds that otherwise would have been payable to Nour Pharmacy have been held as part of the withhold (“Withheld Funds”); and

WHEREAS, pursuant to the Notice of Withhold, based on the information currently available, MFD estimates that the amount of Withheld Funds is approximately \$185,000.00 (this

figure is subject to change based on MFD's receipt of updated information regarding amounts withheld by the state and/or MCOs); and

WHEREAS, MFD notified DMAHS and the MCOs to take the necessary steps as soon as practicable to terminate the withholding of otherwise payable funds,

WHEREAS, the Parties desire to amicably resolve the dispute regarding the Covered Conduct and have reached a mutually acceptable resolution of the controversies that exist between them;

NOW THEREFORE, in consideration of the mutual promises contained herein, as well as for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to settle their dispute on the following terms:

(1) Nour Pharmacy agrees to pay the Medicaid program the total amount of One Hundred Thirty Thousand Two Hundred Seventy Nine Dollars and Ninety-Nine Cents (\$130,279.99) (the "Total Payment Amount") as follows: Nour Pharmacy agrees to release its claim to \$130,279.99 of the Withheld Funds and MFD agrees that all Withheld Funds up to \$130,279.99 will be applied to the Total Payment Amount. Nour Pharmacy waives and relinquishes all rights or claims to all of the Withheld Funds up to the amount of \$130,279.99.

(2) The parties understand that the total Withheld Funds amount cannot be finally determined until MFD has completed an accounting of such funds. MFD shall make all reasonable efforts to provide Nour Pharmacy with a final accounting of Withheld Funds no later than sixty (60) days after the Effective Date of this Settlement Agreement. Due to the challenges brought about by the COVID 19 outbreak, the accounting may take longer than sixty (60) days, but will be provided as soon as practicable.

(3) If the Withheld Funds are determined by the final accounting to be greater than \$130,279.99, MFD agrees to pay such overage to Nour Pharmacy, i.e., the difference between the Withheld Funds and \$130,279.99, as soon as practicable after the accounting is complete.

(4) If the Withheld Funds are determined by the final accounting to be less than \$130,279.99, Nour Pharmacy shall pay MFD the difference between \$130,279.99 and the Withheld Funds within thirty (30) days of the completion of the final accounting.

(5) If the payment arrangement as provided for in paragraph (4) of this Settlement Agreement, if applicable, is more than ten (10) days late, Nour Pharmacy will be in default of the Settlement Agreement and the total unpaid balance, plus 6% simple interest in the Total Payment Amount, will immediately become due and collected through any means available to MFD as provided by law.

(6) MFD will submit a revised Certificate of Debt against Nour Pharmacy in the amount of \$130,279.99 to the Superior Court of New Jersey for filing as a judgment in this matter as soon as practicable. As soon as practicable after the receipt of the Total Payment Amount from Nour Pharmacy, MFD shall file a Warrant to Discharge with the Clerk of the Superior Court of New Jersey indicating that the Certificate of Debt filed against Nour Pharmacy is satisfied and should be removed from the Court's docketed judgments. Due to the current COVID 19 challenges, including court closing, the steps outlined in this paragraph may take more time than usual to complete.

(7) Payment to MFD, if applicable as outlined in paragraph (4), shall be by certified check, bank check, or attorney trust check made payable to "Treasurer, State of New Jersey," and shall be mailed or delivered as follows:

Attn: Processing Bureau  
Treasurer, State of New Jersey

Division of Revenue  
200 Woolverton Street, Building 20  
Lockbox 656  
Trenton, New Jersey 08646

NOUR PHARMACY- [REDACTED] must be included on the memo line so payment is properly credited.

(8) Nour Pharmacy agrees to act in full compliance with all applicable state and federal rules and regulations, including but not limited to submitting only claims that accurately and completely reflect the services provided and medications dispensed by Nour Pharmacy. To that end, Nour Pharmacy agrees that it will only submit claims for services provided and medications dispensed for which it possesses sufficient documentation to support such claims and that it will implement policies to ensure that the underlying issues that caused or contributed to the Covered Conduct will be appropriately addressed and thereby not repeated.

(9) The Parties agree that this Settlement Agreement is intended to be a final resolution of all issues arising out of the Covered Conduct and is intended by each Party to release the other Party and its representatives from liability arising out of the Covered Conduct unless MFD is mandated to act by federal or state law, or mandated by order or judgment of a court or administrative agency, other than MFD.

(10) Nothing in this Settlement Agreement waives the rights of any other state or federal agency, including, among others, the New Jersey Division of Criminal Justice, from continuing with a pending or beginning a future civil, administrative, or criminal investigation, or other action for alleged conduct concerning Nour Pharmacy or from taking any action for such conduct. Nothing in this Settlement Agreement waives the rights of MFD to conduct an audit or investigation relating to any matter outside the Covered Conduct, and to take any action civilly or criminally for such conduct.

(11) The terms of this Settlement Agreement may be modified only by a subsequent written agreement signed by all Parties.

(12) Subject to the express terms of this Settlement Agreement as provided for in paragraphs 1-11 above, by the signatures set forth below, the authorization of which is hereby affirmed, Nour Pharmacy and MFD agree to the following Release: in consideration of the provision hereof including this release, each Party agrees to release the other Party and its representatives from liability, obligations, and damages arising out of the Covered Conduct.

(13) Nothing herein shall constitute an admission, concession, or finding of liability by any Party.

(14) This Settlement Agreement shall be construed, enforced, and governed by the laws of the State of New Jersey.

(15) This Settlement Agreement may be executed in counterparts.

(16) The Settlement Agreement is effective upon the last date it is executed by the Parties thereto.

(17) This Settlement Agreement sets forth the entire agreement between and among the Parties hereto with respect to the claims described herein and supersedes any other written or oral understandings. This Settlement Agreement does not reflect any other terms or conditions or agreements between or among the Parties with respect to any other matter.

IN WITNESS WHEREOF, and intending to be legally bound, the Parties hereto on the following page have executed the foregoing Settlement Agreement:

FORM AND CONTENT ACCEPTED AND AGREED TO BY:

DATE: \_\_\_\_\_, 2020

By: \_\_\_\_\_  
Ahmed Ali, Owner of  
Nour Pharmacy

DATE: \_\_\_\_\_, 2020

By: \_\_\_\_\_  
Angelo J. Cifaldi, Esq.  
Attorney for Nour Pharmacy

KEVIN D. WALSH  
ACTING STATE COMPTROLLER

DATE: 9/1, 2020

By: Josh Lichtblau  
Josh Lichtblau, Director  
Medicaid Fraud Division

DATE: 9/1, 2020

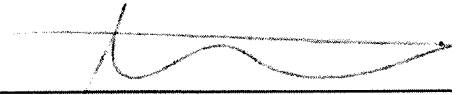
By: Don Catinello  
Don Catinello,  
Supervising Regulatory Officer  
Medicaid Fraud Division

DATE: 9/1, 2020

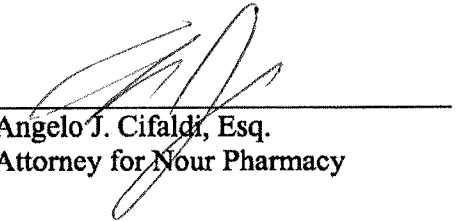
By: Siobhan Krier  
Siobhan B. Krier, Regulatory Officer  
Medicaid Fraud Division

FORM AND CONTENT ACCEPTED AND AGREED TO BY:

DATE: 8/25, 2020

By:   
Ahmed Ali, Owner of  
Nour Pharmacy

DATE: 9/1, 2020

By:   
Angelo J. Cifaldi, Esq.  
Attorney for Nour Pharmacy

KEVIN D. WALSH  
ACTING STATE COMPTROLLER

DATE: \_\_\_\_\_, 2020

By: \_\_\_\_\_  
Josh Lichtblau, Director  
Medicaid Fraud Division

DATE: \_\_\_\_\_, 2020

By: \_\_\_\_\_  
Don Catinello,  
Supervising Regulatory Officer  
Medicaid Fraud Division

DATE: \_\_\_\_\_, 2020

By: \_\_\_\_\_  
Siobhan B. Krier, Regulatory Officer  
Medicaid Fraud Division