SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

KNOW ALL PERSONS BY THESE PRESENTS:

That the undersigned, CHAD HAMMOND ("Releasor"), being of lawful age, for the sole consideration of ONE THOUSAND and 00/100 DOLLARS (\$1,000.00), to the undersigned in hand paid, receipt whereof is hereby acknowledged, does hereby for himself and for his heirs, executors, administrators, successors and assigns, release, acquit, and forever discharges ADVANCED CORRECTIONAL HEALTHCARE (ACH) and USA MEDICAL AND PSYCHOLOGICAL STAFFING (USA MEDICAL) (and, collectively, hereinafter "Releasees"), and their assigns, employees, agents, directors, officers, their insurance carriers, and their current and former officials, trustees, agents, servants, successors, assigns, officers, employees, heirs, executors, administrators, insurers, and all other persons, firms, corporations, associations, or partnerships of and from any and all claims, actions, causes of action, demands, rights, damages, costs, loss of use, loss of service, punitive damages, exemplary damages, expenses, and compensation whatsoever, which the undersigned now has or which may hereafter accrue on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen, bodily and personal injuries and the consequences thereof resulting or to result from any incident, act, or omission which occurred during and after December 6, 2022, including, but not limited to, medical treatment provided thereafter and further claims made as set forth in pleadings filed in the United States District Court for the Central District of Illinois, Case No. 3:23-cv-03058.

It is understood and agreed that this settlement is the compromise of doubtful and disputed claims, and that the payment and other consideration made is not to be construed as an admission of liability on the part of the parties hereby released, and that said Releasees deny liability therefor and intend merely to avoid litigation and buy their peace. The undersigned hereby declares and represents that the injuries and damages sustained are or may be permanent and progressive and that recovery therefrom is uncertain and indefinite and, in making this release, it is understood and agreed that the undersigned relies wholly upon the undersigned's judgment, belief, and knowledge of the nature, extent, effect, and duration of said injuries and damages and liability therefor, and this release is made without reliance upon any statement or representation of the parties hereby released or their representatives or by any physician or surgeon by them employed.

The undersigned, CHAD HAMMOND, further releases, acquits, and forever discharges any claim which he may have or may hereafter accrue to any reimbursement for attorney's fees and/or costs incurred in the above-identified case, whether pursuant to 42 U.S.C. Section 1988 or on any other basis.

The undersigned further declares and represents that there may be unknown or unanticipated injuries and/or damages resulting from the above-stated incident and, in making this release, it is understood and agreed that this release is intended to include such injuries and/or damages.

The undersigned further declares and represents that no promise, inducement, or agreement not herein expressed has been made to the undersigned, and that this release contains the entire agreement between the parties hereto and that the terms of this release are contractual and not a mere recital.

Releaser agrees to indemnify and hold harmless Releasees with respect to the claim released hereunder, from and against any judgment, liability, or indebtedness to any other person or entity claiming entitlement to offset, payment, benefit, or credit with respect to the claim, including, but not limited to, any claim brought by the United States for recovery of conditional payments or anticipated future medical payments made by or on behalf of Medicare. In addition, Releasor agrees to promptly notify Releasees in writing of any claim, suit, or demand which comes or may come within the scope of this provision.

As further consideration for the settlement referenced herein, Releasor hereby waives, releases, and forever discharges Releasees from any obligations for any claim, known or unknown, arising out of the failure to provide for a primary payment or appropriate reimbursement pursuant to 42 U.S.C. §1395y(b)(3)(A).

Releasor an further agrees to cooperate and assist Releasees to resist any challenge to the validity of this agreement, and to defend against any claims asserted against Releasees as a result of the settlement referenced herein. Further, Releasor agrees to execute and deliver to Releasees all documents and undertake such further actions as are necessary to effectuate the purposes of this agreement, including, but not limited to, providing copies of all documents between Releasor and Medicare, CMS, or the Medicare Secondary Payer Recovery Contractor regarding the reduction of Medicare's recovery demand.

The Undersigned represents and warrants that he is a Medicare beneficiary or may become a Medicare beneficiary within thirty (30) months. As a current beneficiary, the Undersigned acknowledges that (s)he has duly considered Medicare's interests in accordance with applicable law and is responsible for identifying any existing Medicare liens or conditional payments relating to the injury that is the subject of this settlement, and for advising (Insurer) of the amount of such liens or conditional payments, including providing a copy of the Centers for Medicare & Medicaid Services' ("CMS") Final Demand Letter. The Undersigned agrees that this settlement includes payments in the amount of (zero) \$0.00 intended to repay CMS for the conditional payments it

made to the Undersigned for alleged medical conditions and treatment related to the incident as cited herein. CMS has advised by letter that it does not claim any conditional payments with respect to this settlement.

The Undersigned warrants that he will ensure that any such liens are satisfied from the proceeds of the settlement funds if such liens have not been satisfied prior to the date of settlement. The Undersigned acknowledges that payment of settlement funds is conditioned upon the (option 1) Undersigned's agreement to reimburse CMS for any funds that CMS would otherwise be entitled to recover under the Medicare Secondary Payer ("MSP") statute at 42 U.S.C. § 1395y(b)(2) and to provide (Insurer) with proof that all conditional payments or Medicare liens have been satisfied, or (option 2) payment of settlement funds will not be made until (Insurer) has received proof that all conditional payments or Medicare liens have been satisfied. (If a Medicare Set-Aside is used in settlement, the following language should be considered.)

The undersigned acknowledges that the settlement also allocates certain funds in the amount of zero (\$0.00) for future medical expenses, and that the parties have reasonably considered Medicare's interests in setting the amount of future medical expenses by reviewing past medical expenses and medical reports and/or considering the opinion of a physician or physicians regarding probable future medical expenses. This is consistent with MSP's advice that Medicare is not claiming any conditional payments related to this settlement.

The Undersigned agrees that he is not entitled to collect Medicare benefits for any treatment relating to what was claimed and/or released in this settlement until the funds allocated for future medical expenses have been exhausted, and understands that if he collects Medicare benefits before the funds allocated for future medical expenses have been exhausted, CMS could refuse to pay future claims for benefits relating to the injury that is the subject of this settlement. All future medical care and costs are the sole responsibility of the Undersigned. The funds being paid in this settlement, whether by lump sum or by periodic payment, are intended to ensure that the Undersigned has funds from which to make payments for future medical care and treatment. In order to protect Medicare's interests and right to recovery under \$1862(b) of the Social Security Act (42 U.S.C. § 1395y(b) (Medicare Secondary Payer Act), with applicable regulations found at 42 CFR Part 411, such payments are to be paid out of the proceeds of this settlement.

The Undersigned further agrees to fully satisfy and indemnity and hold releasees harmless from any and all past, present and future rights of CMS including, but not limited to, penalties, liens, conditional payments, demands, and actions in law or equity, arising out of the MSP statute including, but not limited to failure to satisfy all Medicare liens or conditional Medicare payments, and any action by CMS alleging that

its interests were not considered in this settlement. The Undersigned further agrees to waive any and all future actions against releasees, including but not limited to any private cause of action for damages pursuant to 42 U.S.C. 1395y(b)(3)(A).

In further consideration of the mutual promises herein contained, Releasor promises and agrees that each of the terms and conditions of this release and settlement and the information obtained by each party in discovery or through the exchange of information in this case shall remain confidential and private to the extent permitted by law, and that henceforth such information shall not be disclosed directly or indirectly, or by implication or innuendo, to anyone, including any reference thereto to the press or media, or agents or representatives of the press or media, except as required by law or set forth below. Releasor agrees to refrain from making or issuing any statements or remarks, whether written or oral, electronic or on the internet which disparage or are intended to damage the reputation of Releasees, included but limited to any employees and former employees of Releasees.

Releasor's agreement to the foregoing confidentiality and non-disparagement terms is of the essence to this Agreement. Releasor agrees that any violation of this confidentiality provision will cause damage to the Releasees in an amount that is difficult to quantify and therefore agrees that an assessment of liquidated damages is appropriate for its breach. Releasor agrees that, in addition to all other legal and equitable damages relating to a breach, liquidated damages in the amount of \$500.00 per violation is reasonable and therefore Releasor agrees to pay liquidated damages of \$500.00 per violation of this confidentiality provision.

The parties and their attorneys may disclose the fact and amount of payment (1) as necessary to enforce the terms of this Agreement; (2) as necessary in connection with income tax filings or audits; (3) on a confidential basis to Plaintiff's accountants or tax or financial advisors; and (4) to Plaintiff's spouse on the condition that the spouse agrees to abide by this confidentiality agreement.

THE UNDERSIGNED HAS READ THE FOREGOING RELEASE AND FULLY UNDERSTANDS IT.

Signed, sealed, and delivered this <u>a5</u> day of <u>February</u> 2025.

STATE OF ILLINOIS) SS COUNTY OF Shally)

On the <u>John day</u> of <u>February</u>, 2025, before me personally appeared CHAD HAMMOND, to me known to be the person named herein, and who executed the foregoing release and who acknowledged to me that she voluntarily executed the same and fully understood the provisions thereof.

Notary Public

OFFICIAL SEAL
DAWN HARDY
Notary Public, State of Illinois
My Commission Expires 07-24-2026

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Thad Hammond

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