IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Richmond Division

In re: **HEALTH DIAGNOSTIC LABORATORY, INC., *et al.*,** **Debtors.**[1]	**Chapter 11** **Case No.: 15-32919-KRH** **Jointly Administered**
RICHARD ARROWSMITH AS LIQUIDATING TRUSTEE OF THE HDL LIQUIDATING TRUST, **Plaintiff,** **v.** **MATTHEW ACAMPORA,** SERVE: 8035 Providence Road, Suite 315 Charlotte, North Carolina 28277 **INTERNAL MEDICINE ASSOCIATES OF CHARLOTTE, P.A.,** SERVE: Matthew Acampora, Reg. Agent 8035 Providence Road, Suite 315 Charlotte, North Carolina 28277	**Adversary Proceeding No. 17-_____**

[1] The debtors in these cases, along with the last four digits of each debtor's federal tax identification number, are: Health Diagnostic Laboratory, Inc. (0119), Central Medical Laboratory, LLC (2728), and Integrated Health Leaders, LLC (2434) (the "Debtors").

Richard S. Kanowitz (admitted pro hac vice)
COOLEY LLP
1114 Avenue of the Americas
New York, New York 10036
Telephone: (212) 479-6000
Facsimile: (212) 479-6275
Email: rkanowitz@cooley.com

Counsel to Plaintiff Richard Arrowsmith, Liquidating Trustee of the HDL Liquidating Trust

Cullen D. Speckhart (VSB No. 79096)
WOLCOTT RIVERS GATES
919 E. Main Street, Ste. 1040
Richmond, Virginia 23219
200 Bendix Road, Ste. 300
Virginia Beach, Virginia 23452
Telephone: (757) 497-6633
Direct: (757) 470-5566
Email: cspeckhart@wolriv.com

Counsel to Plaintiff Richard Arrowsmith, Liquidating Trustee of the HDL Liquidating Trust

THE CENTER FOR NUTRITION & PREVENTIVE MEDICINE, PLLC,
SERVE: Matthew Acampora, Reg. Agent
8035 Providence Road, Suite 315
Charlotte, North Carolina 28277

and

PARTNERMD NORTH CAROLINA, P.C.,
SERVE: CT Corporation System, Reg. Agent
160 Mine Lake Court, Suite 200
Raleigh, North Carolina 27615

Defendants.

COMPLAINT TO AVOID AND RECOVER AVOIDABLE TRANSFERS AND FOR RELATED RELIEF

Plaintiff Richard Arrowsmith, in his capacity as Liquidating Trustee ("**Liquidating Trustee**") of the HDL Liquidating Trust (the "**Trust**"), appointed pursuant to the confirmed Modified Second Amended Plan of Liquidation (the "**Plan**") in these jointly administered bankruptcy cases (the "**Chapter 11 Cases**" or the "**Cases**"), by his undersigned counsel, files his Complaint to Avoid and Recover Avoidable Transfers and for Related Relief (the "**Complaint**") against Matthew Acampora ("**Acampora**"), Internal Medicine Associates of Charlotte, P.A. ("**Internal Medicine**"), The Center for Nutrition & Preventative Medicine, PLLC ("**The Center**") and PartnerMD North Carolina, P.C. ("**PartnerMD**" and together with Internal Medicine and The Center, the "**Practices**") (the Practices together with Acampora, the "**Defendants**") in the above-captioned adversary proceeding (the "**Adversary Proceeding**") and respectfully states and alleges as follows:

JURISDICTION AND VENUE

1. On June 7, 2015 (the "**Petition Date**"), each of the Debtors filed with the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division (the

"**Bankruptcy Court**"), its respective voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the "**Bankruptcy Code**"), commencing the above-captioned Cases. On June 9, 2015, the Bankruptcy Court entered an order authorizing the joint administration of these Chapter 11 Cases [Docket No. 42]. On June 16, 2015, the United States Trustee for the Eastern District of Virginia appointed the statutory committee of unsecured creditors (the "**Creditors' Committee**").

2. On May 12, 2016, this Court entered an order confirming the Plan [Docket No. 1095] (the "**Confirmation Order**"). Pursuant to the Plan and 11 U.S.C. § 1123, the Liquidating Trustee is the successor, for all purposes, of the Debtors and the Creditors' Committee, and is thereby vested with standing to bring this action as a representative of the HDL Liquidating Trust.

3. The Bankruptcy Court has subject matter jurisdiction over this Adversary Proceeding pursuant to 28 U.S.C. §§ 157 and 1334(b).

4. The Adversary Proceeding constitutes a core proceeding by virtue of 28 U.S.C. § 157(b)(2)(A), (E), and (O).

5. The predicates for the relief requested herein are sections 105(a), 502, 542, 544, 548, and 550 of the Bankruptcy Code; Rule 7001 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"); applicable state law and, as applicable, 28 U.S.C. § 3304.

6. The Liquidating Trustee consents to entry of final orders and judgment by the Bankruptcy Court in this Adversary Proceeding.

7. Venue is proper in this Bankruptcy Court under 28 U.S.C. §§ 1408 and 1409.

8. Venue is proper in this Bankruptcy Court as to the Defendants because a substantial part of the events or omissions giving rise to the claims asserted herein against the

Defendants occurred in this judicial district.

PARTIES

9. The Plaintiff is the Liquidating Trustee.

10. Acampora is a resident of North Carolina who owns and/or controls, or at the time of the alleged events, owned and/or controlled the Internal Medicine and The Center. In addition, upon information and belief, Acampora was employed by the Practices, and order tests through the P&H Program (defined below).

11. Internal Medicine is a professional association organized under the laws of the State of North Carolina. Upon information and belief, Internal Medicine was suspended by the North Carolina Department of State for failure to file required corporate documents.

12. The Center is a professional limited liability company organized under the laws of the State of North Carolina. Upon information and belief, The Center was suspended by the North Carolina Department of State for failure to file required corporate documents.

13. ParnterMD is a professional corporation organized and existing under the laws of the State of North Carolina. Upon information and belief, PartnerMD employed Acampora while Acampora was ordering tests through the P&H Program (defined below).

NATURE OF THE ACTION

14. This Adversary Proceeding is to recover the transfers, losses and other damages caused to the Debtors and their creditors, including those creditors that assigned to the Liquidating Trustee and the Trust their Creditor Causes of Action as defined in Section 1.33 of the Plan ("**Assigning Creditors**"). A list of Assigning Creditors, as of the date of the filing of this Complaint, is attached hereto as **Exhibit 1**.

FACTUAL BACKGROUND

15. Health Diagnostic Laboratory, Inc. ("**HDL**") was formed as a start-up laboratory in Richmond, Virginia, offering a panel of blood tests for early detection of cardiovascular disease, diabetes, and related illnesses.

16. From the outset, HDL's insiders relied on illegal business practices that incentivized health care providers ("**HCPs**"), including the Defendants, to use HDL.

Illegal Process & Handling Payments

17. One such practice was the payment of illegal "processing and handling" ("**P&H**") fees to HCPs, whereby HDL paid HCPs large P&H fees (the "**P&H Program**") to induce HCPs to order HDL's tests instead of those offered by other laboratories.

18. The P&H Program was a scheme that violated the federal Anti-Kickback Statute, 42 U.S.C. § 1320(a)-7(b)(a)(A), the federal False Claims Act, 31 U.S.C. § 3729 *et seq*., and similar state anti-kickback laws that prohibit HDL from offering or paying, and HCPs from soliciting or accepting, such illegal payments.

19. Each of the Defendants was actively engaged in the heavily regulated health care industry and knew, or should have known that the P&H Program was illegal and improper, but engaged in such practices because of the financial incentives provided under the P&H Program.

20. On or about January 5, 2010, Internal Medicine agreed to use HDL tests and HDL agreed to pay the Internal Medicine illegal process and handling fees of $17.00 per specimen collected and sent to HDL for Advanced Cardiovascular/Metabolic Testing by HDL and a $3.00 fee for phlebotomist and related physician services in collecting the specimen; a true copy of the illegal P&H agreement is attached hereto as **Exhibit 2**.

21. Acampora continued to use HDL tests and HDL continued to pay illegal P&H fees to Acampora and/or ParnterMD after Acampora began working for ParnterMD.

22. The P&H Program resulted in compensation to the Practices and HCPs, including the Defendants, which exceeded the value of the HCPs' uncompensated services for drawing blood samples, or for sending the specimens to HDL for testing. Acting in their own financial self-interest, these Defendants exploited the P&H Program to obtain payment via the Avoidable Transfers that was far in excess of what these Defendants should reasonably have been paid for services provided. These Defendants' illegal acts in this regard caused damage to HDL and legitimate creditors of HDL, including the Assigning Creditors.

23. Upon information and belief, Acampora participated in the P&H Program by ordering tests for his patients and Acampora received P&H payments and in turn deposited the payments into the Practice's accounts. Thereafter, upon information and belief, the Practices compensated Acampora or in the alternative, in some instances, Acampora received P&H payments directly.

24. The P&H Program and self-interested financial relationships induced the HCPs, including these Defendants, to order unnecessary tests and to utilize HDL instead of less costly in-network diagnostic laboratories. Such practices perpetuated the submission of fraudulent and inflated claims to certain creditors, including the U.S. Government and Assigning Creditors, for reimbursement.

25. By participating in the P&H Program, the Defendants knowingly assisted HDL's insiders in perpetuating their illegal practices. The Defendants willfully accepted monetary inducement to utilize HDL's testing services. In exchange, the Defendants accepted illegal transfers of money under the P&H Program (the "**P&H Payments**", and each transfer together with the MAB Payments (defined below), an "**Avoidable Transfer**," and, collectively, the "**Avoidable Transfers**"). Upon information and belief, some, but not all of the P&H Payments

are set forth on **Exhibit 3**, which is attached hereto and incorporated by reference herein, and reflects the amounts of and dates on which the Avoidable Transfers were made.

Consulting

26. Another such practice involved paying HCPs to consult and/or participate in HDL's medical advisory board ("**MAB**") through execution of a Consulting Agreement with the individual physician (the "**Consulting Agreement**").

27. In early 2010, Acampora entered into a Consulting Agreement with HDL, whereby Acampora agreed to review patient and physician targeted marketing materials, participate on the MAB, and other duties, for monthly payments of $3,000.00, a payment far in excess of the fair market value of any consulting services provided; a copy of the Consulting Agreement is attached hereto as **Exhibit 4**.

28. In February of 2013, Acampora entered into a second Consulting Agreement, which replaced the Consulting Agreement attached as Exhibit 4.

29. The second Consulting Agreement set forth various specific activities Acampora assumed as a consultant and associated hourly rates or flat rates associated with each activity; a copy of the second Consulting Agreement is attached hereto as **Exhibit 5**.

30. However, despite specifying certain activities with certain methods of payment, after February 2013, Acampora continued to receive a consistent[2] $3,000 payment through September of 2014, far exceeding the fair market value of any consulting services provided.

31. By participating as a consultant under the Consultant Agreement, Acampora knowingly assisted HDL's insiders in perpetuating their illegal practices. Acampora willfully accepted monetary inducement to utilize HDL's testing services and routinely deposited such

[2] Acampora received two checks, totaling $3,000, in April and May of 2014 for his monthly consulting services. All other checks paid to Acampora were single checks of $3,000.

inducements into accounts in the name of Internal Medicine and, on at least one occasion, The Center.

32. In exchange, the illegal transfers of money were accepted under the Consulting Agreement (the "**MAB Payments**"). The MAB Payments are set forth on **Exhibit 6**, which is attached hereto and incorporated by reference herein, and reflects the amounts of and dates on which the Avoidable Transfers were made.

33. The true purpose of the payments pursuant to the Consulting Agreements was to induce HCPs, including Acampora, to order, continue ordering, or increase orders of HDL's tests, in violation of the federal Anti-Kickback Statute, 42 U.S.C. § 1320(a)-7(b)(a)(A), the federal False Claims Act, 31 U.S.C. § 3729 *et seq*., and similar state anti-kickback laws that prohibit HDL from offering or paying, and HCPs from soliciting or accepting, such illegal payments.

34. These self-interested financial relationships caused unnecessary tests to be ordered and HDL's services to be utilized instead of less costly in-network diagnostic laboratories, perpetuating the submission of fraudulent and inflated claims for reimbursement to certain creditors, including the U.S. Government and Assigning Creditors.

Effect of the Illegal and Fraudulent Scheme

35. Throughout the years, the improper and illegal practices worked as intended, and HDL appeared to be enormously successful. However, despite this illusion and outward appearances, HDL was never actually solvent or profitable.

36. HDL's financial statements failed to reflect its actual liabilities, which, due to the improper business tactics, were hundreds of millions or even billions of dollars more than the liabilities it actually reported. HDL and its insiders wrongly reported revenues HDL should never

have collected because they were obtained fraudulently, through false pretenses, or through improper business tactics.

37. HDL faced catastrophic liabilities to the U.S. Government from the illegal and fraudulent conduct as described herein. These liabilities were immediate and soared into the billions of dollars. They resulted not only from the P&H Program, but from other illegal practices, such as the commission scheme conducted under HDL's marketing contract (the "**BlueWave Agreement**") and the practices of collecting certain monies from patients (the "**Patient Responsibility Collection Practices**").

38. As the U.S. Government determined in its investigation of HDL, every single claim HDL submitted for payment by TRICARE or Medicare outside of Virginia was a false claim under the False Claims Act ("**FCA**"). Moreover, the Patient Responsibility Collection Practices created further liability to both the U.S. Government and private insurance companies each and every time it was used.

39. Each false claim submitted for payment by TRICARE or Medicare, as well as each penalty of trebled damages associated with such false claims, immediately created a debt to the U.S. Government under the FCA and an attendant liability for HDL. From the very first false claim submitted to the U.S. Government, HDL's actual liabilities increased day after day. HDL's liabilities, therefore, always exceeded its revenues and assets.

40. On January 27, 2014, the U.S. Government filed a lawsuit against HDL's former CEO LaTonya Mallory ("**Mallory**") and others. This lawsuit is currently pending in the U.S. District Court for the District of South Carolina (Case No. 14-cv-00230-RMG) (the "**FCA Action**"). In the FCA Action, the U.S. Government's damages expert filed a report detailing more than $160 million in direct damages sustained by the U.S. Government due to false

TRICARE and Medicare claims submitted by HDL through its insiders. The misconduct described herein created enormous liabilities not only in the form of direct damages sustained by the U.S. Government, but also to private insurers, such as certain of the Assigning Creditors, which liabilities exceed another $160 million.

41. These extensive false claims immediately exposed HDL to catastrophic penalties and fines. For false claims resulting from the P&H Program, HDL's exposure exceeded $3 billion. For false claims generated by the illegal commission scheme under the BlueWave Agreement, HDL's exposure exceeded $3 billion. HDL also faced civil monetary penalties of over $400 million for false claims stemming from the Patient Responsibility Collection Practices.

42. Actual liabilities faced by HDL for the illegal and fraudulent practices as described herein were measured not in the tens of millions, but in the billions of dollars. Accordingly, HDL was catastrophically insolvent throughout its history and at the time the Avoidable Transfers were made.

43. Once HDL stopped the improper practices as described herein, HDL experienced predictable and precipitous financial collapse. As evidenced by, among other things: (i) the Debtors' bankruptcy petitions (publicly filed with the Bankruptcy Court); (ii) the proofs of claim that have been filed against the Debtors' estates; and (iii) the Debtors' publicly-filed schedules, the Debtors' liabilities exceeded the value of the Debtors' assets well before the Petition Date.

44. From or around 2011 until or around 2014, Defendants' participation in the P&H Program, service under the Consulting Agreements, and the Patient Responsibility Collection Practices violated applicable federal and state law, and caused damage to HDL and its creditors as set forth herein.

COUNT I
Avoidance of Fraudulent Transfers Pursuant to 11 U.S.C. § 548(a)(1)(A)

45. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

46. The Avoidable Transfers were transfers of interest in the Debtors' property.

47. The Avoidable Transfers were made with actual intent of the Debtors and HDL insiders to hinder, delay, or defraud the Debtors' existing and/or subsequent creditors, including without limitation the Assigning Creditors.

48. The primary purpose of the Avoidable Transfers was to perpetuate the illegal scheme of inducing test referrals to HDL.

49. Some of the factors evidencing actual intent of the Debtors and HDL insiders are (i) the continuation of P&H payments to various HCPs, including the Defendants, despite knowledge of the illegality of the P&H Program; (ii) payments of the Avoidable Transfers at the same time substantial new liabilities and debts were incurred through continuation of other illegal practices and/or schemes of the Debtors; (iii) insolvency of the Debtors at the time of the Avoidable Transfers or as a result thereof; and (iv) the lack of value or consideration in exchange for the Avoidable Transfers to the Debtors.

50. The Avoidable Transfers made after June 7, 2013 were made within two (2) years prior to the Petition Date and are sought to be avoided in Count I.

51. As a result of the Avoidable Transfers, creditors of the Debtors, including the Assigning Creditors, sustained significant damages.

52. The Avoidable Transfers are avoidable transfers pursuant to 11 U.S.C. § 548(a)(1)(A).

53. The Avoidable Transfers are recoverable from Acampora and/or the Practices as the initial transferees of each of the Avoidable Transfers, or as the entity for the benefit of which the Avoidable Transfers were made, and from the others as the immediate or mediate transferees of the initial transferee receiving the Avoidable Transfers.

COUNT II
Avoidance of Fraudulent Transfers Pursuant to 11 U.S.C. §§ 544(b) and 550, Va. Code § 55-80 or Other Applicable State Fraudulent Conveyance or Fraudulent Transfer Law, and, as Applicable, 28 U.S.C. § 3304

54. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

55. The Avoidable Transfers were transfers of interest in the Debtors' property.

56. The Avoidable Transfers were made with actual intent of the Debtors and HDL insiders to hinder, delay, or defraud creditors of the Debtors, including without limitation the Assigning Creditors.

57. The primary purpose of the Avoidable Transfers was to perpetuate the illegal scheme of inducing test referrals to HDL.

58. Some of the factors evidencing actual intent of the Debtors and HDL insiders are (i) the continuation of P&H payments to various HCPs, including the Defendants, despite knowledge of the illegality of the P&H Program; (ii) payments of the Avoidable Transfers at the same time substantial new liabilities and debts were incurred through continuation of other illegal practices and/or schemes of the Debtors; (iii) insolvency of the Debtors at the time of the Avoidable Transfers or as a result thereof; and (iv) the lack of value or consideration in exchange for the Avoidable Transfers to the Debtors.

59. The Department of Justice ("**DOJ**") filed Proof of Claim No. 1335 in the Cases, in the amount of $94,144,852.52, plus interest, based on HDL's conduct dating back to November 2008.

60. The Defendants knew or should have known of the Debtors' actual intent, as the circumstances surrounding the Avoidable Transfers should have put the Defendants on inquiry as to the bona fides of these transactions.

61. As a result of the Avoidable Transfers, creditors of the Debtors, including the Assigning Creditors, sustained significant damages.

62. The Avoidable Transfers are avoidable transfers pursuant to Virginia Code § 55-80 or other applicable state fraudulent conveyance or fraudulent transfer law and Bankruptcy Code § 544(b).

63. The Avoidable Transfers were made within five (5) years prior to the Petition Date.

64. Any Avoidable Transfers made within six (6) years before the Petition Date should be avoided pursuant to applicable provisions of the Federal Debt Collection Procedures Act, 28 U.S.C. § 3301, *et. seq*., and Bankruptcy Code §§ 544(b) and 550.

65. Pursuant to 11 U.S.C. § 550, the Liquidating Trustee may recover the Avoidable Transfers from Acampora and/or the Practices as the initial transferees of each of the Avoidable Transfers, or as the entity for the benefit of which the Avoidable Transfers were made, and from the others as the immediate or mediate transferees of the initial transferee receiving the Avoidable Transfers.

COUNT III
Avoidance of Fraudulent Transfers Pursuant to Section 548(a)(1)(B) of the Bankruptcy Code

66. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

67. The Avoidable Transfers were transfers of interest in the Debtors' property.

68. The Debtors did not receive reasonably equivalent value in exchange for the Avoidable Transfers.

69. The Avoidable Transfers made after June 7, 2013 were made within two (2) years prior to the Petition Date and are sought to be avoided in Count III.

70. The Avoidable Transfers were made while the Debtors were insolvent, or became insolvent as a result of the Avoidable Transfers.

71. At the time of the Avoidable Transfers, the Debtors intended to incur, or believed that they would incur, debts beyond the Debtors' ability to pay as such debts matured.

72. At the time of, or as a result of, the Avoidable Transfers, the Debtors were engaged in business or a transaction for which any property remaining with such Debtors was unreasonably small in relation to its business.

73. At all relevant times, the Debtors had actual creditors holding unsecured claims allowable within the meaning of 11 U.S.C. § 502, including vendors, landlords, suppliers, and other creditors.

74. As a result of the Avoidable Transfers, creditors of the Debtors, including the Assigning Creditors, sustained significant damages.

75. The Avoidable Transfers are avoidable transfers pursuant to 11 U.S.C. § 548(a)(1)(B).

76. The Avoidable Transfers are recoverable from Acampora and/or the Practices as the initial transferees of each of the Avoidable Transfers, or as the entity for the benefit of which the Avoidable Transfers were made, and from the others as the immediate or mediate transferees of the initial transferee receiving the Avoidable Transfers.

COUNT IV
Avoidance of Fraudulent Transfers Pursuant to 11 U.S.C. §§ 544(b) and 550, Va. Code § 55-81 or Other Applicable State Fraudulent Conveyance or Fraudulent Transfer Law, and, as Applicable, 28 U.S.C. § 3304

77. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

78. The Avoidable Transfers were transfers of interest in the Debtors' property.

79. The Debtors did not receive consideration deemed valuable in law or reasonably equivalent value in exchange for the Avoidable Transfers. The Avoidable Transfers were improper and illegal, and as a consequence of such transfers, the Debtors became burdened with enormous liabilities, including the liability to the U.S. Government.

80. The DOJ filed Proof of Claim No. 1335 in the Cases, in the amount of $94,144,852.52, plus interest, based on HDL's conduct dating back to November 2008.

81. The Avoidable Transfers were made at the time when the Debtors were insolvent, or became insolvent as a result of the Avoidable Transfers.

82. At the time of the Avoidable Transfers, the Debtors intended to incur, or believed that they would incur, debts beyond the Debtors' ability to pay as such debts matured.

83. At the time of, or as a result of, the Avoidable Transfers, the Debtors were engaged in business or a transaction for which any property remaining with such Debtors was unreasonably small in relation to their business.

84. As a result of the Avoidable Transfers, creditors of the Debtors, including the Assigning Creditors, were harmed.

85. The Avoidable Transfers were made within five (5) years prior to the Petition Date.

86. The Avoidable Transfers are avoidable transfers pursuant to Virginia Code § 55-81 or other applicable state fraudulent conveyance or fraudulent transfer law and Bankruptcy Code § 544(b).

87. Any Avoidable Transfers made within six (6) years before the Petition Date should be avoided pursuant to applicable provisions of the Federal Debt Collection Procedures Act, 28 U.S.C. § 3301, *et. seq.*, and Bankruptcy Code §§ 544(b) and 550.

88. Pursuant to 11 U.S.C. § 550, the Liquidating Trustee may recover the Avoidable Transfers from Acampora and/or the Practices as the initial transferees of each of the Avoidable Transfers, or as the entity for the benefit of which the Avoidable Transfers were made, and from the others as the immediate or mediate transferees of the initial transferee receiving the Avoidable Transfers.

COUNT V
Disallowance of Claims Pursuant to Section 502(d) of the Bankruptcy Code

89. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

90. Property is recoverable from the Defendants under Section 550 of the Bankruptcy Code.

91. Acampora and/or the Practices were the initial transferees of each of the Avoidable Transfers, or as the entity for the benefit of which the Avoidable Transfers were

made, and from the others as the immediate or mediate transferees of the initial transferee receiving the Avoidable Transfers.

92. The Defendants have not paid to the Liquidating Trustee the amount of the Avoidable Transfers, or turned over such property to the Liquidating Trustee, for which the Defendants are liable under Section 550 of the Bankruptcy Code.

93. Pursuant to Section 502(d) of the Bankruptcy Code, any and all claims of the Defendants and/or its assignee must be disallowed until such time as the Defendants pay to the Liquidating Trustee all amounts sought herein.

COUNT VI
Aiding and Abetting Breach of Fiduciary Duty

94. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

95. From or around 2011 until or around 2014, the Defendants aided and abetted the breaches of fiduciary duty of due care and loyalty by one or more of the directors and officers of the Debtors, including Mallory, who owed such fiduciary duty to the Debtors and/or their creditors, including the Assigning Creditors, at all relevant times.

96. The Defendants did so knowingly, or having reason to know the nature of the injury to the Debtors and Debtors' creditors, including the Assigning Creditors, brought about by such assistance.

97. The Defendants directly benefited from aiding and abetting such breaches of fiduciary duty and self-dealing by reaping financial rewards to which it was not entitled.

98. As a direct and proximate result of aiding and abetting breaches of fiduciary duty and self-dealing, the Debtors and their creditors, including the Assigning Creditors, sustained

significant damages, including but not limited to hundreds of millions of dollars of unpaid obligations.

99. The Defendants' participation in the P&H Program, service under the Consulting Agreements, and the Patient Responsibility Collection Practices violated applicable state and federal law and supported and otherwise aided and abetted the breaches of fiduciary duty committed by one or more of the directors and officers of the Debtors.

100. As a result of the Defendants' aiding and abetting of the aforementioned breaches by one or more of the directors and officers of the Debtors, including Mallory, the Liquidating Trustee is entitled to recover the damages suffered by the Debtors and the Assigning Creditors from the Defendants in an amount to be proved at trial.

COUNT VII
Common Law Conspiracy

101. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

102. From or around 2011 until or around 2014, the Defendants and one or more of the Debtors' directors and officers, including Mallory, acted in concert, agreed, associated, mutually undertook, or combined to accomplish, by concerted action, unlawful, illegal, and oppressive acts that caused catastrophic injury and damage to the Debtors and creditors of the Debtors, including the Assigning Creditors.

103. The unlawful acts include, but are not limited to, establishing, making and accepting payments pursuant to the P&H Program and engaging in improper testing.

104. The Defendants and one or more of the Debtors' directors and officers, including Mallory, intentionally combined to accomplish these unlawful purposes, or even if determined to be lawful purposes, accomplish them through illegal and unlawful means.

105. As a direct and proximate result of the conspiracy and agreement among the Defendants and one or more of the Debtors' directors and officers, including Mallory, the Debtors and their creditors, including the Assigning Creditors, sustained significant damages, including but not limited to hundreds of millions of dollars of unpaid obligations.

106. The Defendants' participation in the P&H Program, service under the Consulting Agreements, and the Patient Responsibility Collection Practices violated applicable state and federal law and supported the conspiracy and otherwise illegal acts committed by one or more of the directors and officers of the Debtors, causing damage to the Debtors' estates and their creditors.

107. As a result of the conspiracy, the Liquidating Trustee is entitled to recover from the Defendants the damages suffered by the Debtors and their creditors, including the Assigning Creditors, in an amount to be proved at trial.

COUNT VIII
Statutory Conspiracy Pursuant to Va. Code §§ 18.2-499 *et seq*.

108. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

109. From or around 2011 until or around 2014, the Defendants and one or more of the Debtors' directors and officers, including Mallory, acted in concert, agreed, associated, mutually undertook, or combined to accomplish, by concerted action, unlawful, illegal, and oppressive acts that caused catastrophic injury and damage to the Debtors and creditors of the Debtors, including the Assigning Creditors.

110. The unlawful acts include, but are not limited to, establishing, making and accepting payments pursuant to the P&H Program and engaging in improper testing.

111. The Defendants' unlawful acts, undertaken willfully, intentionally, purposefully and without lawful justification, have injured the Debtors and their creditors, including the Assigning Creditors.

112. The Defendants' wrongful conduct was aimed directly at damaging the Debtors and their creditors, including Assigning Creditors.

113. The Defendants' wrongful conduct constitutes a violation of the Virginia Business Conspiracy Act ("**VBCA**").

114. As a direct and proximate result of the conspiracy and agreement among the Defendants and one or more of the Debtors' officers and directors, including Mallory, the Debtors and their creditors, including the Assigning Creditors, sustained significant damages, including but not limited to hundreds of millions of dollars of unpaid obligations.

115. The Debtors and the Assigning Creditors, acting through the Liquidating Trustee, are entitled to recover three times the damages they sustained as a result of the conspiracy, in addition to reasonable attorneys' fees and expenses, pursuant to the VBCA.

116. The Defendants' participation in the P&H Program, service under the Consulting Agreements, and the Patient Responsibility Collection Practices violated applicable state and federal law and supported the conspiracy and otherwise illegal acts committed by one or more of the directors and officers of the Debtors, causing damage to the Debtors' estates and their creditors.

117. As a result of the conspiracy, the Liquidating Trustee is entitled to recover from the Defendants the damages suffered by the Debtors and their creditors, including the Assigning Creditors, in an amount to be proved at trial.

COUNT IX
Common Law Fraud

118. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

119. From or around 2011 until or around 2014, the Defendants and one or more of the Debtors' directors and officers, including Mallory, made false representations of material fact, including without limitation, on the claims presented to the Assigning Creditors such as Aetna and Cigna, which purported to be for medically necessary tests.

120. The Defendants and one or more of the Debtors' directors and officers, including Mallory, made such representations intentionally and knowingly with the intent to mislead and induce the Assigning Creditors such as Aetna and Cigna into making payments for the unnecessary tests.

121. In justifiable reliance on the misrepresentations by the Defendants and one or more of the Debtors' directors and officers, including Mallory, the Assigning Creditors, such as Aetna and Cigna, made payments for the unnecessary tests.

122. As a direct and proximate result of the foregoing misrepresentations, the Debtors and Assigning Creditors, such as Aetna and Cigna, sustained significant damages.

123. The Defendants' participation in the P&H Program, service under the Consulting Agreements, and the Patient Responsibility Collection Practices violated applicable state and federal law and supported the fraudulent and otherwise illegal acts committed by one or more of the directors and officers of the Debtors, causing damage to the Debtors' estates and their creditors.

124. As a result of the justifiable reliance by the Assigning Creditors, such as Aetna and Cigna, on these misrepresentations by the Defendants and one or more of the Debtors'

directors and officers, including Mallory, the Liquidating Trustee is entitled to recover the damages suffered by the Assigning Creditors and the Debtors in an amount to be proved at trial.

COUNT X
Constructive Fraud

125. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

126. From or around 2011 until or around 2014, the Defendants and one or more of the Debtors' directors and officers, including Mallory, made false representations of material fact, including without limitation, on the claims presented to the Assigning Creditors such as Aetna and Cigna, which purported to be for medically necessary tests.

127. Pleading in the alternative, the Defendants and one or more of the Debtors' directors and officers, including Mallory, negligently made such representations to the Assigning Creditors, inducing them to make payments for the unnecessary tests.

128. In justifiable reliance on the misrepresentations by the Defendants and one or more of the Debtors' directors and officers, including Mallory, the Assigning Creditors made such payments.

129. As a direct and proximate result of the foregoing misrepresentations, the Assigning Creditors and the Debtors sustained significant damages.

130. As a result of the justifiable reliance by Assigning Creditors, such as Aetna and Cigna, on these misrepresentations by the Defendants and one or more of the Debtors' directors and officers, including Mallory, the Liquidating Trustee is entitled to recover the damages suffered by such Assigning Creditors and the Debtors in an amount to be proved at trial.

COUNT XI
Unjust Enrichment

131. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

132. From or around 2011 until or around 2014, the Debtors and/or the Assigning Creditors conferred a benefit on the Defendants through, as applicable, the Avoidable Transfers and payments for claims the Defendants and one or more of the Debtors' directors and officers, including Mallory, caused to be presented to the Assigning Creditors.

133. The Defendants knew they received a benefit and should have reasonably expected to repay the Debtors and/or Assigning Creditors.

134. The Defendants accepted and retained the benefits without paying for their value.

135. Allowing the Defendants to retain the benefits they received would be unjust and result in unjust enrichment.

136. The Debtors and Assigning Creditors have no adequate remedy at law.

137. As a direct and proximate result of the foregoing wrongful acts, the Debtors and the Assigning Creditors sustained significant damages, including but not limited to the amount of the Avoidable Transfers.

138. As a result of the Defendants' unjust enrichment, the Liquidating Trustee is entitled to recover the damages suffered by the Debtors and Assigning Creditors in an amount to be proved at trial.

COUNT XII

Turnover of Property of the Estate Pursuant to § 542(a) of the Bankruptcy Code

139. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

140. Section 542(a) of the Bankruptcy Code provides in pertinent part "an entity, other than a custodian, in possession, custody, or control, during the case, of property that the trustee may use, sell, or lease under 363 of this title, or that the debtor may exempt under 522 of this title, shall deliver to the trustee, and account for, such property or the value of such property . . . ." 11 U.S.C. § 542(a).

141. The Defendants are in possession of funds received from the Debtors and/or the Assigning Creditors, which do not belong to the Defendants, and which are property of the Debtors' bankruptcy estates pursuant to section 541 of the Bankruptcy Code.

142. Accordingly, pursuant to section 542 of the Bankruptcy Code, the Defendants should not retain such funds and should turn them over to the Liquidating Trustee and/or the Debtors' bankruptcy estates in an amount to be proved at trial.

COUNT XIII
Conversion

143. The Liquidating Trustee repeats and re-alleges each and every allegation contained in the preceding paragraphs as if fully set forth herein.

144. The Debtors and/or Assigning Creditors had a right to possession of the monies transferred to the Defendants via the Avoidable Transfers and/or the payments for the unnecessary tests.

145. The Defendants intentionally and substantially interfered with the monies of the Debtors and/or Assigning Creditors by wrongfully exercising dominion and control over the Avoidable Transfers and/or the payments for the unnecessary tests.

146. As a direct and proximate result of the foregoing wrongful acts, the Debtors and Assigning Creditors sustained significant damages, including but not limited to the amount of the Avoidable Transfers and overpayments made for unnecessary tests by Assigning Creditors.

147. Accordingly, the Liquidating Trustee is entitled to recover the damages suffered by the Debtors and Assigning Creditors in an amount to be proved at trial.

148. The Liquidating Trustee hereby reserves his right to supplement and/or amend this Complaint to include additional facts, theories, and/or transfers as such may be discovered during the course of this Adversary Proceeding and preserve all other claims and defenses relating to the Defendants.

WHEREFORE, the Liquidating Trustee respectfully requests that the Bankruptcy Court enter an Order and Judgment as follows:

(a) On Counts I and III, awarding judgment to the Liquidating Trustee, pursuant to Sections 548 and 550 of the Bankruptcy Code, in an amount of the Avoidable Transfers, and directing the Defendants to pay to the Liquidating Trustee an amount that is not less than $69,674.21, pursuant to Section 550(a) of the Bankruptcy Code;

(b) On Counts II and IV, awarding judgment to the Liquidating Trustee, pursuant to Sections 544(b) and 550 of the Bankruptcy Code, Va. Code Sections 55-80 and 55-81, or pursuant to other applicable state fraudulent conveyance or fraudulent transfer law, and as applicable, 28 U.S.C. § 3304, in an amount to be proved at trial, and directing the Defendants to pay to the Liquidating Trustee an amount that is not less than the full amount of the Avoidable Transfers, pursuant to Section 550(a) of the Bankruptcy Code;

(c) On Count V, disallowing any claim of the Defendants pursuant to section 502(d) of the Bankruptcy Code;

(d) On Count VI, awarding judgment to the Liquidating Trustee for damages caused to the Debtors and their creditors, including the Assigning Creditors, as a result of the Defendants' aiding and abetting breaches of fiduciary duties and self-dealing in an amount to be proved at trial;

(e) On Count VII, awarding judgment to the Liquidating Trustee for damages caused to the Debtors and Assigning Creditors as a result of the conspiracy in an amount to be proved at trial;

(f) On Count VIII, awarding judgment to the Liquidating Trustee, pursuant to the VBCA, for three times the damages caused to the Debtors and Assigning Creditors as a result of the conspiracy, in addition to reasonable attorneys' fees and expenses, in an amount to be proved at trial;

(g) On Counts IX and X, awarding judgment to the Liquidating Trustee for damages caused to the Debtors and their creditors, including Assigning Creditors, as a result of their fraud and constructive fraud in an amount to be proved at trial;

(h) On Counts XI and XII, awarding judgment to the Liquidating Trustee for turnover of money or the value thereof, which does not belong to the Defendants, in an amount to be proved at trial;

(i) On Count XIII, awarding judgment to the Liquidating Trustee for damages caused to the Debtors and their creditors, including Assigning Creditors, as a result of the Defendants' acts of conversion in an amount to be proved at trial;

(j) awarding pre-judgment interest at the maximum legal rate running from the date of the Debtors' and/or the Liquidating Trustee's first demand to return all Avoidable Transfers to the date of judgment with respect to this Complaint herein;

(k) awarding the Liquidating Trustee his costs and expenses incurred in connection with this Adversary Proceeding, including reasonable attorneys' fees;

(l) entering judgment in favor of the Liquidating Trustee and against the Defendants in an amount not less than $211,004.53, with interest accruing from the date of this Complaint at the judgment rate of interest (the "**Judgment**");

(m) awarding post-judgment interest at the maximum legal rate running from the date of the Judgment until the date the Judgment is paid in full, plus costs;

(n) directing the Defendants to pay forthwith all amounts awarded; and

(o) granting the Liquidating Trustee such other and further relief as the Bankruptcy Court deems just and proper.

Dated: June 6, 2017

Respectfully submitted,

Richard S. Kanowitz (admitted pro hac vice)
COOLEY LLP
1114 Avenue of the Americas
New York, New York 10036
Telephone: (212) 479-6000
Facsimile: (212) 479-6275
Email: rkanowitz@cooley.com

Counsel to Plaintiff Richard Arrowsmith, Liquidating Trustee of the HDL Liquidating Trust

/s/ Cullen D. Speckhart
Cullen D. Speckhart (VSB No. 79096)
WOLCOTT RIVERS GATES
919 E. Main Street, Ste. 1040
Richmond, Virginia 23219
200 Bendix Road, Ste. 300
Virginia Beach, Virginia 23452
Telephone: (757) 497-6633
Direct: (757) 470-5566
Email: cspeckhart@wolriv.com

Counsel to Plaintiff Richard Arrowsmith, Liquidating Trustee of the HDL Liquidating Trust

Assigning Creditors

Aetna
B & B Printing Co., Inc.
Biovendor, LLC
Brenda Sims
Cavalier International Airfrieght, Inc.
Cigna
Colonial Webb Contractors Co.
Cleveland HeartLab, Inc.
Deborah B Camp
Economic Development Authority of the City of Richmond
Entec Systems
Joe Shaheen
KS Dept of Commerce
Laurie JW Goetz
Medical Isotopes, Inc.
MG1 Enterprises, Inc.
Michelle N Stickland
Mobile Phlebotomy Services
Numares
Pro Football
Sun Diagnostics
The Horton Group
United Healthcare Insurance Company
Victoria J Taxter
Virginia Advance Health Services dba AnyLab Test Now
Wako Life Sciences, Inc.

737 North 5th Street, Suite 103
Richmond, VA 23219
Phone: (804) 343 2718
Fax: (804) 343 2704

January 5, 2010

Matthew Acampora, MD
8035 Providence Rd, Suite315
Charlotte, NC 28025

Re: Process and Handling Fee for Health Diagnostic Laboratory, Inc. Advanced Cardiovascular/Metabolic Testing

Dear Dr. Acampora:

This letter will confirm our understanding regarding fees to be paid by Health Diagnostic Laboratory, Inc. ("HDL") to **Internal Medicine Associates of Charlotte** for specimens drawn and processed for shipment by Physician and sent to HDL for Advanced Cardiovascular Testing. HDL and Physician hereby agree as follows:

1. In consideration of the processing and handling services provided by Physician including, as appropriate: apportioning the specimen into multiple vials specific to whole blood, serum, plasma and urine testing requirements; labeling the vials specific to the category of testing to be performed; loading, spinning and unloading the vials in a blood centrifuge machine; maintaining specimen integrity by cooling and packaging the vials in specially designed biohazard shipping containers in proper sleeves; obtaining patient demographic and insurance information; labeling shipping forms with proper disclosure; and coordinating shipment pickup (the "Process and Handling Services"), HDL shall pay Physician a $17.00 per specimen fee (the "Process and Handling Fee") for each specimen collected by Physician and sent to HDL for Advanced Cardiovascular/Metabolic Testing by HDL. This fee is not applicable in the case where a single sample type is collected or a single test is ordered.

2. In consideration for phlebotomist services and related services provided by Physician in collecting the specimen (the "Collection Services"), HDL shall pay Physician a fee of $3.00 per specimen (the "Collection Fee").

3. In summary, the total reimbursement for the Collection Services and the Process and Handling Services will be $20.00 per specimen.

4. HDL shall pay Physician appropriate Process and Handling Fees and Collection Fees (collectively, the "Fees") on a monthly basis, upon receipt of a monthly list, invoice or statement from Physician that includes the names of each patient and the date when each specimen was collected. Checks are processed once a month, the last day of the month. Please send the monthly invoice to HDL no later than the 15th of the month to have check processed that month:

Health Diagnostics Laboratory, Inc.
Attn: Accounts Payable
800 E. Leigh St., Rm 2-56
Richmond, VA 23219
Fax: (804) 343 2704

5. Physician will not bill, receive nor collect any reimbursement from any third party payor, including commercial insurers and governmental programs such as Medicare and Medicaid, for any Process and Handling Services or Collection Services for which Physician receives any Fees from HDL.

6. This agreement shall have an initial term of 12 months from the date hereof and shall thereafter automatically renew on each anniversary of the date hereof for an additional 12 month term until this agreement is terminated. Either party may terminate this agreement at any time for any reason upon thirty (30) days' prior written notice to the other party.

7. Each of the parties to this agreement shall comply with all applicable laws, and specifically, Physician shall provide the Processing and Handling Services and the Collection Services in accordance with all applicable laws, rules and regulations.

8. Nothing in this agreement or in any other written or oral agreement between HDL and Physician with respect to the subject matter hereof, nor any consideration offered or paid in connection with this agreement is intended to be an inducement to the referral of any item or service to HDL. Any consideration paid by HDL to Physician as compensation for the Processing and Handling Services and the Collection Services provided hereunder is consistent with what the parties reasonably believe to be fair market value.

9. The parties to this agreement are independent contractors. Nothing in this agreement shall be deemed to create between the parties a relationship of partnership, agency, employment, franchise or joint venture.

10. This Agreement constitutes the entire understanding between the parties hereto with respect to the subject matter herein and supersedes all prior agreements between the parties hereto with respect to the subject matter herein. No amendment or modification of its terms shall be valid or binding upon any party unless addressed in writing and signed by an authorized representative of both parties hereto.

11. Each party represents that it has not been convicted of a crime related to healthcare and is not currently listed by a federal agency as debarred, excluded or otherwise ineligible for participation in federally funded programs (including, without limitation, federally funded healthcare programs, such as Medicare and Medicaid).
Should you have further questions or if I may assist you in any way, please contact me at 804 343 2718 or 877 443 5227 (877 4HDLABS).

Very truly yours,

HEALTH DIAGNOSTIC LABORATORY, INC.

Signature: _____
Printed Name: Tonya Mallory
President & CEO, Health Diagnostic Laboratory, Inc.

ACCEPTED AND AGREED TO
AS OF THE DATE ABOVE

Signature: _____
Printed Name: Matthew Acampora, MD
Internal Medicine Associates of Charlotte

Health Diagnostic Laboratory, Inc.

Payment Listing for Internal Medicine Associates of Charlotte

Payment Number	Payment Date	Payment Amount
5501	1/5/2011	$860.00
6027	2/7/2011	$1,300.00
6844	3/7/2011	$1,720.00
7559	4/6/2011	$1,720.00
8309	5/5/2011	$1,780.00
9247	6/6/2011	$1,400.00
10345	7/6/2011	$1,940.00
11375	8/5/2011	$1,480.00
12423	9/7/2011	$2,320.00
13597	10/5/2011	$1,900.00
15023	11/7/2011	$1,760.00
16200	12/5/2011	$2,260.00
17481	1/6/2012	$2,000.00
18698	2/7/2012	$1,680.00
20568	3/5/2012	$1,400.00
22122	4/9/2012	$2,160.00
23546	5/3/2012	$76.50
23673	5/7/2012	$1,900.00
25340	6/6/2012	$2,000 00
27156	7/6/2012	$1,580.00
28957	8/7/2012	$1,683.00
30852	9/7/2012	$1,900.00
32935	10/9/2012	$1,560.00
34902	11/6/2012	$1,760.00
37046	12/6/2012	$1,540.00
39289	1/7/2013	$1,500.00
40741	1/10/2013	$535.50
41492	2/4/2013	$1,900.00
43461	3/6/2013	$2,200.00
45842	4/8/2013	$1,880.00
47716	4/18/2013	$956.98
48068	5/7/2013	$1,880.00

Health Diagnostic Laboratory, Inc.

Payment Listing for Internal Medicine Associates of Charlotte

Payment Number	Payment Date	Payment Amount
50139	5/30/2013	$104.17
50571	6/6/2013	$1,444.17
EFT00001249	7/3/2013	$104.17
EFT00001250	7/5/2013	$1,460.00
EFT00001344	8/1/2013	$104.17
EFT00001353	8/5/2013	$2,160.00
EFT00001400	8/29/2013	$104.17
EFT00001443	9/5/2013	$1,460.00
EFT00001513	9/26/2013	$104.17
EFT00001550	10/8/2013	$2,000.00
EFT00001634	10/31/2013	$104.17
EFT00001652	11/5/2013	$2,260.00
EFT00001761	11/27/2013	$104.17
EFT00001777	12/3/2013	$1,920.00
EFT00001861	12/26/2013	$104.17
EFT00001916	1/7/2014	$1,640.00
EFT00001994	1/31/2014	$104 17
EFT00002042	2/14/2014	$1,720.00
EFT00002088	2/28/2014	$104.17
EFT00002142	3/6/2014	$2,000.00
EFT00002201	3/28/2014	$104.17
EFT00002276	4/7/2014	$1,800.00
EFT00002297	4/18/2014	$160.00
EFT00002362	5/1/2014	$104.17
EFT00002381	5/9/2014	$2,120.00
81719	5/30/2014	$104.17
EFT00002533	6/6/2014	$1,880.00
EFT00002611	7/3/2014	$104.17
EFT00002676	7/14/2014	$740.00
		$78,754.53

CONSULTING AGREEMENT

This Consulting Agreement (the "Agreement") is hereby entered into by and between Health Diagnostics Laboratory, Inc., (the "Company"), a Virginia corporation located at 737 N 5th Street, Suite 103, Richmond, VA 23219, and Dr. Matt Acampora, ("Consultant") located at 8035 Providence Road, Suite 315, Charlotte, NC 28277.

1. Consulting Relationship. During the term of this Agreement, Consultant will provide consulting services (the "Services") to the Company as described in Exhibit A attached to this Agreement. Consultant represents that Consultant is duly licensed (as applicable) and has the qualifications, the experience and the ability to properly perform the Services.

2. Fees and Expenses. As consideration for the Services to be provided by Consultant, the Company will pay to Consultant the amounts specified in Exhibit A attached to the Agreement at the times as may be specified therein. Company will reimburse Consultant for all reasonable expenses incurred on Company's behalf. Such expenses will be confirmed by appropriate receipts and submitted in accordance with the Company's expense accounting procedure.

3. Term and Termination. Consultant will provide Services to the Company commencing on January 8, 2010 (the "Effective Date") and this Agreement shall be for a term of one (1) year commencing on the date hereof, subject to earlier termination by Company or Consultant as provided herein. The term of this Agreement shall be automatically renewed for additional one (1) year periods on the same terms and conditions as are set forth herein, unless Company or Consultant shall have given to the other notice of intent not to renew. Either party may terminate the Agreement (a) at any time upon thirty (30) days' written notice or (b) in the event of a material breach of the Agreement by the other party that is not cured within thirty (30) days of written notice to the other party of such a breach.

4. Independent Consultant. Consultant and Company will mutually agree on the scope, method, details and means of performing Services, including but not limited to the Services described in Exhibit A. Consultant is an independent contractor and not an employee of the Company and has no authority to contractually or otherwise bind Company without Company's prior written permission. Consultant will have full responsibility for all applicable taxes under this agreement and for compliance with all labor and employment requirements in connection herewith.

5. Competitors. Consultant represents and warrants that Consultant does not presently, and will not during the term of this Agreement, perform similar services for any individual or entity whose business or proposed business directly involves products or services related to those of Health Diagnostic Laboratory, Inc., including but not limited to the Competing Entities. For the purpose of this agreement, the "Competing Entities" are Berkeley HeartLab, Inc., Liposcience, Atherotek and Boston Heart Lab, and such other potential other individuals or entities that may be identified by the Company to the Consultant from time to time. Consultant will report services for any other potential competing entities not specifically identified above to the Company so that Company may assess the potential for a conflict of interest.

6. HIPAA Obligations. Consultant acknowledges that federal regulations relating to the confidentiality of PHI requires Covered Entities and Business Associates to comply with HIPAA. HIPAA requires HDL to ensure that Business Associates who receive confidential information in the course of providing services on behalf of HDL comply with certain HIPAA obligations regarding the confidentiality of PHI. Accordingly, Consultant shall only use and/or disclose PHI in a manner consistent with this Agreement, the Privacy Laws, the Security Rules and all other laws relating to the confidentiality of patient information and only in connection with providing services hereunder.

7. Permitted Uses and Disclosures. In connection with the services provided by Consultant to HDL, Consultant may not use or disclose PHI received or created pursuant to this Agreement. Consultant shall maintain appropriate safeguards to ensure that PHI is not used or disclosed other than as provided by this Agreement or as required by law.

8. Ownership; Transfer. Any and all Consultant's ideas, improvements, inventions and works of authorship conceived, written, created or first reduced to practice in performing Services under this Agreement ("Inventions") will be the sole and exclusive property of the Company. Consultant hereby assigns and agrees to assign to Company all of its right, title and interest in such Inventions. Consultant agrees to execute all papers and otherwise agrees to assist Company as reasonably required at Company's reasonable expense to perfect in Company the rights, title and other interests in Consultant's work product expressly granted to Company under this Agreement.

9. Conflicts with this Agreement. Consultant represents and warrants that Consultant is not under any pre-existing obligation in conflict with or inconsistent with this Agreement and will not enter into any such agreement during the term of this Agreement. Consultant represents and warrants that Consultant has the right to disclose and/or use all ideas, processes, techniques and other information, if any, which Consultant has gained from third parties, and which Consultant discloses to the Company or uses in the course of performance of the Agreement, without liability to such third parties. Notwithstanding the foregoing, Consultant agrees that Consultant will not bundle with or incorporate into any deliveries provided to the Company herewith any third party products, ideas processes, or other techniques, without the express written prior approval of the Company. Consultant represents and warrants that Consultant has not granted and will not grant any rights or licenses to any intellectual property or technology that would conflict with Consultant's obligations under this Agreement. Consultant will not knowingly infringe upon any copyright, patient, trade secret or other property right of any former client, employer or third party in performing Services under this Agreement.

10. Indemnity. Consultant shall indemnify and hold Company harmless from any liability or loss (including all attorneys fees) resulting from the negligent acts or omissions of Consultant, its agents or employees or any breach of this Agreement; provided, however, that Consultant shall not hold Company harmless from claims arising out of the negligence or willful malfeasance of Company, its agents, or employees. Company shall indemnify and hold Consultant harmless from any liability or loss (including all attorneys fees) resulting from the negligent acts or omissions of Company, its agents or employees or any breach of this Agreement; provided, however, that Company shall not hold Consultant harmless from claims arising out of the negligence or willful malfeasance of Consultant, its agents, or employees.

11. Practice of Medicine. The parties agree and acknowledge that Consultant shall have complete freedom and control over the provision of all professional services that it and its employees perform. The parties agree and acknowledge that this Agreement shall not interfere with or inhibit the physician-patient relationship between Consultant and its patients and (c) this Agreement shall not require or permit any illegal or unethical division of any physician's fees.

12. Insurance. Each party represents and warrants that it has access to insurance and other financial resources adequate to meet any of its reasonably foreseeable obligations under this Agreement, including without limitation, general liability and property insurance by Customer to cover any damage to the Equipment while in Customer's possession.

13. Confidentiality. Each of Company and Consultant ("Receiving Party") shall use information contained in this Agreement or received from the other party hereunder solely for the purposes contemplated by this

Agreement and each shall restrict access to this Agreement and to information exchanged hereunder to personnel within or advisors to its organization who need such access in order to carry out such purposes. The foregoing restrictions shall not apply to any information that is or becomes publicly available through no fault of Receiving Party, is already in Receiving Party's possession, is received by Receiving Party from a third party who is not under any obligation of confidence to the other party hereunder, or is independently developed by Receiving Party.

14. Dispute Resolution. Any dispute with respect to this Agreement shall be submitted to binding arbitration in Richmond, Virginia. Such arbitration shall be conducted under the commercial rules then prevailing of the American Arbitration Association. Virginia law shall govern any dispute resolution under this Agreement.

15. Notices. All notices and other communications hereunder shall be in writing, personally delivered or sent by facsimile, nationally recognized overnight courier, or certified mail, return receipt requested, addressed to the other party at its respective address stated above or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of receipt.

16. Entire Agreement. This Agreement (together with all exhibits hereto) contains the entire understanding between the parties, and supersedes all prior negotiations, agreements and understandings between them, whether oral or in writing, concerning the subject matter hereof. No modification or waiver of any terms of this Agreement shall be effective unless made in writing and executed by both parties with the same formality as this Agreement. If any provision of this Agreement is later held to be invalid or unenforceable by a court having jurisdiction to do so, all other provisions of this Agreement shall nevertheless continue in full force and effect. The terms of any purchase order, invoice or similar document used to implement this Agreement shall not modify this Agreement and shall be subject to the terms of this Agreement.

17. Execution. This Agreement will not be considered valid until all signatures indicated on the signature page hereof have been affixed.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

Health Diagnostic Laboratory, Inc.

By: Tonya Mallory

Title: President & CEO

Date: March 31, 2010

Dr. Matt Acampora

By:

Title: President & CEO

Date: 4/6/2010

EXHIBIT A

Services:

- Review of Patient and Physician targeted Marketing Materials
- Participate in our Medical Advisory Board Meetings and Activities
- Participate in discussions for continual quality improvement of our laboratory services, reports, support materials and other collateral that support HDL's core activities
- Participate in weekly conference calls with a duration of approximately 60 minutes at a mutually agreed upon time
- Review case studies for the purpose of education and mutually understanding
- Support the population studies for the purpose of determining both clinical and economic outcomes of the HDL business model

Fees:

- Monthly fee of $3,000

Health Laboratory Inc.
beyond disease diagnosis

February 25, 2013

Dr. Matt Acampora
Internal Medicine Associates of Charlotte
8035 Providence Road, Suite 315
Charlotte, NC 28277

Dear Dr. Acampora,

Thank you for agreeing to serve as a consultant to Health Diagnostic Laboratory, Inc. ("HDL" or "Company"). This Letter Agreement (this "Agreement") states the terms on which the Company is engaging you ("Consultant"; Consultant and HDL each, individually, a "Party" and collectively, the "Parties") to furnish consulting services. This Agreement shall be effective as of the date written above (the "Effective Date"). This Agreement replaces your prior Consulting Agreement with HDL.

1. **Engagement**. Company hereby engages Consultant to perform the services set forth on Exhibit A attached hereto (collectively, the "Services"). Consultant hereby accepts such engagement to perform the Services in accordance with the terms of this Agreement.

2. **Schedule, Scope and Business Purpose of Services**. The Parties acknowledge that Consultant and HDL enter into this agreement for a commercially reasonable business purpose. HDL desires to have Consultant render independent advisory and consulting services as reflected on Exhibit A, including assistance to HDL in its product development, clinical, and business development support efforts. The Services to be provided by Consultant, as reflected on Exhibit A, do not exceed those which are reasonably necessary to accomplish the commercially reasonable business purposes of this Agreement. Each Service shall be performed at the request of an officer of the Company. If Consultant is unable or unwilling to perform a requested Service, Consultant must notify Company immediately. Requests for Services from the Company shall be deemed authorized by the Company if they originate (as evidenced by an email) from an officer of the Company. Consultant acknowledges that Company may, in its sole option, identify Consultant as a member of Company's Medical Advisory Board. Time shall be tracked in half hour increments. Payments will be rounded up to the nearest half hour.

3. **Covenants of Consultant**.

   a. Each Consultant shall notify Company immediately upon the occurrence of any event that would prohibit Consultant from performing the Services; and

HealthDiagnostic LaboratoryInc.
beyond disease diagnosis

b. Comply with the additional requirements relating to each specific Service as set forth on Exhibit A.

4. **Other Agreements**. If Consultant is a physician, Consultant certifies that Consultant has notified Company in writing of any immediate family members of Consultant who have a compensation arrangement or investment interest with Company or any affiliate thereof ("immediate family member" shall include a husband or wife; birth or adoptive parent, child, or sibling; stepparent, stepchild, stepbrother or stepsister; father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, grandparent or grandchild; or spouse of a grandparent or grandchild). The requirement that Consultant notify Company in writing of any immediate family member of Consultant who has a compensation arrangement or investment interest with Company or any affiliate thereof shall continue during the Term of this Agreement.

5. Compensation and Documentation of Services. During the Term of this Agreement, Company shall pay Consultant a rate equal to the amounts set forth on Exhibit A with respect to the applicable Service. The Parties agree and represent that these compensation amounts are consistent with fair market value given the nature of the services and Consultant's expertise, training and experience. This compensation is solely related to, and given in consideration of, the services to be provided by Consultant and does not take into account the volume or value of any referrals or business otherwise generated, if any, between Consultant and any person, group or entity with or by whom he/she may be associated or employed, on the one hand, and HDL on the other. Consultant shall document time spent performing each Service in reasonable detail and, at a minimum, submit to HDL a time log in the form of the attached Exhibit A. The time logs may be in the form of an email so long as it contains the requisite information required on Exhibit A and is sent to or such other individual identified by Company from time to time. Consultant shall provide such evidence to Company on a monthly basis so that Company can track Consultant's time spent performing the Services. Company shall pay Consultant monthly in arrears based on documented time spent performing Services. In the event of a dispute with respect to the reasonableness of time spent performing any Service, such dispute shall be resolved by a third party physician mutually selected by Company and Consultant.

6. **Term and Termination**.

a. Term. The initial term ("Initial Term") of this Agreement shall commence on the Effective Date and shall expire on the one (1) year anniversary of the Effective Date. Notwithstanding the foregoing, this Agreement shall automatically renew for additional one (1) year terms (each a "Renewal Term") unless either Party provides written notice of termination to the other Party at least ten (10) days prior to the termination of the Initial Term or any Renewal Term. Collectively, the Initial Term and all Renewal Terms shall be referred to as the "Term".

b. Termination. Either Party may terminate this Agreement for any reason or no reason and at any time by providing the other Party with written notice of such termination.

c. Effects of Termination. Upon termination of this Agreement, for any reason, no Party shall have any further obligation hereunder except for (i) obligations accruing prior to the date of termination, and (ii) obligations, promises or covenants contained herein which are expressly made to extend beyond the Term of this Agreement, including, without limitation, indemnification and confidentiality.

7. **Confidentiality**.

a. "Confidential Information" shall mean any knowledge or information, written or oral, which relates to HDL's business, including, in each case and without limitation, knowledge or information related to products, processes, policies, procedures, services, research, development, concepts, ideas, inventions, products under development, designs, programming techniques, flow charts, source codes, object codes, manufacturing, purchasing, accounting, financial analysis, advertising and marketing, customers, suppliers, pricing and profit data, personnel files, engineering, and employees.

b. Consultant will maintain all Confidential Information in strictest confidence and will neither disclose any Confidential Information to any third person or entity (including, without limitation, subsidiaries, affiliates, subcontractors, customers, prospective customers, licensees, distributors, independent contractors or consultants) nor make use of any Confidential Information for any purpose other than providing the Services, without the prior written consent of HDL.

c. Notwithstanding the foregoing, Consultant will have no confidentiality obligation with respect to any Confidential Information which: is already available to the public prior to the date of this Agreement; becomes known to the public through no breach of this Agreement; can be established by Consultant by documentary evidence (dated as of a date prior to disclosure of such Confidential Information to Consultant on the date Consultant first provided services to HDL, which date the parties hereto acknowledge may pre-date the date of this Agreement) to have been in the legitimate and lawful possession of Consultant at the time revealed by HDL to Consultant; or is developed by Consultant independently and without benefit of the Confidential Information received pursuant to this Agreement or pursuant to the services provided to HDL prior to the date of this Agreement, provided that the burden of proving such independent development will be upon Consultant.

d. All materials and documents containing Confidential Information will remain the property of HDL. The disclosure or transmission of Confidential Information to

Consultant does not constitute the grant to Consultant of a license of any type (other than the limited right to use such Confidential Information in connection with providing the Services). Nothing contained herein shall be deemed to require a party hereto to disclose any Confidential Information to another party hereto. At HDL's request and direction, Consultant will, or cause to, either return to HDL, or destroy all Confidential Information, together with all copies thereof, except for Confidential Information that Consultant is required by law to maintain. Consultant will thereafter certify in writing to HDL that all Confidential Information has either been returned to HDL or destroyed or shall report any Confidential Information that Consultant is required to maintain.

e. With respect to any Confidential Information disclosed hereunder, Consultant's obligations set forth herein shall survive any termination or expiration of this Agreement, and shall remain in effect until the later of the following to occur: (i) five (5) years from the effective date of this Agreement; or (ii) as to Confidential Information that is a trade secret, until such information no longer is a trade secret.

f. In the event of a breach or threatened breach of any of the provisions of this Section 7, Consultant acknowledges and agrees that HDL will not have an adequate remedy at law and will therefore be entitled to enforce any such provision by temporary or permanent injunctive or mandatory relief obtained in any court of competent jurisdiction, without the necessity of proving damages, posting any bond or other security, and without prejudice to or diminution of any other rights or remedies which may be available at law or in equity. In the event that HDL finds it necessary to institute litigation to enforce the provisions of this Agreement, HDL will be entitled to recover its reasonable attorneys' fees, costs and expenses from Consultant.

g. If Consultant is required by judicial or administrative process to disclose Confidential Information, Consultant will promptly notify HDL, and allow HDL to oppose such process. If, failing the entry of a protective order or other appropriate relief, Consultant is compelled to disclose Confidential Information, Consultant shall: (a) only disclose that part of the Confidential Information that Consultant's counsel advises is required to be disclosed, and (b) use reasonable efforts to obtain an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed.

8. **Status of Consultant**.

a. The Parties acknowledge that Consultant is an independent contractor of HDL. In no event shall Consultant be deemed a joint venturer, partner, employee or agent of HDL by virtue of this Agreement. HDL shall not withhold any sums for income tax, Social Security, unemployment insurance or any other employee withholding nor shall HDL offer Consultant any employee benefits including, without limitation, retirement benefits,

worker's compensation coverage and death and disability insurance. Consultant shall be responsible for all employment related withholdings and benefits. No agency, partnership or other relationship shall be created by this Agreement. No party hereto has an obligation pursuant to this Agreement to purchase or refer any service or goods from the other party or enter into any further relationship.

b. In the event the IRS shall, at any time, question or challenge the independent contractor status of Consultant, HDL and Consultant, upon receipt by either one of them of notice from the IRS or any other governmental agency, shall promptly notify the other party.

9. **Competitors.** Consultant represents and warrants that Consultant does not presently, and will not during the term of this Agreement, perform similar services for any individual or entity whose business or proposed business directly involves products or services related to those of Health Diagnostic Laboratory, Inc., including but not limited to the Competing Entities. For the purpose of this agreement, the "Competing Entities" are Quest, LabCorp, Berkeley HeartLab, Inc., Liposcience, Atherotek and Boston Heart Lab, and such other potential other individuals or entities that may be identified by the Company to the Consultant from time to time. Consultant will report services for any other potential competing entities not specifically identified above to the Company so that Company may assess the potential for a conflict of interest.

10. **Notices**. Any notice required or permitted under this Agreement shall be given in writing. Notices shall be sent to the following addresses:

Consultant:

Matthew D. Acampora, MD
8085 Providence Road
K
277
Email: ma'th@imacharlotte.com

HDL:

Health Diagnostic Laboratory, Inc.
Attn: Tonya Mallory, CEO
737 N. 5th St.
Suite 200
Richmond, VA 23219
United States of America
Email: tmallory@hdlabinc.com

HealthDiagnosticLaboratoryInc.
beyond diagnosis

With a copy to:

LeClair Ryan
Attn: Charles Sims
951 East Byrd Street
Eighth Floor
Richmond, Virginia 23219
Email: _____irryan.com

Notices shall be deemed to have been received upon actual receipt, one (1) business day after being sent by overnight courier service or electronic mail, or three (3) business days after mailing by first-class mail, whichever occurs first.

11. **Governing Law**. This Agreement shall be enforced in accordance with the laws of the Commonwealth of Virginia; provided, however, that the conflicts of law principles of the Commonwealth of Virginia shall not apply to the extent that they would operate to apply the laws of another state.

12. **Waiver**. No delay or omission by either party to exercise any right or remedy under this Agreement shall be construed to be either acquiescence or the waiver of the ability to exercise any right or remedy in the future.

13. **Regulatory Requirements**. Nothing in this Agreement shall be construed to require Consultant to order laboratory tests from HDL or otherwise refer to HDL. The parties intend to comply with 42 U.S.C. § 1320a-7b(b) (commonly known as the Anti-Kickback Statute), 42 U.S.C. § 1395nn (commonly known as the Stark law), and any other federal or state law provision governing fraud and abuse or self-referrals under the Medicare or Medicaid programs. The Parties acknowledge that the compensation paid to Consultant hereunder would be the same whether or not any such referrals are made.

14. **Assignment**. The rights and obligations of this Agreement may be assigned by HDL without Consultant's consent to any successor. The rights and obligations of this Agreement may not be assigned or delegated by Consultant without the prior written consent of HDL.

15. **Amendments**. This Agreement may not be modified in any respect other than by a written instrument signed by both Parties. The financial terms hereof shall not be amended without the advice of counsel. The Parties acknowledge that certain regulatory requirements may prohibit amending certain terms of this Agreement or entering into a new Agreement with respect to the Services within certain time periods.

16. **Entire Agreement**. This Agreement supersedes any previous contracts between the parties and constitutes the entire agreement between the Parties. Both Parties acknowledge that any

statements or documents not specifically referenced and made a part of this Agreement shall not have any effectiveness.

17. **Counterparts**. This Agreement may be executed in counterparts and each counterpart shall be deemed an original. Any signature page hereto delivered by electronic mail or facsimile shall be deemed an original hereto.

18. **Incurring Financial Obligation**. Consultant shall have no authority whatsoever to incur any financial obligation on behalf of HDL and HDL shall have no authority whatsoever to incur any financial obligation on behalf of Consultant.

19. **Enforcement**. In the event either Party resorts to a lawsuit to enforce this Agreement, the prevailing Party shall be entitled to recover the reasonable costs of pursuing a lawsuit, including reasonable attorneys' fees.

20. **Headings**. The section and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the making or interpretation of this Agreement.

21. **HIPAA**. The Parties acknowledge the applicability of the privacy and security standards and other requirements relating to clinical laboratory testing results and protected health information ("PHI") as defined in the Clinical Laboratory Improvements Amendments (CLIA), the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Health Information Technology for Economic Clinical Health Act ("HITECH"), applicable state law and the regulations promulgated thereunder ("Applicable Law"). Each Party agrees that it will comply with its respective obligations pertaining to clinical laboratory testing results and PHI under Applicable Law. The Parties acknowledge and agree that the terms of the Business Associate Addendum set forth on Exhibit B are incorporated herein by reference. The terms of the Business Associate Addendum shall survive termination of the Agreement in accordance with the terms set forth therein.

HealthDx LaboratoryInc.
beyond disease diagnostics

Please acknowledge your acceptance of the terms of this Agreement by countersigning below and returning an executed copy of this Agreement to Health Diagnostic Laboratory, Inc.

Sincerely,

Tonya
President

Acknowledged and Agreed to:

Matt Acampora

ker

3/5/13
Date

Exhibit A

MAB Monthly Activity Report
Month of _____ 2013

Activity	Hourly Rate or Flat Rate	# Hrs	Extended	COMMENTS
Review Marketing Collaterol	$ 300.00			
Assist with Treatment Recommendations	$ 300.00		$ -	
Provide feedback on medical necessity	$ 300.00		$ -	
Data analysis	$ 300.00		$ -	
Market landscape and sales potential analysis	$ 300.00		$ -	
Report Comments and Interpretation Review	$ 300.00		$ -	
Slide Deck Preparation	$ 300.00		$ -	
Slide Deck Review / Edits	$ 300.00		$ -	

Activity	Hourly Rate or Flat Rate	# Hrs	Extended	COMMENTS
Roundtable Discussion No Powerpoint Presentation In-Town (<25 miles from home office)	$ 500.00	Flat Rate		
Roundtable Discussion No Powerpoint Presentation Out-of-Town (>25 miles from home office)	$ 750.00	Flat Rate		
Formal Lecture w/ PowerPoint Presentation In-Town (<25 miles from home office	$ 2,000.00	Flat Rate		
Formal Lecture w/ PowerPoint Presentation Out-of-Town (>25 miles from home office)	$ 2,500.00	Flat Rate		
Presentation Follow Up with Attendees	$ 300.00		$ -	

Activity	Hourly Rate or Flat Rate	# Hrs	Extended	COMMENTS
Report Review with local physicians	$ 300.00		$ -	
Expert Phone consult with local physicians	$ 300.00		$ -	Time shall be tracked in half hour increments. Payments will be rounded up to the nearest half hour. For example, a 1 hour 7 minute call will be treated as a 1 ½ hour call. The hourly rate will be prorated for each half hour. In the event Consultant is engaged for this Service, HDL shall have the right to identify to the public Consultant as a member of HDL's Medical Advisory Board.
CME Presentation	$2,000 per 1 hr CME to a maximum of $7,000 for 4hr CME + reasonable travel expense in line with HDL's internal travel expense policy			HDL shall not reimburse for the cost of any other party, such as Consultant's spouse or office personnel. 1. Consultant shall submit CME materials (the "Materials") for approval by the applicable CME accrediting body. Once approved, Consultant shall not revise, replace, alter, or amend such Materials except as permitted by the accrediting body. HDL may, in its sole discretion, audit Consultant's materials to determine compliance with the foregoing restriction. 2. Consultant's presentation shall contain accurate medical and scientific information. Materials and presentations must give medically balanced views of therapeutic options, including, without limitation, use of generic drug names. Consultant's Materials and presentation shall not be used to promote or push any particular name brand drug or test. 3. Consultant shall not reference (in written material, orally, or in any other media) HDL or HDL's laboratory services in Consultant's Materials or in Consultant's capacity as a presenter at the CME event. 4. HDL shall not be responsible for the content of the Materials or editing the content of the Materials. 5. Consultant hereby grants to HDL an exclusive, royalty-free right to distribute, reproduce, copy, or in any other way use or disclose the Materials.
Clinical Trial Data Review	$ 300.00		$ -	per applicable protocols

Activity	Hourly Rate or Flat Rate	# Hrs	Extended	COMMENTS
Grant Proposal Review	$ 300.00		$ -	
MAB Meeting	$2,500.00	Flat Rate		
Travel Time	$ 300.00		$ -	
MONTH TOTAL			$ -	

CERTIFICATION

I hereby certify that this Time Log is a true and accurate description of services and time rendered by me for Health Diagnostic Laboratory, Inc.

Signature of Consultant:_____

Date:_____

Exhibit B

Business Associate Addendum

This BUSINESS ASSOCIATE ADDENDUM (this "Addendum") is made as of the date of the Agreement by and between Health Diagnostic Laboratory, Inc. ("Company" or "HDL") and Consultant ("Business Associate").

WHEREAS, HDL is a "Covered Entity" and Business Associate is a "Business Associate", both as defined in the Privacy Rule and Security Rule (as defined below), and are required to perform and satisfy their respective obligations under (i) the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and (ii) Subtitle D of the Health Information Technology for Economic and Clinical Health Act ("HITECH Act"), as found in Title XIII of the American Recovery and Reinvestment Act of 2009 ("ARRA"); and

WHEREAS, HDL provides certain Protected Health Information (as defined below) to Business Associate in the course of the Parties' business relationship, including information that relates to the health of Individuals served by HDL; and

WHEREAS, both HDL and Business Associate must comply with the Standards for Security for Protection of Electronic Protected Health Information, codified at 45 CFR Parts 160 and 164, Subpart C (the "Security Rule"), and the Standards for Privacy of Individually Identifiable Health Information, codified at 45 CFR Parts 160 and 164, Subparts A and E (the "Privacy Rule"), as promulgated by the U.S. Department of Health and Human Services (HHS) under HIPAA and under the HITECH Act, as well as to satisfy their respective duties to protect the confidentiality and integrity of Protected Health Information ("PHI") as required by federal or state law, policy, professional ethics, and accreditation requirements that may be disclosed in the course of the Parties' business relationship.

NOW THEREFORE, the Parties, intending to be legally bound, and in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, agree as follows:

I. **Definitions:** Terms used, but not otherwise defined in this Addendum, shall have the same meaning as those terms in the Privacy Rule and the Security Rule (found in 45 CFR Parts 160 and 164).

II. **Term:** This Addendum shall commence and become effective upon execution by both Parties, and shall remain in effect until the earlier of (a) the expiration or earlier termination of the last remaining contract, agreement or arrangement comprising the business relationship between the Parties, including, without limitation, the Agreement (collectively, the "Contracts"); or (b) when all of the PHI provided by HDL is no longer needed by Business Associate to perform the services for which the Parties have contracted for under any of the Contracts.

III. **Notices:** All notices required or permitted to be given under this Addendum shall be in writing and given in accordance with the terms of the Agreement.

IV. **Responsibilities of Business Associate:**

A. Compliance with HIPAA and the HITECH Act:

Business Associate shall comply with all applicable HIPAA regulations, including but not limited to the obligations under the Privacy Rule and the Security Rule, as codified in 45 CFR Parts 160 and 164 (Subparts A, C and E), as further modified by the HITECH Act, and the following:

- Administrative safeguards (45 CFR Section 164.308);
- Technical safeguards (45 CFR Section 164.312);
- Physical safeguards (45 CFR Section 164.310);
- Implementation of reasonable and appropriate policies and procedures to comply with the Security Rule (45 CFR Sections 164.306, 164.314 and 164.316);
- Train employees in information security;
- Designate a security officer;
- Conduct an information security risk analysis;
- Develop a risk management remediation plan.

In addition, Business Associate shall assist and cooperate fully with HDL in connection with HDL's compliance with all of its obligations under the Privacy Rule and the Security Rule. Finally, in the event that Business Associate violates any provision of the Security Rule specified above, then Business Associate agrees that Sections 1176 and 1177 of the Social Security Act (42 U.S.C. 1320d–5, 1320d6) shall apply to Business Associate with respect to such violation in the same manner such sections apply to a Covered Entity that violates such security provision.

2. Business Associate shall comply with the breach notification requirements under the Privacy Rule, the Security Rule, HIPAA and the HITECH ACT. Business Associate shall notify HDL in the event of a breach involving any PHI provided by HDL or any use or disclosure of PHI not provided for by this Addendum. The notification will be in conformance with Article IV(H) and IV(I)(4) of this Addendum. In addition, at HDL's request, Business Associate shall (i) notify (or assist HDL in such notification) each Individual who is a citizen or resident of the United States whose PHI was acquired by an unauthorized person as a result of such a breach of security, and (ii) notify the Federal Trade Commission.

3. Business Associate shall abide by the prohibitions under HIPAA and the HITECH Act regarding the sale of PHI. Business Associate shall not directly or indirectly receive remuneration in exchange for any PHI of an Individual

unless Business Associate requests that HDL obtain, and HDL obtains from the Individual (in accordance with 45 CFR Section 164.508) a valid authorization that includes a specification of whether the PHI can be further exchanged for remuneration by the entity receiving the PHI of that Individual. This prohibition shall not apply, however, only if the purpose of the exchange:

- is for public health activities (as described in 45 CFR Section 164.512(b));
- is for research (as described in 45 CFR Sections 164.501 and 164.512(i)) and the price charged reflects the costs of preparation and transmittal of the data for such purpose;
- is for the treatment of the Individual, subject to any regulation that the Secretary may promulgate to prevent PHI from inappropriate access, use, or disclosure;
- is for remuneration that is provided by HDL for activities involving the exchange of PHI that Business Associate undertakes on behalf of and at the specific request of HDL pursuant to this Addendum;
- is to provide an Individual with a copy of the Individual's PHI pursuant to 45 CFR Section 164.524;
- is otherwise determined by the Secretary in regulations to be similarly necessary and appropriate as the exceptions provided herein.

4. Business Associate shall abide by the prohibitions under HIPAA and the HITECH Act regarding the marketing of PHI as set forth in Section 13406 of the HITECH Act.

B. General Use and Disclosure of PHI:

1. Business Associate may Use or Disclose PHI to perform functions, activities, or services for, or on behalf of, HDL as described in the Contracts, provided that such Use or Disclosure would not violate the Privacy Rule if done by HDL.

2. Business Associate may Use or Disclose PHI only if such use or disclosure is in compliance with each applicable requirement of 45 CFR Section 164.504(e), including:

a. Business Associate shall not Use or Disclose PHI other than as expressly permitted by this Addendum, or as required by law.

b. Business Associate may Disclose PHI, including Disclosures to third parties, where necessary to perform designated functions on behalf of HDL as required by this Addendum and the other contracts and agreements between the Parties.

c. Business Associate may Use PHI in its possession for its own proper administration and to fulfill any present or future legal responsibility.

d. Business Associate may Disclose PHI in its possession, including disclosures to third-parties, for its own proper management and administration and to fulfill any present or future legal responsibilities if the Disclosure is required by law.

e. Business Associate may provide Data Aggregation services relating to the Health Care Operations of HDL.

C. Disclosure to Third-Parties: Business Associate shall ensure that any agent or subcontractor to whom it provides PHI agrees in writing to the same restrictions, terms, and conditions relating to the Use, Disclosure, privacy and security of PHI and e-PHI (as defined below) that apply to Business Associate in this Addendum. Business Associate shall terminate its agreement with any agent or subcontractor to whom it provides PHI if such agent or subcontractor fails to abide by any material term of such agreement.

D. Use and Disclosure Within Workforce:

1. As permitted by the Privacy Rule, Business Associate may Use or Disclose Protected Health Information (a) as is necessary for the proper management and administration of Business Associate's organization, or (b) to carry out the legal responsibilities of Business Associate. Business Associate shall implement and maintain appropriate safeguards to prevent the Use and Disclosure of PHI, other than as provided in this Addendum. Upon reasonable request, Business Associate shall give HDL access to Business Associate's facilities used for the maintenance or processing of PHI, and to its books, records, practices, policies and procedures concerning the Use and Disclosure of PHI, for the purpose of determining Business Associate's compliance with this Addendum. HDL may inspect and copy any of Business Associate's books, records, practices, policies and procedures concerning the Use and Disclosure of PHI.

2. Business Associate shall have confidentiality agreements in place with its workforce (agents, employees or contract employees) who have access to PHI provided to Business Associate by HDL pursuant to this Addendum. Issuing and maintaining these confidentiality agreements will be the responsibility of Business Associate. Business Associate shall provide Privacy Rule training on a routine basis to all members of its workforce who have access to PHI, and shall

not permit any member of its workforce to Use or Disclose PHI except in accordance with this Addendum.

E. Disclosure to HHS: Upon request, Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of PHI received from HDL (or created or received by Business Associate on behalf of HDL) and its compliance with the terms of this Addendum available to HDL and the Secretary of HHS, or his or her designee, for purposes of determining its compliance with the Privacy Rule and the Security Rule. Business Associate shall provide HDL with copies of any information it has made available to HHS.

F. Access and Amendment to Protected Health Information:

1. Right of Access: Upon written request from HDL, Business Associate shall make an Individual's PHI available to HDL, in Designated Record Sets, within the lesser of fifteen (15) days of an Individual's request or ten (10) days of HDL's request for such information.

2. Right of Amendment: Upon written request from HDL, Business Associate shall make PHI available to HDL for amendment and correction within thirty (30) days of notification by HDL and shall incorporate any amendments or corrections to PHI.

3. Individuals' Requests to Business Associate: If an Individual requests inspection, copying or amendment of PHI directly from Business Associate or its agents or subcontractors, Business Associate shall notify HDL in writing within five (5) business days of receipt of the request, and shall defer to, and comply with, HDL's direction in a timely manner regarding the response to the Individual regarding the request for inspection, copying or amendment.

G. Accounting of Disclosures: Business Associate shall implement a process for recording certain Disclosures of PHI by Business Associate ("Accounting Information") in order to enable HDL to timely comply with its obligations under the Privacy Rule, including, but not limited to, 45 CFR Section 164.528. At a minimum, this Accounting Information shall include: (i) the name and date of birth of the Individual whose PHI was the subject of the Disclosure; (ii) the date of Disclosure; (iii) the name and address of the recipient of the PHI; (iv) a brief description of the PHI disclosed; and (v) a brief statement of the purpose for the Disclosure that would reasonably inform the Individual of the basis for the Disclosure. At the request of HDL, Business Associate shall produce such Accounting Information within ten (10) days of HDL's request, as required by 45 C.F.R. § 164.528. If an Individual requests an accounting directly from Business Associate or its agents or subcontractors, Business Associate must notify HDL in writing within five (5) business days of the request, and shall defer to, and comply in a timely manner with, HDL's direction regarding the response to the Individual regarding the request for an accounting.

H. Breach of Protected Health Information; Reporting Violations; Mitigation: Without unreasonable delay, and within three (3) days of its discovery of the unauthorized or prohibited Use or Disclosure, e.g., a breach of PHI, Business Associate shall report in writing to HDL any Use or Disclosure of PHI made in violation of this Addendum or any law. A breach shall be deemed to be discovered by Business Associate as of the first day on which such breach is known to Business Associate (including any person, other than the Individual committing the breach, that is an employee, officer, or other agent of Business Associate) or should reasonably have been known to Business Associate to have occurred. Such notice shall include a description of the nature of the breach, whether the breached PHI was "secured" or "unsecured", and the identification of each Individual whose PHI has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during such breach. Business Associate shall implement and maintain sanctions for any employee, subcontractor, or agent who violates the requirements in this Addendum or the Privacy Rule. Business Associate shall promptly mitigate any harmful effects of any such violation of this Addendum or the Privacy Rule.

Business Associate shall bear all costs related to its assessment of risk to determine whether Business Associate has had a breach of PHI. In the event of such a breach, Business Associate shall pay all costs incurred by HDL related to providing notice required by HIPAA, including if applicable, but not limited to: written notice, substitute notice, additional notice in urgent situations, and notifications to media outlets.

I. Obligations Regarding Electronic Protected Health Information: Business Associate will comply with all applicable provisions of the Security Rule, and shall have the following obligations regarding electronic Protected Health Information ("e-PHI") in addition to those specified in Article IV(A)-(H):

1. Business Associate represents that before it receives e-PHI from HDL it will have implemented and will continue to implement Administrative, Physical and Technical safeguards that reasonably and appropriately protect the Confidentiality, Integrity and Availability of the e-PHI that it creates, receives, maintains or transmits to, from or on behalf of HDL.

2. Business Associate represents that before it receives e-PHI from HDL it will have taken steps to ensure and will continue to ensure that any agent, including a subcontractor, to whom to it provides e-PHI that was created, received, maintained or transmitted on behalf of HDL agrees to implement reasonable and appropriate safeguards to protect the Confidentiality, Security, and Integrity of e-PHI.

3. Business Associate represents that before it receives e-PHI from HDL it will have implemented and will continue to implement a Security Management Process to prevent, detect, contain and correct Security violations.

4. Without unreasonable delay, and within five (5) days following discovery by Business Associate of any Security Incident (as defined by the Security Rule), Business Associate shall notify HDL of the Security Incident. Business Associate shall take affirmative steps to mitigate any potential security compromise and it shall notify HDL of the steps it has taken to mitigate any potential security compromise that may have occurred, and provide a report to HDL of any loss of data or other information system compromise as a result of the Security Incident.

V. Assistance, Amendment and Ambiguity:

A. Assistance: In the event of an administrative or judicial action commenced against HDL involving PHI or e-PHI provided to Business Associate under this Addendum, Business Associate agrees to cooperate with HDL in the defense of such action, including but not limited to providing documents and information and by making witnesses available to HDL to the extent reasonably necessary to HDL in the defense of the action.

B. Amendment: If any modification to this Addendum is required for conformity with federal or state law, or if HDL reasonably concludes that an amendment to this Addendum is required because of a change in federal or state law, or by reason of HDL's status as a business associate of another covered entity, HDL shall notify Business Associate of such proposed modification(s) ("Required Modifications"). Business Associate shall negotiate with HDL in good faith concerning any amendment or modification or replacement to this Addendum that may be required by or reasonable in light of such change in law. If the Parties are unable to agree on an amendment or modification to this Addendum, HDL may terminate the Addendum upon thirty (30) days written notice, or such longer period as may be required by law. Other modifications to this Addendum may be made on mutual agreement of the parties. The Parties agree that all references to statutes, rules and regulations in this Addendum shall be interpreted to include any and all amendments and modifications to the statutes, rules or regulations.

C. Ambiguity: Any ambiguity in this Addendum relating to the Use and Disclosure of PHI shall be resolved in favor of a meaning that furthers the obligations to protect the privacy and security of the PHI, whether electronic or other medium, in accordance with HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.

VI. Termination:

A. For Cause: HDL may immediately terminate this Addendum if HDL determines that Business Associate, or any of its agents or subcontractors, has breached or violated any material term of this Addendum, which may include a pattern of activity or practice that constitutes a material breach (a "Termination for Cause"). In the event of a Termination for Cause, HDL, in its sole discretion, may (i) notify Business Associate of the material breach and request that it be cured; and (ii) upon Business Associate's failure to cure such material breach within ten (10) days, terminate this Addendum and any of the Contracts as a result of Business Associate's non-compliance with HIPAA, the HITECH Act, the Privacy Rule or the Security Rule. In

the event that HDL notifies Business Associate of the material breach and requests that it be cured under subpart (i) of this paragraph, but Business Associate has failed to cure the material breach or take the steps necessary to reasonably prevent a reoccurrence of such failure to the satisfaction of HDL, then HDL may in its sole discretion follow the procedures set forth above without further notice.

B. Without Cause: This Addendum may also be terminated without cause by HDL by providing Business Associate thirty (30) days prior written notice; provided, however, that any termination shall not affect the respective obligations or rights of the Parties arising under any of the Contracts or otherwise under this Addendum before the effective date of termination.

C. Effect of Termination; Survival: Within thirty (30) days of expiration or earlier termination of this Addendum, Business Associate shall return or destroy all PHI received from HDL (or created or received by Business Associate on behalf of HDL) that Business Associate, or any of its agents or subcontractors, still maintains in any form. Business Associate shall retain no copies of such PHI. Business Associate shall provide a written certification that all such PHI has been returned or destroyed. If Business Associate determines that return or destruction is not feasible, Business Associate shall explain to HDL in writing why the return or destruction of such PHI is not feasible. If HDL agrees that the return or destruction of PHI is not feasible, Business Associate shall retain the PHI, subject to all of the protections of this Addendum, and shall make no further Use or Disclosure of the PHI, except as for those purposes that make the return or destruction of the PHI not feasible. In any event, upon termination of the business relationship between the Parties and/or the Addendum, Business Associate shall retain for no less than six (6) years the Accounting Information compiled by Business Associate pursuant to this Addendum, and shall make such Accounting Information available to HDL within five (5) business days of a request. The obligations of Business Associate under this paragraph and the obligations of this Addendum relating to the duty to protect and secure the confidentiality and integrity of PHI and the security of e-PHI shall survive the termination of the business relationship between the Parties and/or the Addendum.

VII. Indemnification: Business Associate shall defend, indemnify and hold HDL, its agents, representatives, and employees harmless from any claims, demands, losses, or liabilities, including the imposition of civil money penalties against HDL by the Secretary (plus attorney's fees), arising out of or related to Business Associate's breach of this Addendum. Accordingly, Business Associate shall be liable to defend, indemnify and hold HDL harmless for any special, incidental, direct, indirect, statutory, punitive or consequential damages, whether based on breach of contract, warranty, tort or statute, and whether or not Business Associate has been advised of the possibility of such damages. Business Associate's obligation to defend, indemnify and hold HDL harmless shall survive the termination or expiration of the terms of this Addendum.

Health Diagnostic Laboratory, Inc.

Payment Listing for Matt Acampora

Payment Number	Payment Date	Payment Amount
5934	1/27/2011	$3,000.00
6607	2/25/2011	$3,000.00
7982	4/7/2011	$3,000.00
8857	5/5/2011	$3,000.00
9141	5/25/2011	$3,000.00
10273	6/29/2011	$3,000.00
12203	8/22/2011	$6,000.00
13485	9/28/2011	$3,000.00
14783	10/26/2011	$3,000.00
16070	12/1/2011	$3,000.00
17333	12/29/2011	$3,000.00
18546	1/27/2012	$3,000.00
19932	3/2/2012	$3,000.00
21828	3/30/2012	$3,000.00
23493	4/27/2012	$3,000.00
25184	5/30/2012	$3,000.00
26860	6/27/2012	$3,000.00
28640	7/25/2012	$3,000.00
30611	8/29/2012	$3,000.00
32648	9/26/2012	$3,000.00
34725	10/31/2012	$3,000.00
36719	11/29/2012	$3,000.00
38657	12/14/2012	$3,250.00
39077	12/27/2012	$3,000.00
41175	1/30/2013	$3,000.00
43405	3/1/2013	$3,000.00
45488	3/27/2013	$3,000.00
50189	5/30/2013	$3,000.00
52668	6/27/2013	$3,000.00
55256	7/26/2013	$3,000.00
EFT00001419	9/5/2013	$3,000.00
EFT00001514	9/26/2013	$3,000.00

Health Diagnostic Laboratory, Inc.

Payment Listing for Matt Acampora

Payment Number	Payment Date	Payment Amount
EFT00001698	11/7/2013	$3,000.00
EFT00001762	11/27/2013	$3,000.00
EFT00001844	12/19/2013	$3,000.00
EFT00001961	1/24/2014	$3,000.00
EFT00002089	2/28/2014	$3,000.00
EFT00002202	3/28/2014	$3,000.00
EFT00002346	4/25/2014	$1,800.00
EFT00002363	5/1/2014	$1,200.00
EFT00002497	5/30/2014	$3,000.00
84419	7/3/2014	$3,000.00
87489	8/22/2014	$3,000.00
EFT00002915	9/12/2014	$3,000.00
		$132,250.00