Deferred Prosecution Agreement

1. Maxim Healthcare Services, Inc., and its subsidiaries (the "Company"), by its undersigned attorneys, pursuant to authority granted by its Board of Directors, and the United States Attorney's Office for the District of New Jersey (the "Office"), enter into this Deferred Prosecution Agreement (the "DPA" or this "Agreement"). Except as specifically provided below, the DPA shall be in effect for a period of twenty-four (24) months from the date on which it is fully executed (the "Effective Date").

2. The Office has informed the Company that it will file, on or shortly after the Effective Date of this DPA, a criminal complaint in the United States District Court for the District of New Jersey charging the Company with conspiracy to commit violations of the Health Care Fraud Statute, contrary to Title 18, United States Code, Section 1347, in violation of Title 18, United States Code, Section 1349, during the years 2003 through 2009 (the "Criminal Complaint"). This Office acknowledges that neither this DPA nor the Criminal Complaint alleges the Company's conduct adversely affected patient health or patient care.

3. The Company and the Office agree that, upon filing of the Criminal Complaint in accordance with the preceding paragraph, this DPA shall be publicly filed in the United States District Court for the District of New Jersey, and the Company agrees to post the DPA prominently on the Company website for the duration of the DPA.

4. The Company accepts and acknowledges responsibility for the facts set forth in the Statement of Facts attached as Appendix A (the "Statement of Facts") and incorporated by reference herein by entering into this Agreement and by, among other things, (a) the extensive remedial actions that it has taken to date, (b) its continuing commitment to full cooperation with the Office and other governmental agencies, and (c) the other undertakings it has made as set forth in this Agreement.

5. The Company agrees that in the event that future criminal proceedings are brought by the Office in accordance with paragraphs 29 and 30 of this Agreement, the Company will not contest nor contradict the facts as set forth in the Statement of Facts, and the Statement of Facts shall be admitted against the Company in any such proceedings as an admission, without objection. Neither this Agreement nor the Statement of Facts is a final adjudication of the matters addressed in such documents. Nothing in this Agreement shall be construed as an acknowledgment by the Company that the Agreement, including the Statement of Facts, is admissible or may be used in any proceeding other than in a proceeding brought by the Office.

6. The Company agrees that it shall not, through its present or future attorneys, Board of Directors, agents, officers or employees, make any public statement contradicting any fact contained in the Statement of Facts. Any such contradictory public statement by the Company, its present or future attorneys, Board of Directors, agents, officers or employees, shall if not repudiated upon notification by the Office as described below in this paragraph, constitute a breach of this Agreement as governed by paragraphs 29 and 30 of this Agreement, and the Company will thereafter be subject to prosecution pursuant to the terms of this Agreement. The decision of whether any public statement by any such person contradicting a fact contained in the

Statement of Facts will be imputed to the Company for the purpose of determining whether the Company has breached this Agreement shall be at the sole discretion of the Office. The Office shall notify the Company of a public statement by any such person that in whole or in part contradicts a statement of fact contained in the Statement of Facts and which the Office imputes to the Company. Thereafter, the Company may avoid breach of this Agreement by repudiating, publicly if requested by the Office, such statement within forty-eight (48) hours after such notification. This paragraph does not apply to any statement by any present or former Company employee, officer or director, in any proceeding in an individual capacity and not on behalf of the Company. Consistent with the foregoing, the Company shall be permitted to raise defenses and to assert affirmative claims in civil, regulatory, or other proceedings related to the matters set forth in the Statement of Facts.

7. The Company shall make a payment of $20,000,000 as a criminal penalty. The Company is simultaneously entering into an agreement with the Office and the United States Department of Justice's Civil Division, Fraud Section (the "Civil Settlement Agreement") regarding the payment of money to settle certain civil claims. The Company received more than approximately $61,000,000 to which the Company was not entitled as a result of its conduct as described in the Criminal Complaint and the Statement of Facts. Under agreements related to this matter, including the Civil Settlement Agreement, the Company has agreed to pay more than approximately $130,000,000, including interest. In light of the Civil Settlement Agreement, no additional restitution shall be paid by the Company. The Company is also simultaneously entering into a Corporate Integrity Agreement ("CIA") with the United States Department of Health and Human Services, Office of Inspector General ("HHS-OIG") to implement certain specified compliance measures. The Company shall be subject to potential exclusion from participation in government health care programs in the event the CIA is violated. Any debarment decision is in the sole discretion of the exclusion official of the United States Department of Health and Human Services. The Office in its sole discretion may determine that failure by the Company to comply fully with those material terms of the Civil Settlement Agreement scheduled to occur during the Effective Period of this DPA constitutes a breach of this DPA. The Office in its sole discretion may, but need not necessarily, determine that a breach of the CIA referenced in the Civil Settlement Agreement constitutes a breach of this DPA. Any disputes arising under the CIA shall be resolved exclusively through the dispute resolution provisions of the CIA.

8. In light of the Company's remedial actions to date and its willingness to (a) undertake additional remediation as necessary; (b) acknowledge responsibility for its behavior; (c) continue its cooperation with the Office and other government agencies; and (d) demonstrate its good faith and commitment to full compliance with federal health care laws, the Office shall recommend to the Court that prosecution of the Company on the Criminal Complaint be deferred for a period of twenty-four (24) months from the filing date of such Criminal Complaint. If the Court declines to defer prosecution for any reason, this DPA shall be null and void, and the parties will revert to their pre-DPA positions.

9. Beginning particularly in May 2009, the Company has undertaken extensive reforms and remedial actions in response to the conduct at the Company that is and has been the subject of the investigation by the Office. These reforms and remedial actions have included:

(a) Retaining independent counsel to conduct a comprehensive review of the implementation and effectiveness of the internal controls and related compliance functions of the Company, and a review of the conduct and effectiveness of the Company's senior management, with a particular focus on ensuring appropriate levels of patient care and preventing and detecting fraudulent practices;

(b) Making significant personnel changes after the Office commenced its investigation, including the termination of senior executives and other employees the Company identified as responsible for the misconduct;

(c) Establishing and filling the positions of Chief Executive Officer, Chief Compliance Officer, Chief Operations Officer/Chief Clinical Officer, Chief Quality Officer/Chief Medical Officer, Chief Culture Officer, Chief Financial and Strategy Officer, and Vice President of Human Resources, and hiring a new General Counsel;

(d) Expanding its Board of Directors to include Independent Directors with backgrounds in health care compliance;

(e) Establishing a Compliance Committee consisting of three Directors, two of whom are Independent Directors;

(f) Undertaking a review of the existing incentive compensation structure for both sales and clinical employees to ensure that the structure promotes patient care and compliance;

(g) Undertaking a review of the policies and standard operating procedures regarding, among other things, claims for payment to federal and state health care programs, documentation pertinent to health care services furnished by the Company to federal and state health care program beneficiaries, provision and supervision of patient care, and employee training and compliance programs; and

(h) Identifying and disclosing voluntarily to law enforcement the misconduct of certain former Company employees.

General Commitment to Compliance and Remedial Actions

10. The Company commits itself to exemplary corporate citizenship, best practices of effective corporate governance, the highest principles of honesty and professionalism, the integrity of the operation of federal health care programs including Medicaid, Medicare, and the Veterans Affairs Program, and a culture of openness, accountability, and compliance throughout the Company. To advance and underscore this commitment, the Company agrees to take, or has acknowledged that it has taken, the remedial and compliance measures set forth herein.

11. In matters relating to federal health care laws, and as set forth in paragraph 28, below, the Company will cooperate fully with all federal law enforcement and regulatory agencies, including but not limited to: the Criminal and Civil Divisions of the Office; the United States Department of Justice, Criminal and Civil Divisions; HHS-OIG; the Federal Bureau of Investigation ("FBI"); and the United States Department of Veterans Affairs, Office of Inspector General ("VA-OIG"); provided, however, that such cooperation shall not require the Company's waiver of attorney-client and work product protections or any other applicable legal privileges. Nothing in this DPA shall be construed as a waiver of any applicable attorney-client or work product privileges (hereafter "privilege").

12. The Company shall communicate to its employees and clients that Company personnel and agents are required to report to the Company any suspected violations of any federal laws, regulations, federal health care program requirements, or internal policies and procedures.

13. As set forth in paragraphs 22-23, below, the Company shall continue to develop and operate an effective corporate compliance program and function to ensure that internal controls are in place to prevent recurrence of the activities that resulted in this DPA. The Company shall also develop and implement policies, procedures, and practices designed to ensure compliance with federal health care program requirements, including the Health Care Fraud Statute.

14. The Company agrees that its Chief Executive Officer, General Counsel, Chief Quality Officer/Chief Medical Officer, Chief Operations Officer/Chief Clinical Officer, Chief Compliance Officer, and appropriate Company executives will meet quarterly with the Office and the Monitor, in conjunction with the Monitor's quarterly reports described in paragraph 19(c) herein, unless the Office concludes that a meeting is not necessary. At such meetings, which may be conducted telephonically at the discretion of the Office, representatives of the Company may raise any suggestions, comments, or improvements the Company may wish to discuss with or propose to the Office, including with respect to the scope or costs of the monitorship.

Retention and Obligations of a Monitor

15. Following the selection of a Monitor as set forth below, the Company agrees that until the expiration of this DPA, it will retain at its own expense an outside, independent individual (the "Monitor") to evaluate and monitor the Company's compliance with this DPA. The Monitor will be selected by the Office consistent with United States Department of Justice guidelines, including review and approval by the Office of the Deputy Attorney General, and after consultation with the Company. The Office and the Company will endeavor to complete the monitor selection process within sixty (60) days of the execution of the DPA. The Monitor is an independent third party, and not an employee or agent of the Company, and no attorney-client relationship shall be formed between the Monitor and the Company. The Office will endeavor to select a highly-qualified Monitor, free of any potential or actual conflict of interest, and suitable for the assignment at hand, from a pool of candidates proposed by the Company. The Office will

make efforts to select a Monitor with the following qualifications: (1) access to sufficient resources to carry out the duties of the Monitor as described in this DPA; (2) experience with internal investigations or the investigative process in a prior capacity; (3) absence of a prior relationship with the Company from January 1, 1997 to the present; and (4) absence of a conflict of interest relative to the Office based on involvement in other matters. The following qualifications will also be considered: (1) prior monitorship or oversight experience; (2) experience with the federal regulations and standards relating to the provision of health care services; and (3) experience with the health care industry. The Company agrees that it will not employ or be affiliated with any selected Monitor for a period of not less than one year from the date the monitorship is terminated.

16. The Monitor shall have access to all non-privileged Company documents and information the Monitor determines are reasonably necessary to assist in the execution of his or her duties. The Monitor shall have the authority to meet with any officer, employee, or agent of the Company. The Company shall use its best efforts to have its employees and agents fully cooperate and meet with the Monitor as requested.

17. The Monitor shall conduct a review and evaluation of all Company policies, practices, and procedures relating to compliance with the DPA and the following subjects, and shall report and make written recommendations as necessary ("Recommendations") to the Company and the Office concerning:

a. The effectiveness of the procedures and practices at the Company relating to the submission of true, accurate, and complete claims for payment to all federal and state health care programs, including the Medicaid, Medicare, and Veterans Affairs programs;

b. The effectiveness of the procedures and practices at the Company relating to the creation and maintenance of true, accurate, and complete documentation pertinent to any health care services furnished by the Company to federal and state health care program beneficiaries;

c. The effectiveness of the procedures and practices at the Company relating to the setting of sales and compliance goals, and incentive compensation arrangements with Company employees;

d. The effectiveness of training relating to the above topics, and on the obligation of each Company employee to provide federal and state health care programs with true, accurate, complete, and transparent information; and

e. The effectiveness of the procedures and practices at the Company relating to patient care.

In carrying out his responsibilities, the Monitor is encouraged to coordinate, as appropriate, with Company personnel, including auditors and compliance personnel, and may, in conducting his

review, rely upon and incorporate the findings, conclusions, and recommendations of the Independent Review Organization established in accordance with the CIA.

18. The Monitor shall, *inter alia*:

a. Monitor and review the Company's compliance with this DPA and all applicable federal health care laws, statutes, regulations, and programs;

b. As requested by the Office, cooperate with the Criminal and Civil Divisions of the Office, the United States Department of Justice, Criminal and Civil Divisions, HHS-OIG, the FBI and VA-OIG, and, as requested by the Office, provide information about the Company's compliance with the terms of this DPA;

c. Provide written reports to the Office, on at least a quarterly basis, concerning the Company's compliance with this DPA. In these reports or at other times the Monitor deems appropriate, the Monitor shall make Recommendations to the Company to take any steps he or she reasonably believes are necessary for the Company to comply with the terms of this DPA and enhance future compliance with federal health care laws, and, as agreed by the Company or mandated by the Office pursuant to paragraph 26, require the Company to take such steps when it is agreed that such steps are reasonable and necessary for compliance with the DPA. The first report to the Office shall be due three (3) months after the Effective Date, but in any event, no less than sixty (60) days after the appointment of the Monitor, in accordance with paragraph 15, above, and subsequent reports shall be made quarterly thereafter;

d. Immediately report[1] the following types of misconduct directly to the Office and not to the Company: (1) any misconduct that poses a significant risk to public health or safety; (2) any misconduct that involves senior management of the Company; (3) any misconduct that involves obstruction of justice; (4) any misconduct that involves a violation of any federal or state criminal statute, or otherwise involves criminal activity; or (5) any misconduct that otherwise poses a significant risk of harm to any person or to any federal or state entity or program. On the other hand, in instances where the allegations of misconduct are not credible or involve actions of individuals outside the scope of the Company's business operations, the Monitor may decide, in the exercise of his or her discretion, that the allegations need not be reported directly to the Office;

e. After consultation with the Company and the Office, and allowing reasonable time for the Company or the Office to object, the Monitor may retain, at the Company's expense, consultants, accountants or other professionals the Monitor reasonably deems necessary to assist the Monitor in the execution of the Monitor's duties. Before retention, these

[1] This Office will determine whether to also immediately report said misconduct to the Company.

consultants, accountants or other professionals shall provide to the Monitor and the Company a proposed budget. If the Company believes the costs to be unreasonable, the Company may bring the matter to the Office's attention for dispute resolution by the Office and the Monitor shall not retain such professionals until the Office has resolved the dispute; and

f. Monitor the information received by the confidential hotline and e-mail address as described in paragraph 23 herein.

19. The Company shall promptly notify the Monitor and the Office in writing of any credible evidence of criminal conduct or serious wrongdoing by, or criminal investigations of, the Company, its officers, directors, employees and agents, of any type that become known to the Company after the Effective Date. The Company shall provide the Monitor and the Office with all relevant non-privileged documents and information concerning such allegations, including but not limited to internal audit reports, letters threatening litigation, "whistleblower" complaints, civil complaints, and documents produced in civil litigation. In addition, the Company shall report to the Monitor and the Office concerning its planned investigative measures and any findings and resulting remedial measures, internal and external. The Monitor in his or her discretion may conduct an investigation into any such matters, and nothing in this paragraph shall be construed as limiting the ability of the Monitor to investigate and report to the Company and the Office concerning such matters.

Remedial Measures

Responsibilities of Chief Compliance Officer

20. The Chief Compliance Officer shall be responsible for monitoring the day-to-day compliance activities of the Company. The Chief Compliance Officer shall be a member of senior management of the Company who reports directly to the Board of Directors and indirectly to the Chief Executive Officer, and shall not be a subordinate to the General Counsel, the Chief Financial and Strategy Officer, or any sales or clinical officers. The Chief Compliance Officer shall make periodic (at least quarterly) reports regarding compliance matters to the Company Board of Directors and is authorized to report on such matters directly to the Company Board of Directors at any time.

21. The Chief Compliance Officer shall have the authority to meet with, and require reports and certifications on any subject from, any officer or employee of the Company.

Compliance, Training, Hotline

22. The Company agrees to enhance, support, and maintain its existing training and education programs, including any programs recommended by the Monitor pursuant to paragraph 17, above. The programs, which shall be reviewed and approved by the Chief Executive Officer, Board of Directors, General Counsel, Chief Compliance Officer, and the Monitor, shall be designed to advance and underscore the Company's commitment to exemplary corporate citizenship, to best practices of effective corporate governance and the highest

principles of integrity and professionalism, and to fostering a culture of openness, accountability and compliance with federal health care laws throughout the Company. Completion of such training shall be mandatory for all Company officers, executives, and employees who are involved in Sales, Clinical, Billing, Legal, Compliance, and other senior executives at the Company as proposed by the Compliance Officer and approved by the Monitor (collectively the "Mandatory Participants"). Such training and education shall be consistent with the requirements set forth in the CIA and cover, at a minimum, all relevant federal health care laws and regulations, internal controls in place concerning the submission of claims for payment to all federal and state health care programs, the creation and maintenance of true, accurate, and complete documentation pertinent to any health care services furnished by the Company to federal and state health care program beneficiaries, and the obligations assumed by, and responses expected of, the Mandatory Participants upon learning of improper, illegal, or potentially illegal acts relating to the Company's practices. The Chief Executive Officer and Board of Directors shall communicate to the Mandatory Participants, in writing or by video, their review and endorsement of the training and education programs. The Company shall commence providing this training within ninety (90) calendar days after the Effective Date of this DPA.

23. The Company agrees to maintain a confidential hotline and e-mail address, of which Company employees, agents, and clients are informed, and which they can use to notify the Company of any concerns about unlawful conduct, other wrongdoing, or evidence that Company practices do not conform to the requirements of this Agreement. Subject to Monitor approval, the Company may retain a vendor to assist in the maintenance of the Company's confidential hotline and e-mail address. This hotline and e-mail address shall be reviewed by the Monitor. The Company shall post information about this hotline on its website and shall inform all those who avail themselves of the hotline of the Company's commitment to non-retaliation and to maintain confidentiality and anonymity with respect to such reports.

Disclosure of Monitor Reports

24. The Company agrees that the Monitor may disclose his or her written reports, as directed by the Office, to any other federal law enforcement or regulatory agency in furtherance of an investigation of any other matters discovered by, or brought to the attention of, the Office in connection with the Office's investigation of the Company or the implementation of this DPA. The Company may identify any trade secret or proprietary information contained in any report, and request that the Monitor redact such information prior to disclosure.

Replacement of Monitor

25. The Company agrees that if the Monitor resigns or is unable to serve the balance of his or her term, a successor shall be selected by the Office consistent with United States Department of Justice guidelines and paragraph 15, above, within forty-five (45) calendar days. The Company agrees that all provisions in this DPA that apply to the Monitor shall apply to any successor Monitor.

Adopting Recommendations of Monitor

26. The Company shall adopt all Recommendations contained in each report submitted by the Monitor to the Office, unless the Company objects to the Recommendation and the Office agrees that adoption of the Recommendation should not be required. The Monitor's reports to the Office shall not be received or reviewed by the Company prior to submission to the Office; such reports will be preliminary until the Company is given the opportunity, within ten (10) calendar days after the submission of the report to the Office, to comment to the Monitor and the Office in writing upon such reports, and the Monitor has reviewed and provided to the Office responses to such comments, upon which such reports shall be considered final. In the event the Company disagrees with any Recommendation of the Monitor, the Company and the Monitor may present the issue to the Office for its consideration and final decision, which is non-appealable. The Company shall not be required to adopt any disputed Recommendation while the matter is subject to review. If a Recommendation is accepted, the Company will have a reasonable amount of time to implement the Recommendation.

Meeting with Representatives of the U.S. Attorney's Office for the District of New Jersey

27. Within thirty (30) calendar days of the Effective Date of this DPA, the Company agrees to call a meeting, on a date mutually agreed upon by the Company and the Office, of Company senior compliance, sales, and clinical executives, and any other Company employees whom the Company desires to attend, and such meeting is to be attended by representatives of the Office for the purpose of communicating the goals and expected effect of this DPA.

Cooperation

28. The Company agrees that its continuing cooperation during the term of this DPA shall include, but shall not be limited to, the following:

a. Not engaging in or attempting to engage in any criminal conduct;

b. Completely, truthfully and promptly disclosing all non-privileged information concerning all matters about which the Office and other government agencies designated by the Office may inquire with respect to the Company's compliance with health care laws, and continuing to provide the Office, upon request, all non-privileged documents and other materials relating to such inquiries;

c. Consenting to any order sought by the Office permitting disclosure to the Civil Division of the United States Department of Justice of any materials relating to compliance with federal health care laws that constitute "matters occurring before the grand jury" within the meaning of Rule 6(e) of the Federal Rules of Criminal Procedure. If the Company asserts that any such material contains trade secrets or other proprietary information, the Company shall propose redactions to the Office prior to disclosure to any other governmental entity, or the material shall be accompanied by a

prominent warning notifying the agency of the protected status of the material;

d. Making available current Company officers and employees and using its best efforts to make available former Company officers and employees to provide information and/or testimony at all reasonable times as requested by the Office, including sworn testimony before a federal grand jury or in federal trials, as well as interviews with federal law enforcement authorities as may relate to matters involving compliance with health care laws. The Company is not required to request of its current or former officers and employees that they forego seeking the advice of an attorney nor that they act contrary to that advice. Cooperation under this paragraph shall include, upon request, identification of witnesses who, to the Company's knowledge, may have material non-privileged information regarding the matters under investigation;

e. Providing testimony, certifications, and other non-privileged information deemed necessary by the Office or a court to identify or establish the original location, authenticity, or other evidentiary foundation necessary to admit into evidence documents in any criminal or other proceeding relating to compliance with health care laws as requested by the Office;

f. The Company acknowledges and understands that its future cooperation is an important factor in the decision of the Office to enter into this DPA, and the Company agrees to continue to cooperate fully with the Office, and with any other government agency designated by the Office, regarding any issue about which the Company has knowledge or information with respect to compliance with health care laws;

g. This agreement to cooperate does not apply to any information provided by the Company to legal counsel in connection with the provision of legal advice and the legal advice itself, or to information or documents prepared in anticipation of litigation, and nothing in this DPA shall be construed to require the Company to provide any such information or advice to the Office or any other government agency; and

h. The cooperation provisions in this Agreement shall not apply in the event that the Office pursues a criminal prosecution against the Company.

Breach of Agreement

29. Should the Office determine, in good faith and in its sole discretion, during the term of this DPA that the Company has committed any criminal conduct subsequent to the Effective Date of this DPA, the Company shall, in the discretion of the Office and consistent with paragraph 30, thereafter be subject to prosecution for any federal crimes of which the Office has knowledge, including crimes relating to the matters set forth in the Criminal Complaint and the Statement of Facts. Except in the event of a breach of this Agreement, it is the intention of

the parties to this Agreement that all investigations of the Company relating to the matters set forth in the Criminal Complaint and the Statement of Facts shall not be pursued further as to the Company.

30. Should the Office determine in good faith and in its sole discretion that the Company has knowingly and willfully breached any material provision of this DPA, the Office shall provide written notice to the Company of the alleged breach and provide the Company with a three-week period from receipt of such notice in which to make a presentation to the Office to demonstrate that no breach occurred, or, to the extent applicable, that the breach was not material or knowingly and willfully committed or has been cured. The parties understand and agree that should the Company fail to make a presentation to the Office within the three-week period after receiving written notice of an alleged breach, it shall be conclusively presumed that the Company is in breach of this DPA. The parties further understand and agree that the determination whether the Company has breached this DPA rests solely in the discretion of the Office, and the exercise of discretion by the Office under this paragraph is not subject to review in any court or tribunal outside the United States Department of Justice. In the event of any breach of this DPA that results in a prosecution of the Company, such prosecution may be premised upon any information provided by or on behalf of the Company to the Office at any time, unless otherwise agreed at the time the information was provided.

31. In the event of breach of this DPA as defined in paragraphs 29 and 30 above, the Office shall have sole discretion to extend the term of the Monitor by a period of up to 12 months, with a total term not to exceed 36 months, in lieu of prosecuting the Company.

32. In the event that the Company can demonstrate to the Office that there exists a change in circumstances sufficient to eliminate the need for a Monitor, the Office may exercise its discretion, consistent with United States Department of Justice policy, to terminate the monitorship.

Waivers and Limitations

33. The Company shall expressly waive all rights to a speedy trial pursuant to the Sixth Amendment of the United States Constitution, Title 18, United States Code, Section 3161, Federal Rule of Criminal Procedure 48(b), and any applicable Local Rules of the United States District Court for the District of New Jersey, for the period that this DPA is in effect for any prosecution of the Company relating to the allegations set forth in the Criminal Complaint and the Statement of Facts.

34. If the Office undertakes a prosecution under paragraphs 29 and 30, above, any prosecution of the Company relating to the allegations set forth in the Criminal Complaint and the Statement of Facts that are not time-barred by the applicable statute of limitations as of the Effective Date of this DPA may be commenced against the Company notwithstanding the expiration of any applicable statute of limitations during the term of the DPA. The Company agrees to waive any claims of improper venue with respect to any prosecution of the Company relating to the allegations set forth in the Criminal Complaint and the Statement of Facts. This waiver is knowing and voluntary and in express reliance on the advice of counsel. Any such waiver shall terminate upon final expiration of this DPA.

35. Absent the express written consent of the Office to conduct itself otherwise, and consistent with United States Department of Justice policy, the Company agrees that if, after the Effective Date of this Agreement, the Company sells all or substantially all of its business operations as they exist as of the Effective Date of this Agreement to a single purchaser or group of affiliated purchasers during the term of this Agreement, or merges with a third party in a transaction in which the Company is not the surviving entity, the Company shall include in any contract for such sale or merger a provision binding the purchaser, successor, or surviving entity to continue to comply with the Company's obligations as contained in this DPA.

36. Nothing in this DPA restricts in any way the ability of the Office to investigate and prosecute any current or former Company officer, employee, agent or attorney.

Dismissal of Complaint

37. The Office agrees that if the Company complies fully with all of its obligations under this DPA, the Office, within ten (10) calendar days of the expiration of the term of this DPA, will seek dismissal with prejudice of the Criminal Complaint.

38. Except as otherwise provided herein, during and upon the conclusion of the term of this DPA, the Office agrees that it will not prosecute the Company further for conduct which falls within the scope of the grand jury investigation of the Office, or was known to the Office as of the date of the execution of this DPA. The non-prosecution provisions of this DPA are binding on the Office, the United States Attorney's Offices for each of the other 93 judicial districts of the United States, and the Criminal Division of the United States Department of Justice. The non-prosecution provisions of this DPA shall not affect any actions taken by the United States, civil or criminal, relating to federal tax matters.

The Full Agreement

39. This DPA constitutes the full and complete agreement between the Company and the Office and supersedes any previous agreement between them. No additional promises, agreements, or conditions have been entered into other than those set forth in this DPA, and none will be entered into unless in writing and signed by the Office, Company counsel, and a duly authorized representative of the Company. It is understood that the Office may permit exceptions to or excuse particular requirements set forth in this DPA at the written request of the Company or the Monitor, but any such permission shall be in writing.

40. This DPA may be executed in counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same agreement. The exchange of copies of this DPA and of signature pages by facsimile or electronic transmission shall constitute effective execution and delivery of this DPA as to the parties and may be used in lieu of the original DPA for all purposes. Signatures of the parties transmitted by facsimile or electronic transmission shall be deemed to be their original signatures for all purposes.

AGREED TO:

W. Bradley Bennett
Chief Executive Officer
Maxim Healthcare Services, Inc.

9/6/11
Date

J. Gilmore Childers
Attorney for the United States
Acting Under Authority
Conferred by 28 U.S.C. § 515
District of New Jersey

9/12/11
Date

DIRECTOR'S CERTIFICATE

I have read this agreement and carefully reviewed every part of it with counsel for Maxim Healthcare Services, Inc. (the "Company"). I understand the terms of this Deferred Prosecution Agreement and voluntarily agree, on behalf of the Company, to each of the terms. Before signing this Deferred Prosecution Agreement, I consulted with the attorney for the Company. The attorney fully advised me of the Company's rights, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into this Deferred Prosecution Agreement. No promises or inducements have been made other than those contained in this Deferred Prosecution Agreement. Furthermore, no one has threatened or forced me, or to my knowledge any person authorizing this Deferred Prosecution Agreement on behalf of the Company, in any way to enter into this Deferred Prosecution Agreement. I am also satisfied with the attorney's representation in this matter. I certify that I am a director of the Company, and that I have been duly authorized by the Board of Directors of the Company to execute this certificate on behalf of the Company.

Maxim Healthcare Services, Inc.
By: W. Bradley Bennett

9/6/11
Date

CERTIFICATE OF COUNSEL

I am counsel for Maxim Healthcare Services, Inc. (the "Company"). In connection with such representation, I have examined relevant Company documents, and have discussed this Deferred Prosecution Agreement with the authorized representative of the Company. Based on my review of the foregoing materials and discussions, I am of the opinion that:

1. The undersigned counsel is duly authorized to enter into this Deferred Prosecution Agreement on behalf of the Company; and

2. This Deferred Prosecution Agreement has been duly and validly authorized, executed and delivered on behalf of the Company, and is a valid and binding obligation of the Company.

Further, I have carefully reviewed every part of this Deferred Prosecution Agreement with directors of the Company. I have fully advised these directors of the Company's rights, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into this Agreement. To my knowledge, the Company's decision to enter into this Agreement is an informed and voluntary one.

Robert D. Luskin, Esq.
Laura Laemmle-Weidenfeld, Esq.
Patton Boggs LLP

9/6/2011
Date

CERTIFIED COPY OF RESOLUTION

Upon motion duly made, seconded, and unanimously carried by the affirmative vote of all the Directors present, the following resolutions were adopted:

WHEREAS, Maxim Healthcare Services, Inc. (the "Company") has been engaged in discussions with the United States Attorney's Office for the District of New Jersey (the "Office") in connection with an investigation being conducted by that Office;

WHEREAS, the Board of the Company consents to resolution of these discussions by entering into a Deferred Prosecution Agreement that the Company Board of Directors has reviewed with outside counsel representing the Company, relating to a criminal complaint to be filed in the U.S. District Court for the District of New Jersey charging the Company with conspiracy to commit violations of the federal health care fraud statute;

NOW THEREFORE, BE IT RESOLVED that outside counsel representing the Company from Patton Boggs LLP be, and they hereby are authorized to execute the Deferred Prosecution Agreement on behalf of the Company substantially in the same form as reviewed by the Company Board of Directors at this meeting and as attached hereto as Exhibit A, and that a Director of the Company is authorized to execute the Director's Certificate attached thereto.

SECRETARY'S CERTIFICATION

I, Toni-Jean Lisa, the duly elected Secretary of Maxim Healthcare Services, Inc. (the "Company") a corporation duly organized under the laws of the State of Maryland, hereby certify that the following is a true and exact copy of a resolution approved by the Board of Directors of the Company by Written Consent in Lieu of Special Meeting on the 6th of September, 2011

WHEREAS, Maxim Healthcare Services, Inc. has been engaged in discussions with the United States Attorney's Office for the District of New Jersey (the "Office") in connection with an investigation being conducted by the Office into activities of the Company relating to fraudulent practices related to billing and documentation of patient care;

WHEREAS, the Board of Directors of the Company consents to resolution of these discussions on behalf of the Company by entering into a deferred prosecution agreement that the Board of Directors has reviewed with outside counsel representing the Company, relating to a criminal complaint to be filed in the U.S. District Court for the District of New Jersey charging the Company with conspiracy to commit violations of the federal health care fraud statute;

NOW THEREFORE, BE IT RESOLVED that outside counsel representing the Company from Patton Boggs LLP be, and they hereby are authorized to execute the Deferred Prosecution Agreement on behalf of the Company substantially in the same form as reviewed by the Board of Directors at this meeting and as attached hereto as Exhibit A, and that a Director of the Company is authorized to execute the Director's Certificate attached thereto.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and affixed the Seal of said Corporation this 6th day of Sept, 2011.

Toni-Jean Lisa, Secretary

Appendix A – Statement of Facts

Beginning in or about 2003, and continuing through in or about 2009, within the District of New Jersey, and elsewhere, MAXIM HEALTHCARE SERVICES, INC. (referred to herein as "MAXIM"), acting through certain of its former officers and employees, including senior employees, knowingly and willfully conspired, confederated and agreed with others to execute a scheme and artifice to defraud health care benefit programs, including state Medicaid programs and health care programs administered by the U.S. Department of Veterans Affairs (together referred to herein as "government health care programs"). Additionally, MAXIM knowingly and willfully conspired, confederated and agreed with others to defraud government health care programs of more than approximately $61 million by means of materially false and fraudulent pretenses, representations, and promises in connection with the delivery of and payment for health care benefits, items, and services.

Government Health Care Programs

At all times relevant to this Statement of Facts, the Medicaid Program, as established by Title XIX of the Social Security Act and Title 42 of the Code of Federal Regulations, authorized federal grants to states for medical assistance to low-income persons who are blind, disabled, or members of families with dependent children or qualified pregnant women or children (herein referred to as "Medicaid beneficiaries" or "Medicaid recipients").

States electing to participate in the Medicaid program had to comply with the requirements imposed by the Social Security Act and regulations of the Secretary of the United States Department of Health and Human Services. States participating in the Medicaid program created various state Medicaid programs, reimbursing health care practitioners, health care facilities, or health care plans for rendering Medicaid-covered services to Medicaid beneficiaries.

The federal government reimbursed states for a portion of the states' Medicaid expenditures based on a formula tied to the per capita income in each state. The federal share of Medicaid expenditures (otherwise referred to as "federal financial participation" or "FFP") varied from a minimum of approximately 50% to as much as approximately 74% of a state's total Medicaid expenditures.

The U.S. Department of Veterans Affairs (referred to herein as "Veterans Affairs"), through various programs, reimbursed health care practitioners, health care facilities, and/or health care plans for rendering Veterans Affairs-covered services to eligible veterans and their eligible dependents.

MAXIM's Participation in Government Health Care Programs

MAXIM conducted business in a number of different segments within the health care industry. MAXIM derived a substantial portion of its revenue and profits from the staffing of healthcare providers to patients requiring health care services. Within this market segment, MAXIM provided staffing of care providers to facilities, such as hospitals, nursing homes, and schools, as well as directly to patients requiring care at home.

Beginning in or about 2003, and continuing through in or about 2009, MAXIM participated in more than 500 government health care programs, receiving reimbursement from these programs for health care provided to patients. During that time, MAXIM received more than $2 billion in reimbursements from government health care programs in 43 states based on billings submitted by MAXIM for services.

MAXIM derived more than half of its annual revenue from reimbursement by government health care programs for care provided through MAXIM's Homecare Division to patients in their homes. MAXIM provided various levels of in-home care, ranging from assistance with daily living activities and personal care by unskilled home health aides, to the provision of a full range of nursing services by Registered Nurses, Licensed Practical Nurses, Licensed Vocational Nurses, and Certified Nursing Assistants.

At all times relevant to this Statement of Facts, government health care programs required that providers such as MAXIM meet certain qualifications. In addition, government health care programs required that, in order to receive reimbursement, providers submit and/or maintain certain documentation verifying that those qualifications had been met. Specific requirements varied among health care programs, but all generally had licensing requirements, enabling the health care program to monitor the providers. In order to obtain a license, providers were generally required to provide documentation verifying, among other things, that they had adequate staff to provide care to patients and to supervise the provision of care to patients. In addition to the licensing requirement, providers were generally required to submit and/or maintain documentation verifying, among other things: (1) care provided to patients; and (2) required training and qualifications of caregivers.

The Conspiracy

Beginning in or about 2003, and continuing through in or about 2009, certain aspects of MAXIM's operations emphasized sales goals at the expense of clinical and compliance responsibilities, as reflected in certain aspects of its culture, training, incentive compensation, and allocation of personnel resources. In addition, during this time period, MAXIM did not have in place appropriate training and compliance programs to prevent and identify fraudulent conduct.

Beginning in or about 2003, and continuing through in or about 2009, MAXIM, through certain of its former officers and employees, including senior employees, conspired to defraud government health care programs. It was part of the conspiracy that:

(a) MAXIM, through certain of its former officers and employees, including senior employees, acting within the scope of their duties and authorities, would and did submit materially false and fraudulent billings to government health care programs for services not rendered or otherwise not reimbursable by government health care programs in order to fraudulently increase reimbursements from government health care programs, and correspondingly benefit MAXIM through an increase in profits.

(b) MAXIM, through certain of its former officers and employees, including senior employees, acting within the scope of their duties and authorities, in order to conceal MAXIM's submission of false and fraudulent billings to government health care programs, engaged in and utilized various acts and strategies including, but not limited to:

i. falsely and fraudulently creating or modifying timesheets to support billings to government health care programs for services not rendered;

ii. falsely and fraudulently submitting billings through licensed offices for care actually supervised by unlicensed offices whose existence was concealed from auditors and investigators operating on behalf of government health care programs; and

iii. falsely and fraudulently creating or modifying documentation relating to required administrative functions associated with billings submitted to government health care programs, including documentation reflecting required training and qualifications of caregivers – for example: creating documentation to make it appear caregivers had received mandated training which, in fact, they had not received; creating documentation to make it appear caregivers' skills had been evaluated by supervisors when, in fact, they had not been; and falsifying documentation regarding caregivers' qualifications.

(c) MAXIM, through certain of its former officers and employees, including senior employees, acting within the scope of their duties and authorities, would and did engage in conduct in a concerted and organized effort to conceal and cover-up the false and fraudulent nature of various MAXIM billings to government health care programs.