

STATE OF NEW YORK  
OFFICE OF THE ATTORNEY GENERAL LETITIA JAMES  
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In the Matter of:

INTERSTATE LUXURY LIMOUSINES, INC. and;

JOSE VARGAS AND GLORIA RIVAS  
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### **SETTLEMENT AGREEMENT**

**THIS SETTLEMENT AGREEMENT** (the “Agreement”) is entered into among the State of New York (the “State”), by the Office of the Attorney General, through the Medicaid Fraud Control Unit (“MFCU”), and INTERSTATE LUXURY LIMOUSINES, INC. (“INTERSTATE”), JOSE VARGAS (“VARGAS”) and GLORIA RIVAS (“RIVAS”), as the owners and operators of INTERSTATE. The State, INTERSTATE, VARGAS and RIVAS shall be collectively referred to herein as the “Parties.”

**WHEREAS**, INTERSTATE is a corporation organized under the laws of the State of New York with its principal place of business at 872 East 233<sup>rd</sup> Street, Bronx, New York;

**WHEREAS**, INTERSTATE is enrolled as a provider of medical services in the New York State Medical Assistance Program (the “Medicaid Program” or “Medicaid”), 42 U.S.C. §§ 1396 *et seq.*, under Provider ID #04988661; and as such, provides transportation services for Medicaid recipients traveling to or from providers furnishing medical services paid for by Medicaid;

**WHEREAS**, JOSE VARGAS is the 30% owner of INTERSTATE and GLORIA RIVAS (“RIVAS”) is the 70% owner of INTERSTATE;

**WHEREAS**, during all times relevant to this Agreement, INTERSTATE executed, and VARGAS and RIVAS caused to be executed, annual Certification Statements For Provider Billing Medicaid through the State’s Medicaid Fiscal Agent (“Certification Statements”), pursuant to 18

Page 1 of 19

NYCRR §§ 504.1 (b)(1), 504.9, certifying that all claims that INTERSTATE submitted for reimbursement to Medicaid were made in full compliance with applicable federal and state laws and regulations and pertinent provisions of the eMedNY Provider Manual and all revisions thereto, and that INTERSTATE, VARGAS and RIVAS understood and agreed that they would be subject to and bound by all rules, regulations, policies, standards, fee codes, and procedures of the New York State Department of Health (“NYSDOH”) and the Office of the Medicaid Inspector General (“OMIG”) as set forth in statute or title 18 of the Official Compilation of Codes, Rules and Regulations of New York State and other publications of NYSDOH, including eMedNY Provider Manuals and other official bulletins of NYSDOH;

**WHEREAS**, pursuant to 18 NYCRR §§ 505.10, 510.10(6)(iii), and § 515.2 (b)(6); 35 RCNY § 59B-20; and the New York State Medicaid Program Transportation Manual Policy Guidelines (Versions 2018-3; 2018-4; 2018-5; 2019-1; 2019-2; 2019-3; 2019-4; 2019-5; 2020-1; 2020-2; 2020-3; 2020-4; 2020-5; 2021-1; 2021-2; 2021-3), INTERSTATE, VARGAS and RIVAS were only entitled to submit claims for reimbursement for trips actually conducted.

**WHEREAS**, MFCU conducted an investigation of INTERSTATE and determined that between August 10, 2018, and August 10, 2021 (hereinafter the “Relevant Period”), INTERSTATE, VARGAS and RIVAS presented claims for payment for transportation services to which INTERSTATE was not entitled, and Medicaid relied upon such claims to pay INTERSTATE;

**WHEREAS**, MFCU has determined that INTERSTATE, VARGAS and RIVAS engaged in the following conduct (the “Covered Conduct”) during the Relevant Period for which INTERSTATE, VARGAS and RIVAS received payments to which they were not entitled from Medicaid:

- a. INTERSTATE, VARGAS and RIVAS submitted claims to Medicaid for payment for tolls that INTERSTATE did not incur; and
- b. As a result of the foregoing, INTERSTATE, VARGAS and RIVAS received payments from Medicaid to which they were not entitled;

**WHEREAS**, as a result of the Covered Conduct, INTERSTATE, VARGAS and RIVAS caused the State to suffer damages of at least the amount to be repaid under this Agreement;

**WHEREAS**, the State has civil claims against INTERSTATE, VARGAS and RIVAS as a result of the Covered Conduct, including under N.Y. Executive Law § 63-c, and the common law; and

**WHEREAS**, INTERSTATE, VARGAS and RIVAS wish to resolve their civil liability for the Covered Conduct.

**NOW, THEREFORE**, in consideration of the mutual covenants and undertakings set forth herein, the Parties agree as follows:

### **TERMS AND CONDITIONS**

1. INTERSTATE, VARGAS and RIVAS admit, acknowledge, and accept responsibility for the Covered Conduct.

2. As repayment to the State for the Covered Conduct and to resolve any claims related to the Covered Conduct, INTERSTATE, VARGAS and RIVAS shall pay to the State a total of One Hundred Forty-Two Thousand Three Hundred Eighty-Nine and Twenty-Five Cents (\$142,389.25) (the “Settlement Amount”) plus applicable interest, pursuant to the terms set forth herein.

*(a) Initial Payment*

- i. Within thirty (30) calendar days of the Effective Date (as defined in Paragraph

32) of this Agreement, INTERSTATE, VARGAS and RIVAS shall pay to the State by wire transfer the sum of Three Thousand Nine Hundred Fifty-Five Dollars and Twenty-Six Cents (\$3,955.26 (“Initial Payment”). The remaining portion of the Settlement Amount following INTERSTATE, VARGAS and RIVAS’s Initial Payment, shall be referred to herein as the “Remaining Settlement Amount.”

(b) *Subsequent Payments*

- i. INTERSTATE, VARGAS and RIVAS shall pay the Remaining Settlement Amount, plus interest at the rate of five percent (5%) per annum from the Effective Date through 35 equal monthly payments, commencing on August 1, 2025, through July 1, 2028, in accordance with the schedule attached hereto as Appendix A, which Schedule is expressly incorporated herein by reference.

3. Notwithstanding any of the foregoing provisions, the balance of the Remaining Settlement Amount may be prepaid, in whole or in part, without penalty or premium (“Prepayment”). In the event that INTERSTATE, VARGAS and RIVAS make any Prepayment pursuant to this Paragraph, the State shall recalculate the balance of the Remaining Settlement Amount due in accordance with this Agreement and provide notice of the same to INTERSTATE, VARGAS and RIVAS pursuant to the provisions of Paragraph 31.

4. In consideration of permitting INTERSTATE, VARGAS and RIVAS to make payments towards the Settlement Amount over time, INTERSTATE, VARGAS and RIVAS shall each provide the State with an Affidavit of Confession of Judgment (“COJ”), in the forms attached hereto as Exhibits 1 and 2, at the time of the execution of this Agreement. INTERSTATE,

VARGAS and RIVAS each consent to the filing of said COJ and entry of judgment thereon without further notice.

5. INTERSTATE, VARGAS and RIVAS shall be in default of this Agreement if they fail to comply with the terms and conditions as set forth herein, in whole or in part, including but not limited to failure to pay the balance of the Remaining Settlement Amount, including a failure to pay all or any portion of each installment on or before its respective due date (“Default”). In the event of Default, the State will provide written notice of any such Default, to be sent by email and first-class U.S. mail to the undersigned attorney for INTERSTATE, VARGAS and RIVAS, who will then have thirty (30) days to cure the Default (the “Cure Period”). If INTERSTATE, VARGAS and RIVAS fail to cure the Default within the Cure Period (“Uncured Default”), the entire balance of the Remaining Settlement Amount shall be immediately due and payable, and interest of five percent (5%) per annum, shall accrue thereon from the Effective Date in accordance with the provisions of this Agreement.

6. In the event of an Uncured Default, the State, at its option, may: (a) rescind this Agreement or seek specific performance of this Agreement; (b) offset the Settlement Amount Balance from any amounts due and owing to INTERSTATE, VARGAS and RIVAS by any department, agency, or agent of the State as of the time of Default; (c) file a civil action for the Covered Conduct; and/or (d) execute on the COJ.

7. Notwithstanding the foregoing, in the event of Uncured Default as defined in Paragraph 5, above, the State through the Office of the Medicaid Inspector General (“OMIG”), may exclude INTERSTATE, VARGAS and RIVAS from participating in all state-funded health care programs until INTERSTATE, VARGAS and RIVAS cure the Default; provided, however, that so long as INTERSTATE, VARGAS and RIVAS are not in Default of this Agreement, as

defined in Paragraph 5, above, MFCU will not recommend or request that any federal or state agency exclude INTERSTATE, VARGAS and RIVAS from participation in any federal or state-funded health care program based upon information available to MFCU as of the date of this Agreement. INTERSTATE, VARGAS and RIVAS will not contest exclusion on the basis of the Uncured Default either administratively or in any state or federal court. The option of exclusion for an Uncured Default as set forth in this Paragraph is in addition to, and not in lieu of, the options otherwise identified in this Agreement or available to the State in the event of Uncured Default.

8. INTERSTATE, VARGAS and RIVAS shall not contest any offset imposed or any collection action undertaken by the State pursuant to Paragraph 6, either administratively or in any state or federal court. In addition, INTERSTATE, VARGAS and RIVAS shall pay the State all reasonable costs of collection and enforcement under Paragraph 6, including reasonable attorneys' fees and expenses. In the event that the State opts to rescind this Agreement, INTERSTATE, VARGAS and RIVAS shall not plead, argue, or otherwise raise any defenses under theories of statutes of limitations, laches, estoppel, or similar theories, to any civil or administrative claims that relate to the Covered Conduct, except to the extent such defenses were available as of the Effective Date. Acceptance by the State of late payment with interest shall not cure any other default hereunder.

9. INTERSTATE, VARGAS and RIVAS shall be jointly and severally liable for the Settlement Amount, plus applicable interest, and all payments due pursuant to this Agreement.

10. Subject to the provisions in Paragraph 11 below (concerning reserved claims) and Paragraph 17 below (concerning bankruptcy proceedings commenced within 91 days of the Effective Date of this Agreement), and conditioned upon the State's receipt of the full Settlement Amount, by INTERSTATE, VARGAS and RIVAS, the State releases INTERSTATE and all

predecessors, successors, members, assigns, and affiliates and VARGAS and RIVAS from any civil monetary claim against INTERSTATE, VARGAS and RIVAS for the Covered Conduct under New York Executive Law § 63-c, and the common law theories of payment by unjust enrichment, and breach of contract.

11. Notwithstanding the releases given in this Paragraph 10, or any other term of this Agreement, the State specifically does not release:

- a. Any liability arising under state tax law;
- b. Any criminal liability;
- c. Any administrative liability, including mandatory or permissive exclusion from the State's Medicaid Program;
- d. Any liability that INTERSTATE, VARGAS and RIVAS have or may have to the State or to individual consumers or state program payors under any statute, regulation, or rule not expressly covered by the releases in Paragraph 10 above, including but not limited to any and all claims involving unfair and/or deceptive acts and practices and/or violations of consumer protection laws;
- e. Any liability pursuant to New York State Finance Law §§ 187, *et seq.*; Executive Law § 63(12); Social Services Law § 145-b; disgorgement; or fraud;
- f. Any liability to the State (or its agencies) for any conduct other than the Covered Conduct;
- g. Any liability for personal injury, patient abuse, or neglect, arising from the Covered Conduct;
- h. Any liability of individuals other than VARGAS and RIVAS;

- i. Any liability that may be asserted by or on behalf of any payor or insurer paid by the State's Medicaid Program on a capitated basis, other than liability of INTERSTATE, VARGAS and RIVAS to the State for the Covered Conduct; and
- j. Any liability based upon obligations created by this Agreement.

12. In consideration of the obligations of the State set forth in this Agreement, INTERSTATE, including any and all predecessors, successors, and members, together with their current and former officers, directors, trustees, servants, employees, and assigns, and VARGAS and RIVAS, fully and finally release the State, its agencies, officers, agents, employees, and servants, from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) that INTERSTATE, VARGAS and RIVAS have asserted, could have asserted, or may assert in the future against the State, its agencies, officers, agents, employees, and servants, related to the Covered Conduct, and the State's investigation and prosecution thereof.

13. INTERSTATE, VARGAS and RIVAS waive and shall not assert any defenses that they may have to criminal prosecution or administrative action for the Covered Conduct, which defenses may be based in whole or in part upon a contention under the Double Jeopardy Clause of the Fifth Amendment of the Constitution or the Excessive Fines Clause of the Eighth Amendment to the Constitution and assent that this Agreement bars a remedy sought in such criminal prosecution or administrative action.

#### **INTEGRITY OBLIGATION**

14. The Parties acknowledge that a primary purpose of this Agreement is to promote compliance with the statutes, regulations, and written directives of the Medicaid Program. To further that objective, INTERSTATE, VARGAS and RIVAS acknowledge that they have



reviewed, and are required to comply with, the rules and regulations of the Medicaid Program, including but not limited to, those applicable to transportation providers as set forth in 18 NYCRR § 505.10 and the New York State Medicaid Program Transportation Manual Policy Guidelines, as well as Social Services Law § 363-d, which requires that Medicaid providers (as defined in Social Services Law § 363-d(4)) adopt and implement an effective compliance program. INTERSTATE, VARGAS and RIVAS further agree that they will keep current with all revisions to the foregoing rules and regulations relevant to non-emergency medical transportation and ensure all employees are trained upon hire and annually as to such obligations. INTERSTATE, VARGAS and RIVAS further agree that they shall not engage, or attempt to engage, in violations of any applicable law, regulation, or Medicaid guideline, including but not limited to 18 NYCRR §§ 504.3, 517.3(b), 505.10(e)(4), 510.10(6)(iii), and 515.2, and those provisions of the Transportation Manual Policy Guidelines governing the submission of claims for reimbursement for mileage incurred, tolls incurred, and group rides, as well as documentation transportation providers are required to maintain, and local regulations transportation providers must follow. INTERSTATE, VARGAS and RIVAS further acknowledge that they will fully and promptly cooperate with MFCU with respect to any investigation by MFCU, and/or related proceedings and actions, including but not limited to, producing requested documentation.

#### **OTHER PROVISIONS**

15. The Settlement Amount shall not be decreased as a result of the denial of claims for payment now being withheld from payment by the State Medicaid Program, or any other state payor, for the Covered Conduct, and INTERSTATE, VARGAS and RIVAS agree not to resubmit to the State Medicaid Program, or any other state payor, any previously denied claims, which

denials were based upon the Covered Conduct, and agree not to appeal or cause the appeal of any such denials of claims.

16. INTERSTATE, VARGAS and RIVAS shall not seek payment for any claims for reimbursement to the State Medicaid Program covered by this Agreement from any healthcare beneficiaries or their parents, sponsors, legally responsible individuals, or third-party payors.

17. In exchange for valuable consideration provided in this Agreement, INTERSTATE, VARGAS and RIVAS acknowledge the following:

- a. INTERSTATE, VARGAS and RIVAS warrant that they have reviewed INTERSTATE's financial situation, and that INTERSTATE is solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I) and shall remain solvent following payment to the State of the Settlement Amount.
- b. In evaluating whether to execute this Agreement, the Parties intend that the mutual promises, covenants, and obligations set forth herein constitute a contemporaneous exchange for new value given to INTERSTATE, VARGAS and RIVAS, within the meaning of 11 U.S.C. § 547(c)(1), and the Parties conclude that these mutual promises, covenants, and obligations do, in fact, constitute such contemporaneous exchange.
- c. The mutual promises, covenants, and obligations set forth herein are intended by the Parties to and do, in fact, represent a reasonably equivalent exchange of value.
- d. The Parties do not intend to hinder, delay, or defraud any entity to which INTERSTATE, VARGAS and RIVAS is or became indebted to on or after the

date of any transfer contemplated in this Agreement, within the meaning of 11 U.S.C. § 548(a)(1).

- e. If the obligations under this Agreement of INTERSTATE, VARGAS and RIVAS are avoided for any reason (including but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code), or if, before the Settlement Amount is paid in full, INTERSTATE, VARGAS and RIVAS commence a case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors seeking any order for relief of INTERSTATE's and/or VARGAS's and RIVAS's debts, or to adjudicate INTERSTATE, VARGAS and RIVAS as bankrupt or insolvent; or seeking appointment of a receiver, trustee, custodian, or other similar official for INTERSTATE, VARGAS and RIVAS or for all or any substantial part of INTERSTATE's, VARGAS's and RIVAS's assets, (i) the State may rescind the releases in this Agreement and bring any civil and/or administrative claim, action, or proceeding against INTERSTATE, VARGAS and RIVAS for the claims that would otherwise be covered by the releases provided above; and (ii) the State has an undisputed, noncontingent, and liquidated allowed claim against INTERSTATE, VARGAS and RIVAS in the amount of Settlement Amount Balance (including interest, as described in Paragraph 2), less any payments received pursuant to this Agreement, provided, however, that such payments are not otherwise avoided and recovered from the State by INTERSTATE, VARGAS and RIVAS, a receiver, trustee, custodian, or other similar official for INTERSTATE, VARGAS and RIVAS.

f. INTERSTATE, VARGAS and RIVAS agree that any civil and/or administrative claim, action, or proceeding brought by the State under this Paragraph is not subject to an “automatic stay” pursuant to 11 U.S.C. § 362(a) because it would be an exercise of the State’s police and regulatory power. INTERSTATE, VARGAS and RIVAS shall not argue or otherwise contend that the State’s claim, action, or proceeding is subject to an automatic stay and, to the extent necessary, consent to relief from the automatic stay for cause under 11 U.S.C. § 362(d)(1). INTERSTATE, VARGAS and RIVAS waive and shall not plead, argue, or otherwise raise any defenses under the theories of statutes of limitations, laches, estoppel, or similar theories, to any such civil or administrative claim, action, or proceeding brought by the State, except to the extent such defenses were available as of the date of execution of this Agreement.

18. INTERSTATE, VARGAS and RIVAS agree to the following:

a. Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47; and in Titles XVIII and XIX of the Social Security Act, 42 U.S.C. §§ 1395-1395lll and 1396-1396w-5; and the regulations and official program directives promulgated thereunder) incurred by or on behalf of INTERSTATE, or any of its present or former officers, directors, trustees, employees, shareholders, and agents, and/or VARGAS and RIVAS, in connection with:

i. the matters covered by this Agreement;

- ii. the State's audit and any civil and/or criminal investigation of the matters covered by this Agreement;
- iii. the investigation, defense, and corrective actions undertaken by INTERSTATE, VARGAS and RIVAS in response to the State's audit and any civil and/or criminal investigation in connection with the matters covered by this Agreement (including attorneys' fees);
- iv. the negotiation and performance of this Agreement; and
- v. the payments that INTERSTATE, VARGAS and RIVAS make relating to this Agreement, including costs and attorneys' fees,

are unallowable costs for government contracting purposes and under the Medicaid Program ("Unallowable Costs").

- b. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for in non-reimbursable cost centers by INTERSTATE, VARGAS and RIVAS shall not charge such Unallowable Costs directly or indirectly to any contracts with the Medicaid Program or seek payment for such Unallowable Costs through any Consolidated Fiscal Report, cost report, cost statement, information statement, or payment request submitted by INTERSTATE, VARGAS and RIVAS to the Medicaid Program.
- c. Treatment of Unallowable Costs Previously Submitted for Payment: INTERSTATE, VARGAS and RIVAS further agree that, within ninety (90) days of the Effective Date of this Agreement, they shall identify to applicable Medicaid fiscal agents any Unallowable Costs that were included in payments previously sought from the Medicaid Program, including but not limited to

payments sought in any cost reports, cost submissions, information reports, or payment requests already submitted by INTERSTATE, VARGAS and RIVAS and shall request and agree that such cost reports, cost statements, information reports, or payment requests, even if already settled, be adjusted to account for the effect of the inclusion of the Unallowable Costs. INTERSTATE, VARGAS and RIVAS agree that the State, at a minimum, shall be entitled to recoup from INTERSTATE, VARGAS and RIVAS any overpayment, plus applicable interest and penalties, as a result of the inclusion of such Unallowable Costs on previously submitted cost reports, cost statements, information reports, appeals, or requests for payment. Any payments due after the adjustments have been made shall be paid to the State. The State reserves its right to disagree with any calculations submitted by INTERSTATE, VARGAS and RIVAS on the effect of inclusion of Unallowable Costs on INTERSTATE's and VARGAS' and RIVAS's Consolidated Fiscal Reports, cost reports, cost statements, or information reports, appeals, or other payment requests.

- d. Nothing in this Agreement shall constitute a waiver of the rights of the State to audit, examine, or re-examine the books and records of INTERSTATE, VARGAS and RIVAS to determine that no Unallowable Costs have been claimed in accordance with the provisions of this Paragraph.

19. INTERSTATE, VARGAS and RIVAS will not assert any claim for any tax rebate or refund, or other government payment from the State, until the Settlement Amount (including applicable interest) is satisfied. In the State's sole discretion, the State may recoup or offset any such payment, without further notice to INTERSTATE and

VARGAS AND RIVAS, for credit towards the Settlement Amount plus applicable interest.

20. No provision of this Agreement constitutes an agreement by the State concerning the characterization of the Settlement Amount for purposes of New York tax law. INTERSTATE, VARGAS and RIVAS shall not deduct or discharge the Settlement Amount as part of their New York State tax obligations.
21. INTERSTATE, VARGAS and RIVAS will not submit any insurance claims for the Covered Conduct.
22. INTERSTATE, VARGAS and RIVAS agree not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any finding in this Agreement or creating the impression that this Agreement is without factual basis. Nothing in this Paragraph affects INTERSTATE's and VARGAS's and RIVAS's (a) testimonial obligations, if any, or (b) right to take any good faith legal or factual positions in defense of litigation or other proceedings to which the State is not a party.
23. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to choice of law or conflict of laws principles. The Parties consent to the jurisdiction of Supreme Court, New York County, in any action brought by the State to enforce or interpret this Agreement.
24. Any failure by the State to insist upon the strict performance of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and the State, notwithstanding that failure, shall have the right thereafter to insist upon strict performance of any and all of the provisions of this Agreement.

25. The undersigned represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.
26. This Agreement shall be deemed to have been mutually prepared by the Parties hereto and shall not be construed against any of them solely by reason of authorship.
27. The Parties each acknowledge and represent that they have entered into this Agreement freely, voluntarily, and upon due deliberation, with the advice of counsel and without any degree of coercion, duress, or compulsion whatsoever.
28. This Agreement shall be binding on all successors, transferees, heirs, and assigns of INTERSTATE, VARGAS and RIVAS.
29. Except as otherwise stated in this Agreement, this Agreement is intended to be for the benefit of the Parties only, and by this instrument the Parties do not release any liability against any other person or entity.
30. Each Party to this Agreement shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.
31. All notices pursuant to this Agreement shall be in writing and shall, unless expressly provided otherwise herein, be given by e-mail, followed by hand delivery, overnight delivery by any nationally recognized overnight courier service, or first-class U.S. mail, addressed as follows:

TO THE STATE:

Chief, Civil Enforcement Division  
Medicaid Fraud Control Unit  
New York State Office of the Attorney General  
28 Liberty Street, 13<sup>th</sup> Floor  
New York, NY 10005  
Telephone: (212) 417-5300



TO INTERSTATE, JOSE VARGAS AND GLORIA RIVAS:

Jeffrey Granat, Esq.  
Jacobson Goldberg & Kulb, LLP  
585 Stewart Avenue  
Suite 500  
Garden City, NY 11530  
Telephone: (516) 222-2330

32. The effective date of this Agreement shall be the date of the signature of the last signatory to this Agreement (“Effective Date”).

33. This Agreement constitutes the complete agreement between the Parties with respect to INTERSTATE’s and VARGAS’s and RIVAS’s civil liability under the provisions released above, relating to the Covered Conduct, and it may not be changed in any respect, except by a writing duly executed by the Parties or their authorized representatives.

34. Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

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

**WHEREFORE**, the Parties have read the foregoing Agreement and accept and agree to the provisions contained herein and hereby have caused this Agreement to be signed as of the date adjacent to their signatures:

**THE STATE OF NEW YORK**

LETITIA JAMES

*Attorney General of the State of New York*

BY: \_\_\_\_\_

Dated: 6/26/2025

EDWARD BRADLEY  
Special Assistant Attorney General  
Medicaid Fraud Control Unit  
28 Liberty Street  
New York, New York 10005

BY: \_\_\_\_\_

Dated: 06/27/2025

JOSE VARGAS

Individually and as owner/operator of INTERSTATE LUXURY LIMOUSINES, INC.

State of Ny )

)ss:

County of New York )



MARIA MERCEDES SANCHEZ  
Notary Public - State of New York  
No. 01SA0023521  
Qualified in Queens - Certified filed in New York County  
My Commission Expires 04/15/2028

On the 25 day of June, in the year 2025, before me, the undersigned, a Notary Public in and for said State, personally appeared JOSE VARGAS, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that he executed the same individually, and in his capacity as Owner of INTERSTATE LUXURY LIMOUSINES, INC., and that by his signature on the instrument, the individual or the entity upon behalf of which the individual acted, executed the instrument.

BY: \_\_\_\_\_

Dated: 06/25/2025

GLORIA RIVAS

Individually and as owner/operator of INTERSTATE LUXURY LIMOUSINES, INC.

State of Ny )

)ss:

County of New York )

On the 25 day of June, in the year 2025, before me, the undersigned, a Notary Public in and for said State, personally appeared GLORIA RIVAS, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that he executed the same individually, and in his capacity as Owner of INTERSTATE LUXURY LIMOUSINES, INC., and that by his signature on the instrument, the individual or the entity upon behalf of which the individual acted, executed the instrument.

NOTARY PUBLIC \_\_\_\_\_



MARIA MERCEDES SANCHEZ  
Notary Public - State of New York  
No. 01SA0023521  
Qualified in Queens - Certified filed in New York County  
My Commission Expires 04/15/2028

Approved as to Form:

BY: Jeffrey Granat  
JEFFREY GRANAT, ESQ.

Dated: 6/25/25

Jacobson Goldberg & Kulb, LLP  
585 Stewart Avenue  
Suite 500

Garden City, New York 11530

As attorney for INTERSTATE LUXURY LIMOUSINES, INC. and JOSE VARGAS  
and GLORIA RIVAS

# **EXHIBIT A**

**Interstate Luxury Transportation Payment Schedule at 5%**

<b>Month Payment Received</b>	<b>Principal Balance</b>	<b>Principal(Repaym ent)</b>	<b>5% Annual Int. Per Month</b>	<b>Ending Balance</b>	<b>Principal Only</b>
7/1/2025	142,389.25	4,267.50	593.29	138,715.04	3,674.21
8/1/2025	138,715.04	4,267.50	577.98	135,025.52	3,689.52
9/1/2025	135,025.52	4,267.50	562.61	131,320.62	3,704.89
10/1/2025	131,320.62	4,267.50	547.17	127,600.29	3,720.33
11/1/2025	127,600.29	4,267.50	531.67	123,864.46	3,735.83
12/1/2025	123,864.46	4,267.50	516.10	120,113.06	3,751.40
1/1/2026	120,113.06	4,267.50	500.47	116,346.03	3,767.03
2/1/2026	116,346.03	4,267.50	484.78	112,563.31	3,782.72
3/1/2026	112,563.31	4,267.50	469.01	108,764.82	3,798.49
4/1/2026	108,764.82	4,267.50	453.19	104,950.51	3,814.31
5/1/2026	104,950.51	4,267.50	437.29	101,120.30	3,830.21
6/1/2026	101,120.30	4,267.50	421.33	97,274.14	3,846.17
7/1/2026	97,274.14	4,267.50	405.31	93,411.95	3,862.19
8/1/2026	93,411.95	4,267.50	389.22	89,533.66	3,878.28
9/1/2026	89,533.66	4,267.50	373.06	85,639.22	3,894.44
10/1/2026	85,639.22	4,267.50	356.83	81,728.55	3,910.67
11/1/2026	81,728.55	4,267.50	340.54	77,801.59	3,926.96
12/1/2026	77,801.59	4,267.50	324.17	73,858.26	3,943.33
1/1/2027	73,858.26	4,267.50	307.74	69,898.50	3,959.76
2/1/2027	69,898.50	4,267.50	291.24	65,922.25	3,976.26
3/1/2027	65,922.25	4,267.50	274.68	61,929.42	3,992.82
4/1/2027	61,929.42	4,267.50	258.04	57,919.96	4,009.46
5/1/2027	57,919.96	4,267.50	241.33	53,893.79	4,026.17
6/1/2027	53,893.79	4,267.50	224.56	49,850.85	4,042.94
7/1/2027	49,850.85	4,267.50	207.71	45,791.06	4,059.79
8/1/2027	45,791.06	4,267.50	190.80	41,714.36	4,076.70
9/1/2027	41,714.36	4,267.50	173.81	37,620.67	4,093.69
10/1/2027	37,620.67	4,267.50	156.75	33,509.92	4,110.75
11/1/2027	33,509.92	4,267.50	139.62	29,382.05	4,127.88
12/1/2027	29,382.05	4,267.50	122.43	25,236.97	4,145.07
1/1/2028	25,236.97	4,267.50	105.15	21,074.63	4,162.35
2/1/2028	21,074.63	4,267.50	87.81	16,894.94	4,179.69
3/1/2028	16,894.94	4,267.50	70.40	12,697.83	4,197.10
4/1/2028	12,697.83	4,267.50	52.91	8,483.24	4,214.59
5/1/2028	8,483.24	4,267.50	35.35	4,251.09	4,232.15
6/1/2028	4,251.09	4,251.09	17.71	17.71	4,233.38

## EXHIBIT 1

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF BRONX

THE STATE OF NEW YORK, by LETITIA JAMES,  
Attorney General of the State of New York,  
Plaintiff,

- against -

INTERSTATE LUXURY LIMOUSINES, INC. and  
GLORIA RIVAS,

Defendant.

**AFFIDAVIT OF CONFESSION  
OF JUDGMENT**

STATE OF NEW YORK                    )  
  ) ss.:  
COUNTY OF BRONX                    )

GLORIA RIVAS, being duly sworn, deposes and says:

1. I am the individual named above, and I reside in Bronx, New York.
2. I am doing business as Interstate Luxury Limousines, Inc. and as such, I am authorized to execute this Affidavit of Confession of Judgment on behalf of Interstate Luxury Limousines, Inc.
3. I hereby confess judgment, individually and on behalf of Interstate Luxury Limousines, Inc., pursuant to CPLR § 3218, in favor of Plaintiff, State of New York, against myself and authorize entry thereof in Bronx County, and in any county in which I own property, in the sum of One Hundred Forty-Two Thousand Three Hundred Eighty-Nine Dollars and Twenty Five Cents (\$142,389.25), plus interest at a rate of 5% per annum from \_\_\_\_\_, 2025.
4. This confession of judgment is for a debt justly due to Plaintiff, the State of New York, arising out of the acts set forth in the attached Settlement Agreement, which I executed on \_\_\_\_\_, 2025 in my individual capacity, and on behalf of Interstate Luxury Limousines, Inc., As a result of the conduct described in the Settlement Agreement, I caused claims to be submitted to the New York State Medicaid Program for which I received, or caused others to receive, amounts that were not legally due. As a result, the New York State Medicaid Program was harmed.
5. I authorize entry of judgment against Interstate Luxury Limousines, Inc., and me, individually, in Bronx County, jointly and severally, in the State of New York, and in any county in which I own property, in the amount of One Hundred Forty-Two Thousand Three Hundred Eighty-Nine Dollars and Twenty Five Cents (\$142,389.25), less any payments paid pursuant to the Settlement Agreement, plus interest as described in

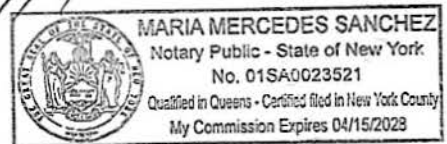
Paragraph 3, above, without further notice at any time.

Gloria Rivas  
GLORIA RIVAS

STATE OF NEW YORK, COUNTY OF New York ss.:

On 25, June, 2025, before me personally came GLORIA RIVAS, to me known, and known to me to be the individual described in, and who executed the above instrument and acknowledged to me that he executed same.

Maria Mercedes Sanchez  
NOTARY PUBLIC



STATE OF NEW YORK, COUNTY OF New York ss.:

On 25, JUNE, 2025, before me personally came GLORIA RIVAS to me known, who being by me duly sworn, did depose and say that he resides in NY County, New York; that he is the owner of Interstate Luxury Limousines, Inc., the company that is described in and that executed the above instrument; and that he is duly authorized to sign his name thereto and did so in such capacity.

Maria Mercedes Sanchez  
NOTARY PUBLIC





## EXHIBIT 2

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF BRONX

THE STATE OF NEW YORK, by LETITIA JAMES,  
Attorney General of the State of New York,  
Plaintiff,

- against -

INTERSTATE LUXURY LIMOUSINES, INC. and  
JOSE VARGAS,

Defendant.

**AFFIDAVIT OF CONFESSION  
OF JUDGMENT**

STATE OF NEW YORK                    )  
  ) ss.:  
COUNTY OF BRONX                    )

JOSE VARGAS, being duly sworn, deposes and says:

1. I am the individual named above, and I reside in Bronx, New York.
2. I am doing business as Interstate Luxury Limousines, Inc. and as such, I am authorized to execute this Affidavit of Confession of Judgment on behalf of Interstate Luxury Limousines, Inc.
3. I hereby confess judgment, individually and on behalf of Interstate Luxury Limousines, Inc., pursuant to CPLR § 3218, in favor of Plaintiff, State of New York, against myself and authorize entry thereof in Bronx County, and in any county in which I own property, in the sum of One Hundred Forty-Two Thousand Three Hundred Eighty-Nine Dollars and Twenty Five Cents (\$142,389.25), plus interest at a rate of 5% per annum from \_\_\_\_\_, 2025.
4. This confession of judgment is for a debt justly due to Plaintiff, the State of New York, arising out of the acts set forth in the attached Settlement Agreement, which I executed on \_\_\_\_\_, 2025 in my individual capacity, and on behalf of Interstate Luxury Limousines, Inc., As a result of the conduct described in the Settlement Agreement, I caused claims to be submitted to the New York State Medicaid Program for which I received, or caused others to receive, amounts that were not legally due. As a result, the New York State Medicaid Program was harmed.
5. I authorize entry of judgment against Interstate Luxury Limousines, Inc., and me, individually, in Bronx County, jointly and severally, in the State of New York, and in any county in which I own property, in the amount of One Hundred Forty-Two Thousand Three Hundred Eighty-Nine Dollars and Twenty Five Cents (\$142,389.25), less any payments paid pursuant to the Settlement Agreement, plus interest as described in

Paragraph 3, above, without further notice at any time

  
JOSE VARGAS

STATE OF NEW YORK, COUNTY OF Bronx ss.:

On 6/24, 2025, before me personally came JOSE VARGAS, to me known, and known to me to be the individual described in, and who executed the above instrument, and acknowledged to me that he executed same.

FRANKLIN A JAVIER  
NOTARY PUBLIC, STATE OF NEW YORK  
Registration No. 01ja5067349  
Qualified in bronx County  
Commission Expires 10/15/2026

  
NOTARY PUBLIC

STATE OF NEW YORK, COUNTY OF Bronx ss.:

On 6/24, 2025, before me personally came JOSE VARGAS to me known, who being by me duly sworn, did depose and say that he resides in Bronx County, New York; that he is the owner of Interstate Luxury Limousines, Inc., the company that is described in and that executed the above instrument; and that he is duly authorized to sign his name thereto and did so in such capacity.

FRANKLIN A JAVIER  
NOTARY PUBLIC, STATE OF NEW YORK  
Registration No. 01ja5067349  
Qualified in bronx County  
Commission Expires 10/15/2026

  
NOTARY PUBLIC