

## SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into among the United States of America, acting through the United States Department of Justice and on behalf of the Department of Housing and Urban Development (collectively, the “United States”); Carmen Manix; and Raymond Rodriguez (the “Relator”) (hereafter collectively referred to as “the Parties”), through their authorized representatives.

### RECITALS

A. Carmen Manix is an individual residing at [REDACTED]. [REDACTED]. Carmen Manix is a conserved person. Katherine Holzman was appointed conservator of the estate and person for Carmen Manix by the Probate Court for the district of West Hartford, Connecticut on April 12, 2021. Until her death in March 2021, Maura Manix resided at [REDACTED]. No estate was opened following Maura’s death. Maura Manix and Carmen Manix (collectively, the “Owners”) owned and managed, through a limited liability corporation called High Street Holyoke Properties II LLC, an apartment building located at [REDACTED] Holyoke, Massachusetts, 01040 [REDACTED] until they sold the property in December 2020.

B. Between September 2000 and December 2020, the Owners rented an apartment unit to the Relator, who qualified to receive federal housing subsidies through the Section 8 Voucher Program directed by the United States Department of Housing and Urban Development (“HUD”).

C. Under the Section 8 Voucher Program, HUD required the Owners to sign a Housing Assistance Payment (“HAP”) contract with a public housing agency (“PHA”) that conditioned the Owners’ receipt of the federal housing subsidy for the Relator on compliance

with the provisions of the HAP. One of the conditions set forth in the HAP contract required the Owners to pay for certain enumerated utilities, including hot water, cooking fuel, and heating. Carmen Manix signed the HAP on or around September 12, 2000.

D. On May 21, 2021, the Relator filed a qui tam action in the United States District Court for the District of Massachusetts captioned *United States ex rel. Raymond Rodriguez v. Carmen Manix, Maura Manix, and High Street Holyoke Properties II LLC*, No. 21-cv-30060-MGM, pursuant to the qui tam provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the “Civil Action”).

C. The United States contends that it has certain civil claims against Carmen Manix for submitting, or causing the submission of, false claims to HUD for monthly voucher program subsidy payments, while requiring the Relator to pay for his own utilities in contravention of the terms of the HAP contract.

D. Carmen Manix admits, acknowledges, and accepts responsibility for the following facts:

- a. From approximately September 2000 to approximately December 2020, the Relator received a federal housing subsidy under HUD’s Section 8 Voucher Program and rented an apartment from the Owners. In September 2000, Carmen Manix, on behalf of herself, Maura Manix, and High Street Holyoke Properties II LLC, signed a HAP contract with HUD, by and through the Department of Housing and Community Development (“DHCD”) as the PHA. Carmen Manix agreed to follow certain requirements in the HAP contract in exchange for receiving the Relator’s Section 8 program subsidy each month, which paid for a substantial portion of the total rent-to-owner amount set by

DHCD for the apartment unit. The HAP states that the owner is responsible for paying costs for hot water, cooking fuel, and heating during the Relator's tenancy. Between September 2000 and August 2017, however, Carmen Manix impermissibly required the Relator to pay for his own utilities in contravention of the HAP.

- b. In August 2017, Carmen Manix entered into an amended HAP contract with HUD allocating responsibility for utilities to the Relator for the first time.

The United States' allegations referred to in this Recital D are referred to below as the "Covered Conduct."

E. The Relator claims entitlement under 31 U.S.C. § 3730(d) to a share of the proceeds of this Settlement Agreement and to Relator's reasonable expenses, attorneys' fees, and costs.

In consideration of the mutual promises and obligations of this Settlement Agreement, the Parties agree and covenant as follows:

#### TERMS AND CONDITIONS

1. Carmen Manix agrees to pay the United States the sum of \$15,000 (the "Settlement Amount"), of which \$11,500 is restitution to the United States, and interest on the Settlement Amount at a rate of 4.25% per annum from November 1, 2022, no later than thirty days after the Effective Date of this Agreement by electronic funds transfer pursuant to written instructions to be provided by the Office of the United States Attorney's Office for the District of Massachusetts.

2. Conditioned upon the United States receiving the Settlement Amount and as soon as feasible after receipt, the United States shall pay 20% of the Settlement Amount to the Relator by electronic funds transfer (“Relator’s Share”).

3. Following receipt of written instructions from the Relator, Carmen Manix shall pay to the Relator a total of \$1,500 pursuant to 31 U.S.C. §3730(d)(1) for expenses and attorney’s fees and costs arising from the filing of the Civil Action.

4. Subject to the exceptions in Paragraph 6 (concerning reserved claims) below, and upon the United States’ receipt of the Settlement Amount plus interest due under Paragraph 1, the United States fully and finally releases Carmen Manix from any civil or administrative monetary claim the United States has for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; or the common law theories of breach of contract, payment by mistake, unjust enrichment, and fraud.

5. Subject to the exceptions in Paragraph 6 (concerning reserved claims) below, and upon Carmen Manix’s full payment of the Settlement Amount, the Relator, for himself and for his heirs, successors, attorneys, agents, and assigns, releases Carmen Manix from any civil monetary claim the Relator has on behalf of the United States for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733.

6. Notwithstanding the releases given in Paragraphs 4 and 5 of this Agreement, or any other term of this Agreement, the following claims and rights of the United States are specifically reserved and are not released:

- a. Any liability arising under Title 26, U.S. Code (Internal Revenue Code);
- b. Any criminal liability;

- c. Except as explicitly stated in the Agreement, any administrative liability or enforcement right, or any administrative remedy, including the suspension and debarment rights of any federal agency;
- d. Any liability to the United States (or its agencies) for any conduct other than the Covered Conduct;
- e. Any liability based upon obligations created by this Agreement; and
- f. Any liability of individuals other than Carmen Manix.

7. Relator and his heirs, successors, attorneys, agents, and assigns shall not object to this Agreement but agree and confirm that this Agreement is fair, adequate, and reasonable under all the circumstances, pursuant to 31 U.S.C. § 3730(c)(2)(B). Conditioned upon the Relator's receipt of the payment described in Paragraph 2, Relator and his heirs, successors, attorneys, agents, and assigns fully and finally release, waive, and forever discharge the United States, its agencies, officers, agents, employees, and servants, from any claims arising from the filing of the Civil Action or under 31 U.S.C. § 3730, and from any claims to a share of the proceeds of this Agreement and/or the Civil Action.

8. Carmen Manix waives and shall not assert any defenses she may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Agreement bars a remedy sought in such criminal prosecution or administrative action.

9. Carmen Manix fully and finally releases the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorneys' fees, costs, and expenses

of every kind and however denominated) that she has asserted, could have asserted, or may assert in the future against the United States, its agencies, officers, agents, employees, and servants, related to the Covered Conduct or the United States' investigation or prosecution thereof.

10. Carmen Manix fully and finally releases the Relator from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that she has asserted, could have asserted, or may assert in the future against the Relator, related to the Covered Conduct and the Relator's investigation and prosecution thereof.

11. a. Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47) incurred by or on behalf of Carmen Manix in connection with:

- (1) the matters covered by this Agreement;
- (2) the United States' audit(s) and civil investigation(s) of the matters covered by this Agreement;
- (3) her investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil investigation(s) in connection with the matters covered by this Agreement (including attorneys' fees);
- (4) the negotiation and performance of this Agreement;
- (5) the payment that Carmen Manix makes to the United States pursuant to this Agreement and any payments that Carmen Manix may make to Relator, including costs and attorneys' fees,

are unallowable costs for government contracting purposes (hereinafter referred to as Unallowable Costs).

b. Future Treatment of Unallowable Costs: Unallowable Costs will be separately determined and accounted for by Carmen Manix, and she shall not charge such Unallowable Costs directly or indirectly to any contract with the United States.

c. Treatment of Unallowable Costs Previously Submitted for Payment: Within 90 days of the Effective Date of this Agreement, Carmen Manix shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by her or any of her affiliates from the United States. Carmen Manix agrees that the United States, at a minimum, shall be entitled to recoup from her any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously submitted requests for payment. The United States, including the Department of Justice and/or HUD, reserves its rights to audit, examine, or re-examine Carmen Manix's books and records and to disagree with any calculations submitted by her or any of her affiliates regarding any Unallowable Costs included in payments previously sought by her, or the effect of any such Unallowable Costs on the amount of such payments.

12. This Agreement is intended to be for the benefit of the Parties only.

13. Upon receipt of the payment described in Paragraph 1, above, the United States and the Relator shall promptly sign and file in the Civil Action a Joint Stipulation of Dismissal of the Civil Action pursuant to Federal Rule of Civil Procedure 41(a)(1). With respect to the United States, the dismissal shall be with prejudice as to the Covered Conduct and without prejudice as to any other conduct or causes of action.

14. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

15. Each Party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

16. This Agreement is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Agreement is the United States District Court for the District of Massachusetts. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

17. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties.

18. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.

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

20. This Agreement is binding on Carmen Manix's successors, transferees, heirs, and assigns.

21. This Agreement is binding on Relator's successors, transferees, heirs, and assigns.

22. All parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

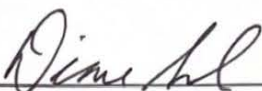
23. This Agreement is effective on the date of signature of the last signatory to the Agreement ("Effective Date of this Agreement"). Facsimiles and electronic submissions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.



THE UNITED STATES OF AMERICA

DATED: 2/8/23

BY:

  
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DIANE SEOL  
ALEXANDRA BRAZIER  
Assistant United States Attorneys  
United States Attorney's Office  
District of Massachusetts

DEFENDANT CARMEN MANIX

DATED: 2/2/2023

BY: DocuSigned by:  
Katherine Holzman, Conservator for Carmen Manix  
66C844495C24435...  
KATHERINE HOLZMAN  
CONSERVATOR of the ESTATE of CARMEN MANIX

DATED: 2/8/23

BY: Francis R. Mirkin  
FRANCIS R. MIRKIN  
Counsel for ESTATE of CARMEN MANIX

RAYMOND RODRIGUEZ - RELATOR

DATED: 2-6-23

BY:

  
RAYMOND RODRIGUEZ

DATED: 2-6-23

BY:

  
SHAWN ALLYN  
Counsel for Relator