

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 Homeland Security (“DHS”) (collectively the “United States”), Coyne Public Relations, LLC (“Coyne”), and GNGH2, Inc. (“Relator”) (hereafter collectively referred to as “the Parties”), through their authorized representatives.

RECITALS

- A. Coyne is a New Jersey Limited Liability Company with an office at 5 Wood Hollow Road, Parsippany, New Jersey 07054.
- B. On December 9, 2021, Relator filed a *qui tam* action in the United States District Court for the District of New Jersey captioned *United States ex rel. GNGH2 Inc. v. Coyne Public Relations, LLC*, 21-cv-20442 (MCA), pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the “Civil Action”). The complaint alleges that Coyne knowingly applied for and received a loan pursuant to the Paycheck Protection Program (“PPP”) under the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) even though it was ineligible for such a loan because it was a required registrant under the Foreign Agent Registration Act (“FARA”).
- C. The United States contends that it has certain civil claims against Coyne arising from its application for, receipt of, and eventual Small Business Administration (“SBA”) forgiveness of, a \$2,000,000 loan under the PPP during the period from February 5, 2021 through October 5, 2021, despite Coyne’s ineligibility for such a loan or forgiveness based upon its status as a registrant under FARA. That conduct is referred to below as the “Covered Conduct.”

D. This Settlement Agreement is neither an admission of liability by Coyne nor a concession by the United States that its claims are not well founded.

E. Relator claims entitlement under 31 U.S.C. § 3730(d) to a share of the proceeds of this Settlement Agreement.

To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, and in consideration of the mutual promises and obligations of this Settlement Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

1. Coyne shall pay to the United States Two-Million Two-Hundred Thirty-Five-Thousand Sixteen Dollars and Sixty-Six Cents (\$2,235,016.66) (“Settlement Amount”), of which Two-Million Thirty-One-Thousand Eight-Hundred Thirty-Three Dollars and Thirty-Three Cents (\$2,031,833.33) is restitution, by electronic funds transfer pursuant to written instructions to be provided by Office of the United States Attorney for the District of New Jersey no later than 15 days after the Effective Date of this Agreement.

2. Conditioned upon the United States receiving the Settlement Amount and as soon as feasible after receipt, the United States shall pay \$203,183.33 to Relator by electronic funds transfer (“Relator’s Share”).

3. Relator agrees to waive any claim for attorney fees and/or costs.

4. Subject to the exceptions in Paragraph 6 (concerning reserved claims) below, and upon the United States’ receipt of the Settlement Amount, the United States releases Coyne 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 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 below, and upon the United States' receipt of the Settlement Amount, Relator, for himself/herself and for his/her heirs, successors, attorneys, agents, and assigns, releases Coyne 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 Paragraph 4 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;
- f. Any liability of individuals;

7. Relator and its 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 Relator's receipt of the Relator's Share, Relator and its 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. Relator, for itself, and for its heirs, successors, attorneys, agents, and assigns, releases Coyne, and its officers, agents, and employees, from any liability to Relator arising from the filing of the Civil Action, or under 31 U.S.C. § 3730(d) for expenses or attorneys' fees and costs.

9. Coyne waives and shall not assert any defenses Coyne 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.

10. Coyne 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 Coyne 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.

11. Coyne fully and finally releases the Relator from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Coyne has asserted, could have asserted, or may assert in the future against the Relator for acts taken up to the date of this Settlement Agreement, related to the Covered Conduct and the Relator's investigation and prosecution thereof.

12. 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 Coyne, and its present or former officers, directors, employees, shareholders, and agents 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) Coyne's 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 Coyne makes to the United States pursuant to this Agreement and any payments that Coyne 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 Coyne, and Coyne 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, Coyne shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by Coyne or any of its subsidiaries or affiliates from the United States. Coyne agrees that the United States, at a minimum, shall be entitled to recoup from Coyne 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 the affected agencies, reserves its rights to audit, examine, or re-examine Coyne's books and records and to disagree with any calculations submitted by Coyne or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by Coyne, or the effect of any such Unallowable Costs on the amount of such payments.

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

14. Upon receipt of the payment described in Paragraph 1, above, the Relator and the United States shall promptly sign and file in the Civil Action a Joint Stipulation of Dismissal of the Civil Action pursuant to Rule 41(a)(1).

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

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

17. 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 New Jersey. 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.

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

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

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

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

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

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

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

THE UNITED STATES OF AMERICA

DATED: 3/29/23 BY: 
David E. Dauenheimer
Deputy Chief
Healthcare Fraud Unit
U.S. Attorney's Office
District of New Jersey

COYNE - DEFENDANT

DATED: _____ BY: _____
Tom Coyne

DATED: _____ BY: _____
Robert Scrivo, Esq
Counsel for Coyne Public Relations

GNGH2 - RELATOR

DATED: _____ BY: _____
David Abrams, Esq.

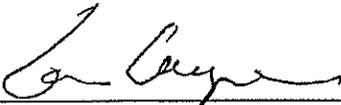
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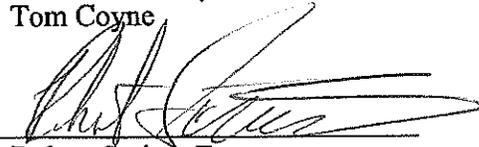
THE UNITED STATES OF AMERICA

DATED: _____ BY: _____

David E. Dauenheimer
Deputy Chief
Healthcare Fraud Unit
U.S. Attorney's Office
District of New Jersey

COYNE - DEFENDANT

DATED: 3/8/23 BY:  _____
Tom Coyne

DATED: 3-9-23 BY:  _____
Robert Scrivo, Esq
Counsel for Coyne Public Relations

GNGH2 - RELATOR

DATED: _____ BY: _____
David Abrams, Esq.

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THE UNITED STATES OF AMERICA

DATED: _____ BY: _____

David E. Dauenheimer
Deputy Chief
Healthcare Fraud Unit
U.S. Attorney’s Office
District of New Jersey

COYNE - DEFENDANT

DATED: _____ BY: _____

Tom Coyne

DATED: _____ BY: _____

Robert Scrivo, Esq
Counsel for Coyne Public Relations

GNGH2 - RELATOR

DATED: _____ BY:  _____

David Abrams, Esq.