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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 Army (collectively the “United States”), Swiss Automation, Inc. (“SA”), and Jaime Gomez (“Relator”) (hereafter collectively referred to as “the Parties”), through their authorized representatives.

RECITALS

A. SA is an Illinois-based precision machining business that supplies alloy and metal parts to commercial and government customers in many industries.

B. On August 16, 2022, Relator filed a qui tam action in the United States District Court for the Northern District of Illinois captioned *United States ex rel. Gomez v. Swiss Automation, Inc.*, Civil Action No. 22-C-4328, pursuant to the qui tam provisions of the False Claims Act, 31 U.S.C. § 3730(b) (“Civil Action”).

C. The United States contends that it has certain civil claims against SA arising from SA’s knowing failure to provide adequate cybersecurity, as required by DFARS 252.204-7012, for the technical drawings of certain parts that SA supplied to contractors, in connection with the following nine purchase orders (“PO”) under which SA caused the submission of false claims for payment:

- (1) PO D154487 dated July 20, 2022;
- (2) PO D201092-2 dated April 19, 2022;
- (3) PO D201092-1 dated April 19, 2022;
- (4) PO D201092-4 dated April 19, 2022;
- (5) PO D154487 dated July 20, 2022;
- (6) PO 36316 dated October 18, 2023;

- (7) PO D201092-3 dated April 19, 2022;
- (8) PO WP00007606 dated March 21, 2022; and
- (9) PO WP00009763 dated August 15, 2022.

That conduct is referred to below as the Covered Conduct.

D. This Agreement is neither an admission of liability by SA 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 Agreement and to Relator's reasonable expenses, attorneys' fees and costs. Relator also claims entitlement to relief from SA under 31 U.S.C. § 3730(h), the whistleblower retaliation provision of the False Claims Act.

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 Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

1. SA shall pay to the United States four-hundred twenty-one thousand two-hundred thirty-four dollars (\$421,234) ("Settlement Amount"), of which one-hundred forty-six thousand two-hundred thirty-one dollars (\$146,231) is restitution, by electronic funds transfer pursuant to written instructions to be provided by the Civil Division of the United States Department of Justice no later than seven (7) 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 sixty-five thousand two-hundred ninety-one dollars (\$65,291) to Relator by electronic funds transfer ("Relator's Share").

3. Subject to the exceptions in Paragraph 5 (concerning reserved claims) below, and upon the United States' receipt of the Settlement Amount, the United States releases SA from any civil or administrative monetary claim the United States has for the Covered Conduct, as defined in Recital C and incorporated by reference herein, 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.

4. Subject to the exceptions in Paragraph 5 below, and upon the United States' receipt of the Settlement Amount, Relator, for himself and for his heirs, successors, attorneys, agents, and assigns, releases SA 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.

5. Notwithstanding the releases given in Paragraph 3 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;

- g. Any liability for express or implied warranty claims or other claims for defective or deficient products or services, including quality of goods and services;
- h. Any liability for failure to deliver goods or services due; and
- i. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct.

6. 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 Relator's receipt of the Relator's Share, 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.

7. Relator, for himself, and for his heirs, successors, attorneys, agents, and assigns, releases SA, and its officers, agents, and employees, from any liability to Relator arising from the filing of the Civil Action, except that this agreement explicitly **does not** release SA, or its officers, agents, and employees, from (a) liability to Relator under 31 U.S.C. § 3730(d) for reasonable expenses and reasonable attorneys' fees and costs, or (b) liability to Relator under 31 U.S.C. § 3730(h) for alleged prohibited retaliation.

8. SA waives and shall not assert any defenses SA 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. SA 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 SA 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. SA fully and finally releases the Relator from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that SA has asserted, could have asserted, or may assert in the future against the Relator, related to the Covered Conduct, the Civil Action, 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 SA, 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) SA'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 SA makes to the United States pursuant to this Agreement and any payments that SA 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 SA, and SA 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, SA shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by SA or any of its subsidiaries or affiliates from the United States. SA agrees that the United States, at a minimum, shall be entitled to recoup from SA 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 SA’s books and records and to disagree with any calculations submitted by SA or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by SA, 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 Relator shall promptly file in the Civil Action a Notice of Voluntary Dismissal of all claims on behalf of the United States, *i.e.*, Counts One and Two of the Complaint in the Civil Action, pursuant to Federal

Rule of Civil Procedure 41(a)(1)(A), and thereafter the United States shall promptly file a Notice of Consent to Relator's Voluntary Dismissal. The papers filed by the Relator and the United States shall reflect that dismissal of Counts One and Two of the Complaint in the Civil Action is with prejudice to the Relator and without prejudice to the United States. For avoidance of doubt, this Notice will **not** dismiss or resolve in any way (a) Relator's claim under 31 U.S.C. § 3730(d) for reasonable expenses and reasonable attorneys' fees and costs, or (b) Relator's claim under 31 U.S.C. § 3730(h) for alleged prohibited retaliation.

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 Northern District of Illinois. 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 SA'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 of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

[Signatures on following page]

THE UNITED STATES OF AMERICA

DATED: 9/30/25 BY: Andrew Steinberg
Andrew A. Steinberg
Senior Trial Counsel
Commercial Litigation Branch
United States Department of Justice

DATED: _____ BY: _____
Kathryn Kelly
Assistant United States Attorney
Northern District of Illinois
United States Department of Justice

SWISS AUTOMATION, INC. - DEFENDANT

DATED: _____ BY: _____
Marc Moran
President, Swiss Automation, Inc.

DATED: _____ BY: _____
Matthew J. Cannon – Greenberg Traurig, LLP
Counsel for Swiss Automation, Inc.

JAIME GOMEZ - RELATOR

DATED: 09 / 30 / 2025 BY: Jaime Gomez
Jaime Gomez

DATED: 9/30/25 BY: Patrick S. Almonrode
Patrick S. Almonrode – Brown, LLC
Counsel for Jaime Gomez

THE UNITED STATES OF AMERICA

DATED: _____ BY: _____

Andrew A. Steinberg
Senior Trial Counsel
Commercial Litigation Branch
United States Department of Justice

DATED: 9-30-25 BY: _____



Kathryn Kelly
Assistant United States Attorney
Northern District of Illinois
United States Department of Justice

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Marc Moran
President, Swiss Automation, Inc.

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Matthew J. Cannon – Greenberg Traurig, LLP
Counsel for Swiss Automation, Inc.

JAIME GOMEZ - RELATOR

DATED: _____ BY: _____

Jaime Gomez

DATED: _____ BY: _____

Patrick S. Almonrode – Brown, LLC
Counsel for Jaime Gomez

THE UNITED STATES OF AMERICA

DATED: _____ BY: _____

Andrew A. Steinberg
Senior Trial Counsel
Commercial Litigation Branch
United States Department of Justice

DATED: _____ BY: _____

Kathryn Kelly
Assistant United States Attorney
Northern District of Illinois
United States Department of Justice

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Marc Moran
President, Swiss Automation, Inc.

DATED: 9/30/2025 BY: Matthew J. Cannon
Matthew J. Cannon - Greenberg Traurig, LLP
Counsel for Swiss Automation, Inc.

JAIME GOMEZ - RELATOR

DATED: _____ BY: _____

Jaime Gomez

DATED: _____ BY: _____

Patrick S. Almonrode - Brown, LLC
Counsel for Jaime Gomez