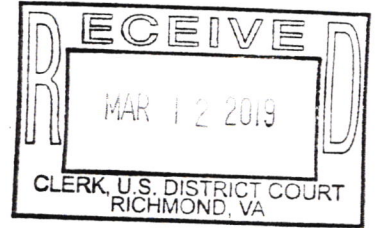


IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA



Richmond Division

UNITED STATES OF AMERICA )  
 )  
 v. )  
 )  
 LUMBER LIQUIDATORS HOLDINGS, INC., )  
 )  
 Defendant. )

CRIMINAL NO. 3:19cr 52

**DEFERRED PROSECUTION AGREEMENT**

Defendant LUMBER LIQUIDATORS HOLDINGS, INC. (“LUMBER LIQUIDATORS” or the “Company”), pursuant to authority granted by its Board of Directors reflected in Attachment B, and the United States Attorney’s Office for the Eastern District of Virginia and the United States Department of Justice, Criminal Division, Fraud Section (together the “United States”), enter into this deferred prosecution agreement (the “Agreement”).

**Criminal Information and Acceptance of Responsibility**

1. LUMBER LIQUIDATORS acknowledges and agrees that the United States will file the attached one-count criminal Information in the United States District Court for the Eastern District of Virginia charging the Company with securities fraud, in violation of Title 18, United States Code, Section 1348. In doing so, LUMBER LIQUIDATORS: (a) knowingly waives its right to indictment on this charge, as well as all rights to a speedy trial pursuant to the Sixth Amendment to the United States Constitution, Title 18, United States Code, Section 3161, and Federal Rule of Criminal Procedure 48(b); and (b) knowingly waives any objection with respect to venue to any charges by the United States arising out of the conduct described in the Statement

A TRUE COPY, TESTE:  
CLERK, U.S. DISTRICT COURT  
BY Wendy [Signature]  
DEPUTY CLERK

of Facts attached hereto as Attachment A (“Statement of Facts”), and consents to the filing of the Information, as provided under the terms of this Agreement, in the United States District Court for the Eastern District of Virginia. The United States agrees to defer prosecution of the Company pursuant to the terms and conditions described below.

2. LUMBER LIQUIDATORS admits, accepts, and acknowledges that it is responsible under United States law for the acts of its present and former officers, directors, employees, and agents as charged in the Information, and as set forth in the attached Statement of Facts, and that the allegations described in the Information and the facts described in the attached Statement of Facts are true and accurate. Should the United States pursue the prosecution that is deferred by this Agreement, the Company stipulates to the admissibility of the attached Statement of Facts in any proceeding, including any trial, guilty plea, or sentencing proceeding, and will not contradict anything in the attached Statement of Facts at any such proceeding brought by the United States.

#### **Term of the Agreement**

3. This Agreement is effective for a period beginning on the date on which the Information is filed and ending three years from that date (the “Term”). LUMBER LIQUIDATORS agrees, however, that in the event that the United States determines, in its sole discretion, that the Company has knowingly violated any provision of this Agreement or has failed to completely perform or fulfill each of the Company’s obligations under this Agreement, an extension or extensions of the Term of this Agreement may be imposed by the United States, in its sole discretion, for up to a total additional time period of one year, without prejudice to the United States’ right to proceed as provided in Paragraphs 16-20 below. Any extension of this