

## **SETTLEMENT AGREEMENT**

This Settlement Agreement (Agreement) is entered into amongst the United States of America, acting through the United States Department of Justice (DOJ) and on behalf of the United States Department of Homeland Security (DHS) (collectively the “United States”) and Information Innovators Inc. (“Triple-I”), as the successor-in-interest to Creative Computing Solutions, Inc. (“CCSi”), (hereafter collectively referred to as “the Parties”), through their authorized representatives.

### **RECITALS**

A. CCSi was a government contractor that provided information technology (IT) services to DHS pursuant to the September 26, 2006 Enterprise Acquisition Gateway for Leading Edge Solutions Indefinite Delivery Indefinite Quantity Contract, number HSHQDC-06-D-00044 (the “EAGLE Contract”), and interim and final task orders, numbers HSHQDC-07-J-00699 & HSHQDC-08-J-00108 respectively, for the Information Technology Networks Operations Virtual Alliance (together, the “IT-NOVA Task Order”). In 2015, Triple-I acquired CCSi. Triple-I is CCSi’s successor-in-interest.

B. The United States contends that it has certain civil claims against Triple-I arising from CCSi’s alleged submission of false claims to DHS for unqualified labor during the period from October 1, 2007 through April 15, 2014. Specifically, the United States alleges that during this time-period CCSi submitted claims for payment to DHS for personnel who did not have the requisite qualifications (as identified and detailed in Attachment B-1 of the Eagle Contract) for the labor categories for which CCSi billed for them to DHS. The conduct detailed in this paragraph is the “Covered Conduct.”

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

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. Triple-I shall pay to the United States \$6,050,000 (Settlement Amount) and interest on the Settlement Amount at a rate of .1% per annum from February 1, 2021, of which \$3,000,000 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 thirty (30) days after the Effective Date of this Agreement.

2. Subject to the exceptions in Paragraph 3 (concerning reserved claims) below, and conditioned upon the United States' receipt of the Settlement Amount, the United States releases Triple-I and CCSi, together with their current and former parent corporations; direct and indirect subsidiaries; brother or sister corporations; divisions; current or former corporate owners; and the corporate successors and assigns of any of them, 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.

3. Notwithstanding the release given in Paragraph 2 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 this Agreement, any administrative liability or enforcement right, 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;

4. Triple-I and CCSi waive and shall not assert any defenses Triple-I 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.

5. Triple-I and CCSi fully and finally release 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 Triple-I 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 and the United States' investigation and prosecution thereof.

6. 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 Triple-I, 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) Triple-I's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) 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 Triple-I makes to the United States pursuant to this Agreement,

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 Triple-I, and Triple-I 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, Triple-I shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by Triple-I or any of its subsidiaries or affiliates from the United States. Triple-I agrees that the United States, at a minimum, shall be entitled to recoup from Triple-I 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 Triple-I's books and records and to disagree with any calculations submitted by Triple-I or any of its

subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by Triple-I, or the effect of any such Unallowable Costs on the amount of such payments.

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

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

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

10. This Agreement is governed by the laws of the United States. The exclusive venue for any dispute relating to this Agreement is the United States District Court for the District of Maryland. 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.

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

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

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

14. This Agreement is binding on Triple-I's successors, transferees, heirs, and assigns.

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

16. 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: 2/19/21 BY:   
JAKE M. SHIELDS  
Trial Attorney  
Civil Division, Fraud Section  
United States Department of Justice

DATED: 2/19/21 BY:   
TARRA DESHIELDS  
Assistant United States Attorney  
U.S. Attorney's Office for  
the District of Maryland

**INFORMATION INNOVATORS INC.**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
THOMAS FERRANDO  
Chief Executive Officer

DATED: 2/19/2021 BY:   
LAWRENCE BLOCK, ESQ.  
Reed Smith LLP  
Counsel for Information Innovators Inc.

16. 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: \_\_\_\_\_

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

JAKE M. SHIELDS  
Trial Attorney  
Civil Division, Fraud Section  
United States Department of Justice

DATED: \_\_\_\_\_

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

TARRA DESHIELDS  
Assistant United States Attorney  
U.S. Attorney's Office for  
the District of Maryland

**INFORMATION INNOVATORS INC.**

DATED: 2/19/21

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

  
THOMAS FERRANDO  
Chief Executive Officer

DATED: \_\_\_\_\_

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

LAWRENCE BLOCK, ESQ.  
Reed Smith LLP  
Counsel for Information Innovators Inc.