

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 United States Army Corps of Engineers (“USACE”) (collectively the “United States”) and Korea Engineering Consultants Corporation; Yul Lim Construction Co., Ltd.; Shin Woo Construction & Industrial Co., Ltd.; Seongbo Const. Ind. Co., Ltd.; Wooseok Construction Co., Ltd.; Yuil Engineering and Construction Co.; and Seokwang Development Co., Ltd. (collectively the “Defendants”) (hereafter the United States and the Defendants are collectively referred to as the “Parties”), through their authorized representatives.

RECITALS

A. Defendants are South Korea-based companies engaged in various businesses, including construction and engineering.

B. The United States contends that it has certain civil claims against Defendants for submitting false claims arising from their conspiracy to rig bids on the following fifteen USACE construction and engineering-related contracts executed between 2016 and 2019 that required performance on United States military bases throughout South Korea:

- (1) POFIDC-16-R-F002; (2) POFIDC-17-R-F001; (3) POFIDC-17-R-F003;
- (4) POFIDC-17-R-F005; (5) POFIDC-17-R-F007; (6) POFIDC-17-R-F008;
- (7) POFIDC-17-R-F009; (8) POFIDC-18-R-F001; (9) POFIDC-18-R-F002;
- (10) POFIDC-18-R-F003; (11) POFIDC-18-R-F006; (12) POFIDC-18-R-F009;
- (13) POFIDC-18-R-F010; (14) POFIDC-18-R-F011; and (15) POFIDC-18-R-F013.

The United States further contends that the conspiracy suppressed and eliminated competition during the bidding process and resulted in USACE paying substantially more for services performed under the contracts than it would have had there been competition among the bidders. This conduct is referred to below as the “Covered Conduct.”

C. With the exception of any findings and/or judgments related to the Covered Conduct by any South Korean courts, this Agreement is neither an admission of liability by Defendants 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 Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

1. Each Defendant shall pay to the United States \$438,537.58 (“Settlement Amount”), of which \$274,086 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) business 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 from each Defendant, the United States releases each Defendant together with its 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; the Contract Disputes Act, 41 U.S.C. §§ 7101-7109; 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, 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.

4. Defendants waive and shall not assert any defenses Defendants 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. Defendants 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 Defendants have 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 Defendants, and their 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) Defendants' 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 payments Defendants make 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 Defendants, and Defendants 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, Defendants shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by Defendants or any of their subsidiaries or affiliates from the United States. Defendants agree that the United States, at a minimum, shall be entitled to recoup from Defendants 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 Defendants' books and records and to disagree with any calculations submitted by Defendants or any of their subsidiaries or affiliates regarding any Unallowable Costs

included in payments previously sought by Defendants, 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 Columbia. 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 Defendants' 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: 5/18/22 BY: 
Andrew A. Steinberg
Senior Trial Counsel
Commercial Litigation Branch, Civil Division
United States Department of Justice

KOREA ENGINEERING CONSULTANTS CORPORATION

DATED: _____ BY: _____
Lee Sang Min
President, Korea Engineering Consultants Corporation

DATED: _____ BY: _____
Song Yong Eui
Counsel for Korea Engineering Consultants Corporation

YUL LIM CONSTRUCTION CO., LTD.

DATED: _____ BY: _____
Youn Suk Youl
President, Yul Lim Construction Co., Ltd.

DATED: _____ BY: _____
Song Yong Eui
Counsel for Yul Lim Construction Co., Ltd.

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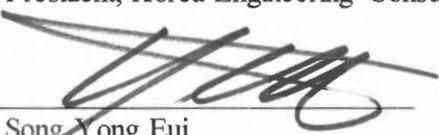
THE UNITED STATES OF AMERICA

DATED: _____ BY: _____
Andrew A. Steinberg
Senior Trial Counsel
Commercial Litigation Branch, Civil Division
United States Department of Justice

KOREA ENGINEERING CONSULTANTS CORPORATION

DATED: '22.5.18 BY: _____

Kim Chi Heon
President, Korea Engineering Consultants Corporation

DATED: May 18, 2022 BY: _____

Song Yong Eui
Counsel for Korea Engineering Consultants Corporation

YUL LIM CONSTRUCTION CO., LTD.

DATED: _____ BY: _____
Youn Suk Youl
President, Yul Lim Construction Co., Ltd.

DATED: _____ BY: _____
Song Yong Eui
Counsel for Yul Lim Construction Co., Ltd.

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THE UNITED STATES OF AMERICA

DATED: _____ BY: _____
Andrew A. Steinberg
Senior Trial Counsel
Commercial Litigation Branch, Civil Division
United States Department of Justice

KOREA ENGINEERING CONSULTANTS CORPORATION

DATED: _____ BY: _____
Lee Sang Min
President, Korea Engineering Consultants Corporation

DATED: _____ BY: _____
Song Yong Eui
Counsel for Korea Engineering Consultants Corporation

YUL LIM CONSTRUCTION CO., LTD.

DATED: 11/05/22 BY: Youn Suk Youl
Youn Suk Youl
President, Yul Lim Construction Co., Ltd.

DATED: May 16, 2022 BY: _____
Song Yong Eui
Counsel for Yul Lim Construction Co., Ltd.

SHIN WOO CONSTRUCTION & INDUSTRIAL CO., LTD.

DATED: 06 May BY: S. Don Lee
2022 Lee Sok Don
President, Shin Woo Construction & Industrial Co., Ltd.

DATED: May 16, 2022 BY: 
Song Yong Eui
Counsel for Shin Woo Construction & Industrial Co., Ltd.

SEONGBO CONST. IND. CO., LTD.

DATED: _____ BY: _____
Pi Young Kil
President, Seongbo Const. Ind. Co., Ltd.

DATED: _____ BY: _____
Song Yong Eui
Counsel for Seongbo Const. Ind. Co., Ltd.

WOOSEOK CONSTRUCTION CO., LTD.

DATED: _____ BY: _____
Kim Young Sam
President, Wooseok Construction Co., Ltd.

DATED: _____ BY: _____
Song Yong Eui
Counsel for Wooseok Construction Co., Ltd.

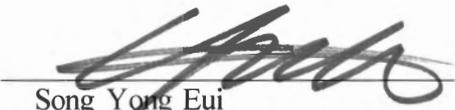
SHIN WOO CONSTRUCTION & INDUSTRIAL CO., LTD.

DATED: _____ BY: _____
Lee Sok Don
President, Shin Woo Construction & Industrial Co., Ltd.

DATED: _____ BY: _____
Song Yong Eui
Counsel for Shin Woo Construction & Industrial Co., Ltd.

SEONGBO CONST. IND. CO., LTD.

DATED: 09 May 2022 BY: 
Pi Young Kil
President, Seongbo Const. Ind. Co., Ltd.

DATED: May 16, 2023 BY: 
Song Yong Eui
Counsel for Seongbo Const. Ind. Co., Ltd.

WOOSEOK CONSTRUCTION CO., LTD.

DATED: _____ BY: _____
Kim Young Sam
President, Wooseok Construction Co., Ltd.

DATED: _____ BY: _____
Song Yong Eui
Counsel for Wooseok Construction Co., Ltd.

SHIN WOO CONSTRUCTION & INDUSTRIAL CO., LTD.

DATED: _____ BY: _____
Lee Sok Don
President, Shin Woo Construction & Industrial Co., Ltd.

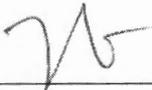
DATED: _____ BY: _____
Song Yong Eui
Counsel for Shin Woo Construction & Industrial Co., Ltd.

SEONGBO CONST. IND. CO., LTD.

DATED: _____ BY: _____
Pi Young Kil
President, Seongbo Const. Ind. Co., Ltd.

DATED: _____ BY: _____
Song Yong Eui
Counsel for Seongbo Const. Ind. Co., Ltd.

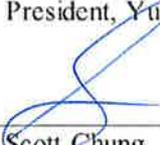
WOOSEOK CONSTRUCTION CO., LTD.

DATED: May 2, 2022 BY:  _____
Kim Young Sam
President, Wooseok Construction Co., Ltd.

DATED: May 16, 2022 BY:  _____
Song Yong Eui
Counsel for Wooseok Construction Co., Ltd.

YUIL ENGINEERING AND CONSTRUCTION CO.

DATED: 2022.5.3 BY: 
Soo Gil Song
President, Yuil Engineering and Construction Co.

DATED: 2022.5.07 BY: 
Scott Chung
Counsel for Yuil Engineering and Construction Co.

SEOKWANG DEVELOPMENT CO., LTD.

DATED: _____ BY: _____
Jeong Ik Lee
President, Seokwang Development Co., Ltd.

DATED: _____ BY: _____
Scott Chung
Counsel for Seokwang Development Co., Ltd.

YUIL ENGINEERING AND CONSTRUCTION CO.

DATED: _____ BY: _____

Soo Gil Song
President, Yuil Engineering and Construction Co.

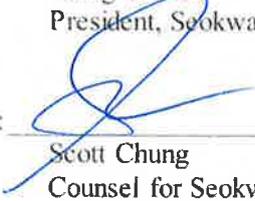
DATED: _____ BY: _____

Scott Chung
Counsel for Yuil Engineering and Construction Co.

SEOKWANG DEVELOPMENT CO., LTD.

DATED: 22.05.06 BY: 

Jeong Ik Lee
President, Seokwang Development Co., Ltd.

DATED: 22.05.06 BY: 

Scott Chung
Counsel for Seokwang Development Co., Ltd.