

SETTLEMENT AGREEMENT

This Settlement Agreement (Agreement) is entered into between the United States of America, acting through the United States Department of Justice and on behalf of the United States Department of Defense (collectively the "United States"), and Iraqi Consultants and Construction Bureau (ICCB) (collectively referred to as "the Parties"), through their authorized representatives.

RECITALS

A. ICCB is an engineering, construction and project management company headquartered in Baghdad, Iraq. ICCB provided support in Iraq as both a prime and a subcontractor throughout the Iraqi reconstruction.

B. The United States contends that from January 1, 2006 through December 31, 2009, ICCB, through one of its former vice-presidents, paid cash bribes to a contracting officer for the United States' Department of Defense stationed in Iraq to obtain inside information to give it an unfair advantage in bidding on and winning the award of the following contracts with the Department of Defense:

Contract	Work Required	Contract Number
Bayji Oil Refinery Security Enhancements Contract – ICCB	To supply, install, operate and provide the expertise necessary to construct a variety of infrastructure improvements at the Bayji Oil Refinery in Salah ad Din Province near the city of Bayji, Iraq—to include grading; trenching; compaction; paving; fencing; and equipment installation	W917BE-07-C-0035
Northern Iraq Task Order 005, relating to Bayji Oil Refinery Security –	Perform infrastructure improvements at the Bayji Oil Refinery, including: equipment installation	W917BE-07-D-0002 (Delivery Order 5)



ICCB	involving wireless surveillance cameras, computers and monitors; installation of electrical cables; and the construction of guard shacks	
Northern Iraq Task Order 0001, relating to Bayji Substation Security – ICCB	Design and construct improvements to an electrical substation in Bayji, including: paving; removal of vegetation; installation of blast walls, security gates and fencing; and the establishment of secure access points	W917BE-07-D-0002 (Delivery Order 1)
Northern Iraq Task Order 0002, relating to Taza Power Station Security Improvements – ICCB	Design and construct security features in Kirkuk Province, including: establishment of security access points; paving road to site; placement of jersey barriers; removal of vegetation; repair of chain link fences; and installation of operational lighting	W917BE-07-D-0002 (Delivery Order 2)
Northern Iraq Task Order 0004, relating to Bayji Oil Refinery Lighting – ICCB	Provide and install, among other things: waterproof lighting, transformers, high-tension fuses, circuit breakers, a grounding system, and lighting poles	W917BE-07-D-0002 (Delivery Order 4)
Construction of five Primary Healthcare Centers (“PHCs”) – SDo1, SDo2, SDo3, SDo6 and SDo7 – in Salah ad Din Province – ICCB	Construct five PHCs that were to provide enhanced medical capabilities in the Salah ad Din Province and replace existing insufficient medical facilities	W917BE-06--0074
Baqubah Landfill – ICCB	Design and construct a municipal solid waste, construction and debris landfill, to include a surface water management system and supporting facilities, in Baqubah, Diyala Province	W917BE-08-C-0006
Said Sadiq School – ICCB	Construct a 12-room school in Said Sadiq, Iraq	W917BE-07-C-0054

Electrical Towers Hardening Phase 2 Contract – ICCB	Design and construct an electrical tower force protection exclusion zone for electrical transmission towers	W917BE-07-C-0080
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The United States further contends that having obtained these contracts through bribes, ICCB knowingly overcharged the United States, for services provided under the contracts. For purposes of this Agreement, the conduct described in this paragraph will be referred to as the Covered Conduct.

C. This Settlement Agreement is neither an admission of liability by ICCB 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. ICCB shall pay to the United States Two Million Seven Hundred Thousand Dollars (\$ 2,700,000.00) (the Settlement Amount) by electronic funds transfer pursuant to written instructions to be provided by the United States Attorney’s Office for the District of New Jersey which payment is expected to be made on or before October 1, 2013, and in any event no later than November 1, 2013.

2. Subject to the exceptions in Paragraph 3 (concerning excluded claims) below, and conditioned upon ICCB’s full payment of the Settlement Amount, the United States releases ICCB 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 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, 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 for express or implied warranty claims or other claims for defective or deficient products or services, including quality of goods and services;
- g. Any liability for failure to deliver goods or services due;
- h. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct;
- i. Any liability of individuals (including current or former directors, officers, employees, agents, or shareholders of ICCB) who receive written notification that they are the target of a criminal

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investigation (as defined in the United States Attorneys' Manual), are indicted or charged, or who enter into a plea agreement, related to the Covered Conduct.

4. ICCB waives and shall not assert any defenses ICCB 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. Nothing in this paragraph or any other provision of this Agreement constitutes an agreement by the United States concerning the characterization of the Settlement Amount for purposes of the Internal Revenue laws, Title 26 of the United States Code.

5. ICCB fully and finally releases the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) that ICCB 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 ICCB, 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 and any criminal investigation(s) of the matters covered by this Agreement;
- (3) ICCB's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil and any criminal investigation(s) in connection with the matters covered by this Agreement (including attorney's fees);
- (4) the negotiation and performance of this Agreement;
- (5) the payment ICCB 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 ICCB, and ICCB 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, ICCB shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by ICCB or any of its subsidiaries or affiliates from the United States. ICCB agrees that the United States, at a minimum, shall be entitled to recoup from ICCB 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 ICCB's books and records and to disagree with any calculations submitted by ICCB or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by ICCB, or the effect of any such Unallowable Costs on the amount of such payments.

7. ICCB agrees to cooperate fully and truthfully with the United States' investigation of individuals and entities not released in this Agreement. Upon reasonable notice, ICCB shall encourage, and agrees not to impair, the cooperation of its directors, officers, and employees, and shall use its best efforts to make available, and encourage, the cooperation of former directors, officers, and employees for interviews and testimony, consistent with the rights and privileges of such individuals. ICCB further agrees to furnish to the United States, upon request, complete and unredacted copies of all non-privileged documents, reports, memoranda of interviews, and records in its possession, custody, or control concerning any investigation of the Covered Conduct that it has undertaken, or that has been performed by another on its behalf.

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

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

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

11. 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

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Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

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

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

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

15. This Agreement is binding on ICCB's successors, transferees, heirs, and assigns.

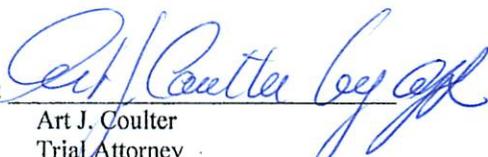
16. All parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

17. 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.

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THE UNITED STATES OF AMERICA

DATED: 11/5/2013

BY: 
Art J. Coulter
Trial Attorney
Commercial Litigation Branch
Civil Division
United States Department of Justice

Paul J. Fishman
United States Attorney

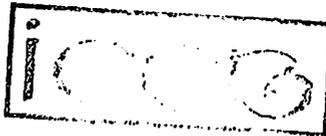
By: 
Anthony LaBruna
Assistant United States Attorney
District of New Jersey

ICCB - DEFENDANT

DATED: 19-10-2013 BY: 

Khaleel Almashahdi
General Manager, ICCB
Baghdad, Iraq

FOR ICCB



DATED: Nov. 4, 2013 BY: 

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