

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 U.S. Small Business Administration (collectively the “United States”), Nikon SLM Solutions NA, Inc., a Delaware corporation formerly known as SLM Solutions NA, Inc. (“SLM”), and Verity Investigations, LLC (all hereafter collectively referred to as “the Parties”), through their authorized representatives.

RECITALS

A. Prior to its acquisition by Nikon Corporation in January 2023, SLM was a Delaware corporation named SLM Solutions NA, Inc. with its principal place of business in Wixom, Michigan. SLM was the U.S.-based, wholly owned subsidiary of the German company SLM Solutions Group AG (“SLM Germany”).

B. On or about January 20, 2023, SLM Germany (including SLM and all other worldwide subsidiaries) was acquired by Nikon Corporation, the Japanese, publicly listed corporation, and renamed Nikon SLM Solutions AG. Subsequently, on or about March 31, 2024, SLM changed its name from “SLM Solutions NA, Inc.” to “Nikon SLM Solutions NA, Inc.” and later in 2024 SLM moved its principal place of business from Wixom, Michigan to Long Beach, California.

C. In early 2020, as part of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), Congress created the Paycheck Protection Program (“PPP”), a loan program that was administered by the U.S. Small Business Administration (“SBA”). In early 2021, SBA authorized a second series of PPP loans, generally referred to as “Second Draw” PPP loans.

D. On January 31, 2025, Verity Investigations, LLC (“Relator”) filed a qui tam action in the United States District Court for the District of Delaware captioned *United States ex rel. Verity Investigations, LLC v. Nikon SLM Solutions NA, Inc.*, Civil Action No. 25-103-CFC, pursuant to the qui tam provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the “Civil Action”).

E. The United States contends that it has certain civil claims against SLM arising from SLM’s application for a Second Draw PPP loan (the “Second Draw Loan”) on or about January 22, 2021, and SBA’s forgiveness of that loan on or about October 25, 2021. That conduct is referred to below as the Covered Conduct.

F. Specifically, the United States contends that, on its application for the Second Draw Loan, SLM falsely certified that it, together with its domestic and foreign affiliates, had no more than 300 employees, which was a requirement to be eligible for the loan.

G. This Agreement is neither an admission of liability by SLM nor a concession by the United States that its claims are not well founded.

H. SLM admits the undisputed facts set forth in the attached Statement of Facts.

I. 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.

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. SLM shall pay to the United States one million, three hundred and seventy-two thousand, two hundred and thirty-seven dollars and thirty-two cents (\$1,372,237.32) (the “Settlement Amount”), of which nine hundred and fourteen thousand, eight hundred and twenty-four dollars and eighty-eight cents (\$914,824.88) is restitution, by electronic funds transfer pursuant to written instructions to be provided by the Office of the United States Attorney for the District of Delaware, no later than 30 days after the Effective Date of this Agreement.
2. Within 30 days of the Effective Date of the Agreement, SLM will pay to Relator \$7,946.08 for expenses, attorneys fees, and costs pursuant to 31 U.S.C. § 3730(d). SLM and Relator agree that this amount represents reasonable expenses, attorney’s fees, and costs for the Civil Action.
3. Subject to the exceptions in Paragraph 5 below, and upon the United States’ receipt of the Settlement Amount, the United States fully and finally releases SLM 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 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 itself and for its members,

successors, attorneys, agents, and assigns, fully and finally releases SLM together with its current and former parent corporations; direct and indirect subsidiaries; brother or sister corporations; divisions; current or former corporate owners; the corporate successors and assigns of any of them; and any of their respective officers, directors, employees, agents and representatives 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 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;
and
- f. Any liability of individuals.

6. Relator and its members, 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). In connection with this Agreement and this Civil Action, Relator and its heirs, successors, attorneys, agents, and assigns agree that neither this Agreement, any intervention by the United States in the Civil Action in order to dismiss the Civil Action, nor any dismissal of the Civil Action, shall waive or otherwise affect the ability of the United States to contend that provisions in the False Claims Act, including 31 U.S.C. §§ 3730(d)(3) and 3730(e), bar Relator from sharing in the proceeds of this Agreement. Moreover, the United States and Relator, together with its heirs, successors, attorneys, agents, and assigns agree that they each retain all of their rights pursuant to the False Claims Act on the issue of the share percentage, if any, that Relator should receive of any proceeds of the settlement of its claim(s).

7. Relator, for itself and for its members, successors, attorneys, agents, and assigns, releases SLM together with its current and former parent corporations; direct and indirect subsidiaries; brother or sister corporations; divisions; current or former corporate owners; the corporate successors and assigns of any of them; and any of their respective officers, directors, agents, representatives, and employees, from any liability to Relator arising from the filing of the Civil Action, or under 31 U.S.C. § 3730(d) for expenses or attorneys' fees and costs.

8. SLM waives and shall not assert any defenses SLM 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. SLM 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 SLM 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. 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 SLM, 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) SLM'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 SLM makes to the United States pursuant to this Agreement and any payments that SLM 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 SLM, and SLM 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, SLM shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by SLM or any of its subsidiaries or affiliates from the United States. SLM agrees that the United States, at a minimum, shall be entitled to recoup from SLM 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 SLM's books and records and to disagree with any calculations submitted by SLM or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by SLM, or the effect of any such Unallowable Costs on the amount of such payments.

11. SLM agrees to cooperate fully and truthfully with the United States' investigation of individuals and entities not released in this Agreement. Upon reasonable notice, SLM 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. SLM 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.

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 United States and Relator shall promptly sign and file in the Civil Action a Joint Stipulation of Dismissal of the Civil Action pursuant to Rule 41(a)(1). The dismissal shall be with prejudice as to Relator and, as to the United States, shall be with prejudice only with respect to the Covered Conduct as defined in this Agreement and without prejudice as to any other claims or conduct.

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 District of Delaware. 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 SLM'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.

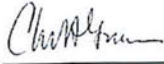
23. This Agreement is effective on the date of signature of the last signatory to the Agreement. Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.


[SIGNATURES ON NEXT PAGE]

THE UNITED STATES OF AMERICA

DATED: 12/10/2025 BY: 
Dylan J. Steinberg
Assistant United States Attorney
Chief, Civil Division
District of Delaware

NIKON SLM SOLUTIONS NA, INC.

DATED: 12/08/2025 BY: 
Charles Grace
President, Nikon SLM Solutions NA, Inc.

DATED: 12/8/25 BY: 
Eric Sussman
Counsel for Nikon SLM Solutions NA, Inc.

VERITY INVESTIGATIONS, LLC

DATED: _____ BY: _____
Gregory Lynam
Member, Verity Investigations, LLC

DATED: _____ BY: _____
Steven Shepard
Counsel for Verity Investigations, LLC

THE UNITED STATES OF AMERICA

DATED: _____ BY: _____

Dylan J. Steinberg
Assistant United States Attorney
Chief, Civil Division
District of Delaware

NIKON SLM SOLUTIONS NA, INC.

DATED: _____ BY: _____


Charles Grace
President, Nikon SLM Solutions NA, Inc.

DATED: _____ BY: _____

Eric Sussman
Counsel for Nikon SLM Solutions NA, Inc.

VERITY INVESTIGATIONS, LLC

DATED: 12/8/2025 BY: _____


Gregory Lynam
Member, Verity Investigations, LLC

DATED: Dec. 10, 2025 BY: _____


Steven Shepard
Counsel for Verity Investigations, LLC

STATEMENT OF FACTS

1. Prior to its acquisition by Nikon Corporation in January 2023, SLM Solutions NA, Inc. (“SLM”) was a Delaware corporation with its principal place of business in Wixom, Michigan. SLM was the U.S.-based, wholly owned subsidiary of the German company SLM Solutions Group AG (“SLM Germany”).
2. On or about January 20, 2023, SLM Germany (including SLM and all other worldwide subsidiaries) was acquired by Nikon Corporation, the Japanese publicly listed corporation, and renamed Nikon SLM Solutions AG (the “SLM Acquisition”). Subsequently, on or about March 31, 2024, SLM changed its name from “SLM Solutions NA, Inc.” to “Nikon SLM Solutions NA, Inc.” and later in 2024 SLM moved its principal place of business from Wixom, Michigan to Long Beach, California.
3. In early 2020, as part of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), Congress created the Paycheck Protection Program (“PPP”), a loan program that was administered by the U.S. Small Business Administration (“SBA”).
4. In early 2021, SBA authorized a second series of PPP loans, generally referred to as “Second Draw” PPP loans. To be eligible for a Second Draw PPP loan, applicants were required to certify that they, together with any of their affiliates, had no more than 300 employees.
5. Prior to the creation of the Second Draw PPP loan program, SBA clarified that its affiliation rules, which applied to the PPP, “provide that in determining an entity’s number of employees, employees of the entity ‘and all of its domestic and foreign affiliates’ are included.” *See, e.g.*, 85 Fed. Reg. 30836 (May 21, 2020).
6. On or about January 22, 2021, prior to the SLM Acquisition by Nikon Corporation, SLM applied for and obtained a Second Draw PPP loan in the amount of \$908,165. On the Second Draw loan application, a former SLM employee certified that SLM, together with its affiliates, had 33 employees.
7. On or about October 25, 2021, prior to the SLM Acquisition by Nikon Corporation, SLM applied for and received forgiveness of the Second Draw PPP loan. On the forgiveness application, SLM certified that it had 35 employees at the time of the Second Draw loan application.
8. At all times between January 22, 2021, and October 25, 2021, SLM—together with its domestic and foreign affiliates, including SLM Germany—had more than 300 employees.