SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made and entered into by and between the United States of America, acting through the United States Department of Justice, the United States Small Business Administration ("SBA") (collectively, the "United States"); Wade Riner ("Relator"); and The Energy Federation, Inc., ("EFI") (hereinafter collectively referred to as the "Parties"), through their authorized representatives.

RECITALS

A. EFI is a non-profit 501(c)(4) organization that assists individuals with heat and energy needs, including providing financial grants, technical assistance, education, and advice on promoting energy efficiency. EFI is headquartered in, Norfolk County, MA. On or about April 15, 2020, EFI obtained a Paycheck Protection Program ("PPP") loan, which was subsequently forgiven by the SBA.

B. The SBA is an independent agency of the United States government that provides aid, counsel, and assistance to small businesses and entrepreneurs. The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), Section 1102, vested the SBA with the responsibility of managing the PPP, under the SBA's 7(a) Loan Program. The PPP was a federal program that provided emergency relief to small businesses affected by the COVID-19 pandemic. *See* 15 U.S.C. § 636(a)(36).

C. The SBA administered the PPP and guaranteed loans that were made according to PPP rules. To apply for PPP funding, a business or entity had to certify that it met the requirements of the program. Under the PPP's rules, 501(c)(4) organizations were never eligible for loans. As a 501(c)(4), EFI was not eligible for a PPP loan.

D. On July 2, 2024, Relator filed a qui tam action in the United States District Court for the District of Massachusetts captioned *United States of America ex rel. Wade Riner v.*

Energy Federation Inc., et al., pursuant to the qui tam provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the "Civil Action"). Relator alleged EFI violated the False Claims Act because, as a 501(c)(4) organization, EFI was ineligible for a PPP loan. Relator did not make any allegations that EFI used the PPP loan funds for impermissible purposes.

E. In or about June 2024, EFI elected to sell its assets and use the proceeds from the asset sale to engage in grant-making, technical assistance, education, and advocacy in the energy efficiency sector. As required by law, the Massachusetts Supreme Judicial Court approved the transaction on July 25, 2024. In August 2024, EFI sold substantially all of its assets to a third-party for financial reasons, unaware of the Civil Action. EFI currently plans to continue operating as a non-profit, but it will change its name. When the United States issued a civil investigative demand to EFI in September 2024, EFI voluntarily paused the transfer and use of the proceeds from the asset sale pending the United States' investigation.

F. EFI admits, acknowledges, and accepts responsibility for the following facts:

1. On April 6, 2020, EFI engaged in discussions with its Lender regarding when and how to apply for a PPP loan. An EFI employee emailed a Senior Vice President ("SVP") with the Lender to inquire about PPP eligibility requirements for 501(c)(4) organizations. The Lender's SVP replied that "we will be notified when your application is being reviewed so we can address that issue then if it comes up."

2. On April 15, 2020, EFI signed and submitted a PPP application to its Lender. The application required applicants to identify its entity type by checking one of a series of boxes and corresponding entity types. EFI

selected the box indicating that its entity type was "Other." The application did not have a box or entry for a 501(c)(4) organization.

3. EFI included its taxpayer identification number on its PPP application.

4. In the PPP loan application, EFI certified that "[t]he Applicant is eligible to receive a loan under the rules in effect at the time this application has been submitted."

5. The Lender never followed up with EFI regarding the eligibility requirements for 501(c)(4) organizations. On April 15, 2020, the Lender approved EFI's application and informed EFI that it would disburse its PPP loan.

6. On or around April 29, 2021, EFI signed and submitted a forgiveness application for its PPP loan through its Lender. The SBA forgave the full amount of EFI's loan based on EFI's certifications in its PPP loan application and its loan forgiveness application.

The foregoing conduct described in this paragraph (F), including subparagraphs, is hereinafter referred to as the "Covered Conduct."

G. The United States contends that it has certain claims against EFI based on the Covered Conduct, such as unjust enrichment or payment by mistake, and for submitting or causing the submission of false claims, among other potential claims. Specifically, the United States contends that EFI was ineligible for a PPP loan because EFI is a 501(c)(4) organization, and 501(c)(4) organizations were never eligible for PPP loans.

H. EFI received credit under the Department of Justice's guidelines for taking disclosure, cooperation, and remediation into account, Justice Manual § 4-4.112. Among other actions, EFI voluntarily produced materials, identified documents most relevant to the United States' investigation, and voluntarily paused its organization restructuring pending resolution of this matter.

In consideration of the mutual promises and obligations of this Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

1. EFI shall pay to the United States the sum of one million dollars ($1,000,000), of which $750,000 is restitution, plus interest at a rate of four and one-eighth percent (4.125%) from March 31, 2025, and continuing through the date of payment (the "Settlement Amount"), no later than thirty (30) days after the Effective date of this Agreement. EFI shall pay the Settlement Amount pursuant to written instructions to be provided by the Office of the United States Attorney for the District of Massachusetts, no later than thirty (30) days after the Effective Date of this Agreement.

2. Conditioned upon the United States receiving the Settlement Amount and as soon as feasible after receipt, the United States shall pay $100,000 plus a pro rata share of the accrued interest at the rate set forth above to Relator by electronic funds transfer ("Relator's Share").

3. Within thirty (30) days of the Effective Date of this agreement, and pursuant to the terms of a separate agreement, EFI shall pay to Relator $7,500 for expenses and attorneys' fees and costs pursuant to 31 U.S.C. § 3730(d). Immediately upon execution of this agreement, Relator shall provide wire instructions to EFI in order to effectuate this payment.

4. Subject to the exceptions in Paragraph 5 (concerning reserved claims) below, and upon the United States' receipt of the Settlement Amount, the United States releases EFI from any civil monetary claim the United States has for the Covered Conduct under the

False Claims Act §§ 3729-3729-3733, the Administrative Remedies for False Claims Act §§ 3801-3812, or the common law, including without limitations theories of breach of contract, payment by mistake, unjust enrichment, and Fraud.

5. Notwithstanding the release given in Paragraph 4 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 any individuals.

6. Relator and its heirs, 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). Conditioned upon Relator's receipt of Relator's Share, Relator and its heirs, successors, attorneys, agents, and assigns fully and finally release, waive, and forever discharge the United States, its agencies,

officers, agents, employees, and servants, from any claims arising from the filing of the Civil Action or under 31 U.S.C. § 3730, and from any claims to a share of the proceeds of this Agreement and/or the Civil Action.

7. Conditioned upon its receipt of the payment from EFI described in Paragraph 3, Relator, for itself and its heirs, successors, attorneys, agents, and assigns, releases EFI from any civil monetary claim Relator has on behalf of the United States for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733, or under 31 U.S.C. § 3730(d) for expenses or attorneys' fees and costs.

8. EFI waives and shall not assert any defenses it 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. EFI fully and finally releases the United States and its agencies, officers, agents, employees, and servants from any claims (including for attorneys' fees, costs, and expenses of every kind and however denominated) that EFI has asserted, could have asserted, or may assert in the future against the United States or its agencies, officers, agents, employees, or servants, related to the Covered Conduct and the United States' investigation and prosecution thereof.

10. EFI fully and finally releases Relator from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that EFI has asserted, could have asserted, or may assert in the future against Relator, related to the Covered Conduct and Relator's investigation and prosecution thereof.

11. EFI agrees to the following:

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 EFI, 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) EFI'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 attorneys' fees);

(4) the negotiation and performance of this Agreement; and

(5) the payment EFI makes to the United States and Relator 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 EFI, and EFI 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, EFI shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by EFI or any of its subsidiaries or affiliates from the United States. EFI agrees that the United States, at a minimum, shall be entitled to recoup from EFI 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 EFI's books and records and to disagree with any calculations submitted by EFI or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by EFI, or the effect of any such Unallowable Costs on the amount of such payments.

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

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

14. Upon receipt of the payments described in Paragraphs 1 and 3, above, the United States and Relator shall promptly sign and file in the Civil Action a Joint Stipulation of Dismissal. The Joint Stipulation of Dismissal shall state that: (1) claims for the allegations described in the Covered Conduct are dismissed with prejudice to the United States; (2) all other claims in the Civil Action, including claims under 31 U.S.C. §§ 3729-3733, shall be dismissed without prejudice to the United States; and (3) all claims in the Civil Action shall be dismissed with prejudice as to Relator.

15. Subject to Paragraph 3, each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

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

17. 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 Massachusetts. 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.

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

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

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

21. This Agreement is binding on EFI's successors, transferees, heirs, and assigns.

22. This Agreement is binding on Relator's successors, transferees, heirs, and assigns.

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

24. This Agreement is effective on the date of signature of the last signatory to the Agreement (Effective Date of this Agreement). Facsimiles and electronic transmissions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

THE UNITED STATES OF AMERICA

Dated: 7-15-2025

By: JULIEN MUNDELE Digitally signed by JULIEN MUNDELE Date: 2025.07.15 14:45:07 -04'00'

Julien M. Mundele
Assistant U.S. Attorney
United States Attorney's Office
District of Massachusetts

THE ENERGY FEDERATION, INC.

Dated: 7-14-2025

By: Paul Danehy
Paul Danehy
President and CEO of EFI
Authorized Corporate Officer
The Energy Federation, Inc.

Dated: 7-15-2025

By:
Michelle R. Peirce
Elizabeth R. Farrenkopf
Counsel for The Energy Federation, Inc.

RELATOR WADE RINER

Dated: 7/2/25

By: [signature]
Wade Riner

Dated: 7/4/25

By: Randall C. Owens
Randall C. Owens
Michael Adams-Hurta
Wright Close & Barger LLP
Counsel for Wade Riner