

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 Department of Transportation (collectively the "United States"), Peter Abbonizio, and C. Abbonizio Contractors, Inc. (hereafter collectively referred to as "the Parties"), through their authorized representatives.

RECITALS

A. C. Abbonizio Contractors, Inc. ("C. Abbonizio") is a corporation with its principal place of business located in Sewell, New Jersey. C. Abbonizio is engaged in the general contracting business and performs work including, but not limited to, construction projects on the roadways of the State of New Jersey. Peter Abbonizio was at all relevant times the President of C. Abbonizio.

B. On May 29, 2020 the United States filed an action in the United States District Court for the District of New Jersey captioned *United States v. C. Abbonizio Contractors, Inc., et al.*, Civil Action No. 20-6573 (NLH) (the "Complaint" or "Civil Action"). The "Covered Conduct" referred to below refers to the allegations and claims of the Complaint.

C. By entering into this Agreement, Peter Abbonizio and C. Abbonizio do not admit to the Covered Conduct or as to any violation of law, liability, fault, misconduct, or wrongdoing. This Agreement is not 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. C. Abbonizio shall pay to the United States Three Hundred Seventy-Five Thousand dollars (\$375,000.00), and Peter Abbonizio shall pay to the United States Twenty-Five Thousand dollars (\$25,000.00), for a collective total of Four Hundred Thousand dollars (\$400,000.00) of which Zero dollars (\$0.00) is restitution, by electronic funds transfer pursuant to written instructions to be provided by the United States Attorney's Office for the District of New Jersey no later than 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 Peter Abbonizio and C. Abbonizio, its present and former officers, directors, shareholders, employees, agents, officials, representatives, and its successors and assigns, in their official capacities, 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; Title 49 of the United States Code of Federal Regulations; or the common law theories of breach of contract, payment by mistake, unjust enrichment, and fraud as pled in the Complaint. The United States also releases any other statutory, regulatory or other common law theory of liability for the Covered Conduct; or any other statute creating causes of action

for civil damages or civil penalties that the Department of Justice has actual and present authority to assert and any common law remedies for the Covered Conduct.

3. Notwithstanding the release 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;
- f. Except as stated in this Agreement, any liability of individuals.

4. Peter Abbonizio and C. Abbonizio waive and shall not assert any defenses they 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. However, Peter Abbonizio and C. Abbonizio do not waive any defenses under the Double Jeopardy

Clause, Excessive Fines Clause, or any other affirmative defenses to the extent that they are predicated on facts independent from the execution of this Agreement.

5. Peter Abbonizio and C. Abbonizio 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 Peter Abbonizio and C. Abbonizio 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 resulting Civil Action.

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 C. Abbonizio, 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/or civil and criminal investigations of the matters covered by this Agreement;
- (3) C. Abbonizio's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and/or civil and criminal investigations in connection with the matters covered by this Agreement (including attorneys' fees);
- (4) the negotiation and performance of this Agreement;

(5) the payment C. Abbonizio and Peter Abbonizio 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 C. Abbonizio, and C. Abbonizio 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, C. Abbonizio shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by C. Abbonizio or any of its subsidiaries or affiliates from the United States. C. Abbonizio agrees that the United States, at a minimum, shall be entitled to recoup from C. Abbonizio 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 C. Abbonizio's books and records and to disagree with any calculations submitted by C. Abbonizio or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by C. Abbonizio, 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. Upon receipt of the payment described in Paragraph 1, above, the Parties shall promptly sign and file in the Civil Action a Joint Stipulation of Dismissal with Prejudice of the Civil Action pursuant to Rule 41(a)(1).

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 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 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 Peter Abbonizio's and C. Abbonizio's successors, transferees, heirs, and assigns.

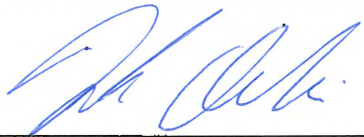
16. All Parties acknowledge that this Agreement, and information about this Agreement, may not be confidential, and may be disclosed to the public in accordance with Federal laws and regulations relating to the disclosure of information to the general public, including but not limited to the Freedom of Information Act.

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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SIGNATURE PAGE

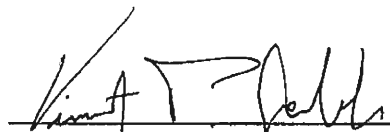
For the United States of America:



By: MARK C. ORŁOWSKI
Assistant U.S. Attorney
U.S. Attorney's Office
District of New Jersey
Civil Division
970 Broad Street, Suite 700
Newark, New Jersey 07102

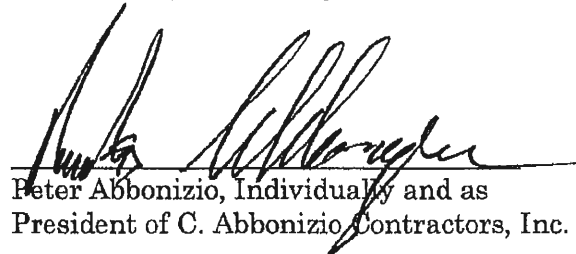
Dated: 10/24/2022

For C. Abbonizio Contractors, Inc.



VINCENT P. SARUBBI, ESQ.
Archer, P.C.
One Centennial Square
33 East Euclid Avenue
Haddonfield, New Jersey 08033

Dated: 10/19/2022



Peter Abbonizio, Individually and as
President of C. Abbonizio Contractors, Inc.

Dated: 10/17/2022