

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 Defense, Department of the Army (collectively the "United States"); Whitney Blake Company ("Whitney Blake"); and its subsidiary, Live Wire, LLC ("Live Wire") (collectively referred to as "the Parties"), through their authorized representatives.

RECITALS

A. Whitney Blake Company is a company headquartered in Bellows Falls, Vermont, and, along with its subsidiaries, including Live Wire, is engaged in the business of manufacturing wire products for communications and current-carrying purposes.

B. The United States contends that it has certain civil claims against Live Wire arising from the sale of communications equipment to the United States. Specifically, Live Wire entered into contracts to sell electronics communication headsets ("Headsets") to the United States under contract numbers SPE7M-18-P-E478, SPE7M5-19-P-2012, and SPRBL1-15-D-0018-0004, and sold those Headsets to the United States during the period from July 13, 2018 through November 21, 2019. The United States specifically contends, and Live Wire admits, that the Headsets did not comply with the required military specifications ("MILSPEC") because the Headsets

were not tested to the appropriate MILSPEC before Live Wire sold the Headsets to the United States. The conduct referenced in this Paragraph is referred to below as the “Covered Conduct.”

C. Whitney Blake and Live Wire self-disclosed the failure to test to the appropriate MILSPEC to the United States and have cooperated with the United States’ investigation.

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. Live Wire, or Whitney Blake on Live Wire’s behalf, shall pay to the United States six hundred twenty-eight thousand, three hundred twenty-eight dollars and twenty-five cents (\$628,328.25) (the “Settlement Amount”), of which four hundred eighty-four thousand, three hundred eighteen dollars (\$484,318.00) 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 Whitney Blake and Live Wire

together with their current and former parent entities, direct and indirect subsidiaries, brother or sister entities, 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.

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; and
- g. Any liability for failure to deliver goods or services due.

4. Live Wire waives and shall not assert any defenses Live Wire 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. Whitney Blake and Live Wire 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 Whitney Blake or Live Wire 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 Whitney Blake, Live Wire, 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) Whitney Blake's and Live Wire'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; and

(5) the payment Whitney Blake or Live Wire 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 Whitney Blake and Live Wire, and they 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, Whitney Blake and Live Wire shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments

previously sought by those entities or any of their subsidiaries or affiliates from the United States. Whitney Blake and Live Wire agree that the United States, at a minimum, shall be entitled to recoup 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 Whitney Blake or Live Wire's books and records and to disagree with any calculations submitted by either entity or any of their subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought, 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 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.

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 Whitney Blake and Live Wire's 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"). Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

THE UNITED STATES OF AMERICA

For the United States of America:

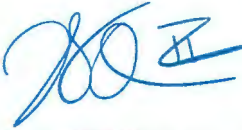
PHILIP R. SELLINGER
United States Attorney



By: MARK C. ORLOWSKI
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: 1/3/2024

WHITNEY BLAKE COMPANY



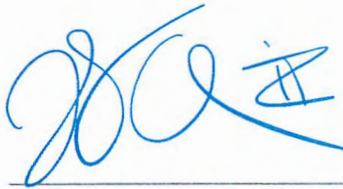
By: WARREN T. ALLEN II
Miles & Stockbridge
1201 Pennsylvania Avenue Suite 900
Washington, DC 20004

Dated: 12/27/24



By: SHELDON SCOTT
President and CEO, Whitney Blake Company
Manager, Live Wire, LLC

Dated: 12/27/2024

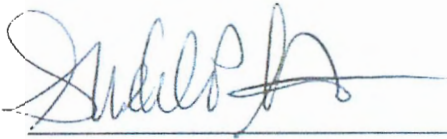


LIVE WIRE, LLC

By: WARREN T. ALLEN II
Miles & Stockbridge
1201 Pennsylvania Avenue Suite 900
Washington, DC 20004

Dated:

12/27/24



By: SHELDON SCOTT
President and CEO, Whitney Blake Company
Manager, Live Wire, LLC

Dated:

12/27/2024