

## 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 Small Business Administration (“SBA,” and collectively the “United States”), Fred Beans Holdings Inc. (“FBH”), Auto Express Enterprises Inc. (“AEE”), Autorent of Doylestown Inc. (“ADI”), McCafferty Autorent Inc. (“MAI”), Noble Advertising Inc. (“NAI”), and Aidan Forsyth (“Relator”) (hereafter collectively referred to as “the Parties”), through their authorized representatives.

### RECITALS

A. FBH was a parent entity of various corporate entities that are in the automotive industry and with a principal place of business in Bucks County, Pennsylvania. AEE was an automobile repair, parts, and supply business with a principal place of business in Bucks County, Pennsylvania. ADI was a car rental agency with a principal place of business in Bucks County, Pennsylvania. MAI was a car rental agency with a principal place of business in Bucks County, Pennsylvania. NAI was a marketing agency with a principal place of business in Bucks County, Pennsylvania. Together, these companies are referred to below as the PPP Borrowers.

B. On or about April 3, 2025, Relator filed a *qui tam* action in the United States District Court for the District of New Jersey captioned *United States ex rel. Forsyth v. Fred Beans Holdings, Inc., et al.*, Civil Action No. 25-

2324 (D.N.J.), pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the Civil Action).

C. The United States contends that it has certain civil claims against the PPP Borrowers arising from the facts and conduct described in this paragraph:

- i. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was a federal law enacted in or about March 2020 designed to provide emergency financial assistance to millions of Americans suffering economic effects caused by the COVID-19 pandemic. One source of relief provided by the CARES Act was the authorization of forgivable loans to small businesses for job retention and certain other expenses, through a program referred to as the Paycheck Protection Program (“PPP”). PPP loans were guaranteed by the SBA and, if the loan proceeds were used for eligible expenses, the SBA would forgive the loan balance and accrued interest.
- ii. To obtain a PPP loan, a qualifying business had to submit a PPP loan application to an authorized lender. The PPP loan application required the business, through its authorized representative, to acknowledge the PPP rules and make certain affirmative certifications that the applicant was eligible to obtain a PPP loan.

- iii. On or about April 27, 2020, FBH applied for a PPP loan (“FBH PPP Loan Application”). In the FBH PPP Loan Application, FBH certified that it was “eligible to receive a loan under the rules in effect at the time [the] application was submitted.” In fact, FBH was not eligible for its loan because, inclusive of its affiliates, FBH had more than 500 employees. Based on FBH’s certifications, a lender approved the FBH PPP Loan Application and issued a PPP loan in the amount of \$744,100. In addition, pursuant to the PPP, the SBA paid the lender a processing fee of \$22,323 in connection with the lender’s issuance of the PPP loan to FBH. FBH subsequently applied for and received forgiveness of its PPP loan, thereby extinguishing its liability for the \$744,100 principal loan amount, as well as \$9,866 in accrued interest.
- iv. On or about April 28, 2020, AEE applied for a PPP loan (“AEE PPP Loan Application”). In the AEE PPP Loan Application, AEE certified that it was “eligible to receive a loan under the rules in effect at the time [the] application was submitted.” In fact, AEE was not eligible for its loan because, inclusive of its affiliates, AEE had more than 500 employees. Based on AEE’s certifications, a lender approved the AEE PPP Loan Application and issued a PPP loan in the

amount of \$80,600. In addition, pursuant to the PPP, the SBA paid the lender a processing fee of \$4,030 in connection with the lender's issuance of the PPP loan to AEE. AEE subsequently applied for and received forgiveness of its PPP loan, thereby extinguishing its liability for the \$80,600 principal loan amount, as well as \$1,037 in accrued interest.

- v. On or about April 28, 2020, ADI applied for a PPP loan ("ADI PPP Loan Application"). In the ADI PPP Loan Application, ADI certified that it was "eligible to receive a loan under the rules in effect at the time [the] application was submitted." In fact, ADI was not eligible for its loan because, inclusive of its affiliates, ADI had more than 500 employees. Based on ADI's certifications, a lender approved the ADI PPP Loan Application and issued a PPP loan in the amount of \$58,800. In addition, pursuant to the PPP, the SBA paid the lender a processing fee of \$2,940 in connection with the lender's issuance of the PPP loan to ADI. ADI subsequently applied for and received forgiveness of its PPP loan, thereby extinguishing its liability for the \$58,800 principal loan amount, as well as \$757 in accrued interest.
- vi. On or about April 3, 2020, NAI applied for a PPP loan ("NAI PPP Loan Application"). In the NAI PPP Loan Application,

NAI certified that it was “eligible to receive a loan under the rules in effect at the time [the] application was submitted.”

In fact, NAI was not eligible for its loan because, inclusive of its affiliates, NAI had more than 500 employees. Based on NAI’s certifications, a lender approved the NAI PPP Loan Application and issued a PPP loan in the amount of \$50,995. In addition, pursuant to the PPP, the SBA paid the lender a processing fee of \$2,545 in connection with the lender’s issuance of the PPP loan to NAI. NAI subsequently applied for and received forgiveness of its PPP loan, thereby extinguishing its liability for the \$50,995 principal loan amount, as well as \$560 in accrued interest.

- vii. On or about April 27, 2020, MAI applied for a PPP loan (“MAI PPP Loan Application”). In the MAI PPP Loan Application, MAI certified that it was “eligible to receive a loan under the rules in effect at the time [the] application was submitted.” In fact, MAI was not eligible for its loan because, inclusive of its affiliates, MAI had more than 500 employees. Based on MAI’s certifications, a lender approved the MAI PPP Loan Application and issued a PPP loan in the amount of \$38,900. In addition, pursuant to the PPP, the SBA paid the lender a processing fee of \$1,945 in connection

with the lender's issuance of the PPP loan to MAI. MAI subsequently applied for and received forgiveness of its PPP loan, thereby extinguishing its liability for the \$38,900 principal loan amount, as well as \$509 in accrued interest.

That conduct is referred to below as the Covered Conduct.

D. This Settlement Agreement is neither an admission of liability by the PPP Borrowers, nor a concession by the United States or the Relator that their claims are not well founded.

E. Relator claims entitlement under 31 U.S.C. § 3730(d) to a share of the proceeds of this Settlement 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 Settlement Agreement, the Parties agree and covenant as follows:

#### TERMS AND CONDITIONS

1. The PPP Borrowers shall pay to the United States one million, four hundred twenty-seven thousand, eight hundred and sixty-nine dollars (\$1,427,869) ("Settlement Amount"), of which \$1,019,907 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 45 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 one hundred forty-two thousand, seven hundred and eighty-six dollars (\$142,786) to Relator by electronic funds transfer (“Relator’s Share”).

3. Within 30 days of the Effective Date of the Agreement, the PPP Borrowers will pay to Relator \$8,523.75 for expenses, attorneys’ fees, and costs pursuant to 31 U.S.C. § 3730(d). PPP Borrowers and Relator agree that this amount represents reasonable expenses, attorney’s fees, and costs for the Civil Action.

4. Subject to the exceptions in Paragraph 6 (concerning reserved claims) below, and upon the United States’ receipt of the Settlement Amount, the United States releases the PPP Borrowers 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.

5. Subject to the exceptions in Paragraph 6 below, and upon the United States’ receipt of the Settlement Amount, Relator, for himself and for his heirs, successors, attorneys, agents, and assigns, releases the PPP Borrowers, their shareholders, officers, employees, professional advisors,

agents and assigns for any claims Relator may have against any of them, known or unknown, arising on or before the Effective Date.

6. Notwithstanding the releases 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 the 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

7. Relator and his 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 the Relator's Share, Relator and his 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.

8. Relator, for himself, and for his heirs, successors, attorneys, agents, and assigns, releases the PPP Borrowers, and their officers, agents, 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.

9. The PPP Borrowers waive and shall not assert any defenses the PPP Borrowers 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.

10. The PPP Borrowers 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 the PPP Borrowers 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 or the United States' investigation or prosecution thereof.

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

12. 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 the PPP Borrowers, 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) the PPP Borrowers' 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 the PPP Borrowers make to the United States pursuant to this Agreement and any

payments that the PPP Borrowers 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 the PPP Borrowers, and the PPP Borrowers 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, the PPP Borrowers shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by the PPP Borrowers or any of their subsidiaries or affiliates from the United States. The PPP Borrowers agree that the United States, at a minimum, shall be entitled to recoup from the PPP Borrowers 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 the PPP Borrowers' books and records and to disagree with any calculations submitted by the PPP Borrowers or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by

the PPP Borrowers, or the effect of any such Unallowable Costs on the amount of such payments.

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

14. 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).

15. Except as set forth in Paragraph 3, above, each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

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

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

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

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

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

22. This Agreement is binding on the PPP Borrowers' successors, transferees, heirs, and assigns.

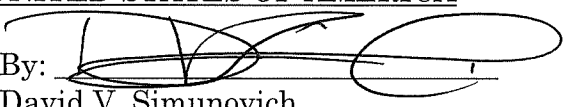
23. This Agreement is binding on Relator's successors, transferees, heirs, and assigns.

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

25. 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.

THE UNITED STATES OF AMERICA

Dated: Nov. 4, 2025

By: 

David V. Simunovich

Assistant United States Attorney

Healthcare Fraud & Opioid Abuse Prevention Unit

U.S. Attorney's Office - District of New Jersey

970 Broad Street, Suite 700

Newark, NJ 07102

Office: (973) 645-2700

DEFENDANTS

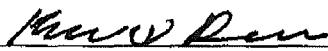
Dated: 11/10/25

  
Fred Beans Holdings, Inc.  
By: Fred Beans, President  
3960 Airport Road  
Doylestown, PA 18902

Dated: 11/10/25

  
Auto Express Enterprises, Inc.  
By: Fred Beans, President  
250 Woodbourne Rd.  
Langhorne, PA 19047

Dated: 11/13/25

  
Autorent of Doylestown, Inc.  
By: Fred Beans, President  
835 North Easton Road  
Doylestown, PA 18902

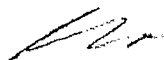
Dated: 11/13/25

  
Noble Advertising, Inc.  
By: Fred Beans, President  
3960 Airport Road  
Doylestown, PA 18902

Dated: 11/13/25

  
McCafferty Autorent Inc.  
By: Fred Beans, President  
1939 East Lincoln Hwy.  
Langhorne, PA 19047

Dated: 10/30/25

  
Andrew G. Thomas, Esq.  
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2822 Remington Green Circle  
Tallahassee, FL 32308  
*Counsel for Defendants*

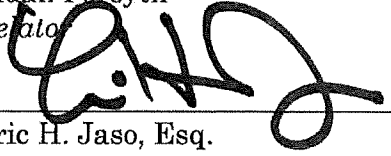
AIDAN FORSYTH - RELATOR

Dated: 10/30/2025 \_\_\_\_\_



Aidan Forsyth  
*Relator*

Dated: 10.30.25 \_\_\_\_\_



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*Counsel for Relator*