

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 and its agencies the Defense Logistics Agency (“DLA”), the Department of the Army (“Army”), and the Department of the Air Force (“Air Force”) (collectively with the Army, DLA, and Department of Defense, the “Defense Agencies”) (collectively with the Department of Justice and the other Defense Agencies, the “United States”) and SEA BOX, Inc. (“SEA BOX”) (hereafter collectively referred to as “the Parties”), through their authorized representatives.

RECITALS

A. SEA BOX is a corporation headquartered in Cinnaminson, New Jersey specializing in the design, modification, and manufacturing of shipping containers for inter-modal shipping.

B. Among SEA BOX’s customers for International Organization for Standardization (ISO) shipping containers is the Department of Defense. In particular, the Army and Air Force have purchased thousands of ISO shipping containers for defense purposes. These containers are purchased primarily through the DLA, which manages the end-to-end global defense supply chain.

C. Between December 22, 2017, and March 21, 2022, SEA BOX was awarded approximately 35 contracts to deliver ten or more ISO shipping containers per contract for the Department of Defense. These contracts are identified in Schedule 1 hereto.

D. Each of the contracts between SEA BOX and the Department of Defense or its agencies was subject to the Cargo Preference Act, 10 U.S.C. § 2631, which provides that supplies bought for any Defense Agency may only be transported by sea in a vessel of the United States.

E. The requirement for U.S.-flagged shipping in the movement of supplies for any defense agency is further established by the Defense Federal Acquisition Regulation Supplement (DFARS), 48 C.F.R. § 252.247-7023, which governed and was included in SEA BOX's contracts with Defense Agencies.

F. These statutory and contractual requirements help to ensure that the United States has a merchant marine that is sufficient to carry waterborne domestic, import, and export commerce; capable of serving as a naval and military auxiliary in time of war or national emergency; and is supplemented by efficient facilities for building and repairing seagoing vessels.

G. The United States contends that it has certain civil claims against SEA BOX arising during the period from December 22, 2017, through March 21, 2022, as follows. The United States contends that:

- a. Notwithstanding the statutory and contractual requirements to use U.S.-flagged vessels in fulfilling its contracts with Defense Agencies, SEA BOX shipped containers bought for or intended for delivery to Defense Agencies on the contracts identified in Schedule 1 on non-U.S.-flagged vessels;

- b. Shipping these containers on non-U.S.-flagged vessels reduced the cost to SEA BOX to ship them, allowing it to submit lower bids to the Defense Agencies and win more Defense Agency business;
- c. SEA BOX shipped those containers on non-U.S.-flagged vessels intentionally, in order to save costs and undercut its competition, or failed to take reasonable efforts to ensure that those containers were shipped on U.S.-flagged vessels; and
- d. When the Defense Agencies inquired about SEA BOX's shipping practices, SEA BOX responded by presenting information that was false, inaccurate, or so incomplete as to render SEA BOX's responses misleading half-truths.

H. Collectively, the foregoing conduct is referred to below as the "Covered Conduct."

I. This Settlement Agreement is neither an admission of liability for the Covered Conduct by SEA BOX nor a concession by the United States that its claims are not well founded.

J. 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. SEA BOX shall pay to the United States \$2,600,000 ("Settlement Amount"), of which \$1,300,000 is restitution, and interest on the Settlement Amount at the post-judgment interest rate per annum from September 16, 2025, by electronic funds

transfer pursuant to written instructions to be provided by the United States Attorney's Office for the District of New Jersey. Payment shall be made on the schedule provided in Schedule 2 to 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, plus interest due under Paragraph 1, the United States releases SEA BOX 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 arising during the period from December 22, 2017, through March 21, 2022.

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;
and

f. Any liability of individuals.

4. SEA BOX waives and shall not assert any defenses SEA BOX 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. SEA BOX 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 SEA BOX 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 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 SEA BOX, 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 criminal investigation(s) of the matters covered by this Agreement;

- (3) SEA BOX's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil and criminal 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 SEA BOX 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 SEA BOX, and SEA BOX 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, SEA BOX shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by SEA BOX or any of its subsidiaries or affiliates from the United States. SEA BOX agrees that the United States, at a minimum, shall be entitled to recoup from SEA BOX 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

SEA BOX's books and records and to disagree with any calculations submitted by SEA BOX or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by SEA BOX, or the effect of any such Unallowable Costs on the amount of such payments.

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

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

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 SEA BOX's successors, transferees, heirs, and assigns.

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

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, including electronic facsimiles, shall constitute acceptable, binding signatures for purposes of this Agreement.

THE UNITED STATES OF AMERICA

DATED: 01/26/2026

BY:

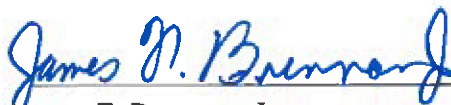


Paul W. Kaufman
Assistant United States Attorney

SEA BOX INC

DATED: 1.19.26

BY:



James F. Brennan, Jr.
Chief Executive Officer
SEA BOX, Inc.

DATED: 1/22/2026

BY:



John Brownlee, Esquire
John McAdams, Esquire
Holland & Knight LLP
1650 Tysons Boulevard, Suite 1700
McLean, VA 22102

Counsel for SEA BOX, Inc.

Schedule 1 – Covered Contracts

Contract number	Award Date
SPE8ED-18-P-0425	12/22/2017
SPE8ED-18-P-0471	1/12/2018
SPE8ED-18-P-0472	1/19/2018
SPE8ED-18-P-0867	6/15/2018
SPE8ED-18-P-1126	9/27/2018
SPE8ED-19-P-0123	10/31/2018
SPE8ED-19-P-0306	12/21/2018
SPE8ED-19-P-0397	2/1/2019
SPE8ED-19-P-0437	3/25/2019
SPE8ED-19-P-0638	4/5/2019
SPE8ED-19-P-0677	4/15/2019
SPE8ED-19-P-1000	7/3/2019
SPE8ED-19-P-1001	7/9/2019
SPE8ED-19-P-1013	7/17/2019
SPE8ED-20-C-0003	11/7/2019
SPE8ED-20-P-0258	11/15/2019
SPE8ED-20-P-0265	12/5/2019
SPE8ED-20-P-0332	12/6/2019
SPE8ED-20-P-0393	12/13/2019
SPE8ED-20-P-0430	12/19/2019
SPE8ED-20-P-0426	12/20/2019
SPE8ED-20-P-0419	12/20/2019
SPE8ED-20-P-0525	1/22/2020
SPE8ED-20-P-0539	1/27/2020
SPE8ED-20-P-0612	2/18/2020
SPE8ED-20-P-0803	4/14/2020
SPE8ED-20-C-0006	6/10/2020
SPE8ED-20-P-1240	9/4/2020
SPE8ED-20-P-0310	11/25/2020
SPE8ED-21-P-0326	12/2/2020
SPE8ED-21-P-0331	12/15/2020
SPE8ED-21-P-0915	5/3/2021
SPE8ED-22-P-0156	11/8/2021
SPE8ED-22-P-0155	11/8/2021
SPE8ED-22-P-0302	12/20/2021

Schedule 2 – Payment Schedule

Payment shall be made on the following schedule, which shall be adjusted for interest accrued before each payment is made. If the date on which a payment is due falls on a weekend or national holiday, that payment shall be due on the next business day.

Each payment shall consist of 1/7th of the principal, plus the interest accrued at the time of that payment:

Payment 1	30 Days after the Effective Date of this Agreement
Payment 2	6 Months after the Effective Date of this Agreement
Payment 3	12 Months after the Effective Date of this Agreement
Payment 4	18 Months after the Effective Date of this Agreement
Payment 5	24 Months after the Effective Date of this Agreement
Payment 6	30 Months after the Effective Date of this Agreement
Payment 7	36 Months after the Effective Date of this Agreement