

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into between the United States of America, acting through the United States Department of Justice and on behalf of the Defense Logistics Agency (“DLA”) (collectively the “United States”), and Revision Military Ltd. (“Revision” or the “Company”) (hereafter collectively referred to as “the Parties”), through their authorized representatives.

RECITALS

A. Revision is a Delaware corporation with its principal place of business in Vermont, where it manufactures the protective eyewear products described in this Agreement.

B. Revision was acquired by new ownership in September 2019. The Company’s new ownership installed a new management team after the 2019 acquisition.

C. The United States contends that it has certain civil claims against the Company for violations of the False Claims Act, 31 U.S.C. § 3729, et seq., stemming from the Company’s use of textiles that were not sourced domestically, as required by the Berry Amendment, 10 U.S.C. § 4862, in certain components of products sold pursuant to DLA contracts.

D. Specifically, the United States contends that its civil claims against the Company arise from the following conduct (the “Covered Conduct”):

- i. Between January 1, 2016 and December 31, 2020 (the “relevant period”), the Company manufactured and sold protective eyewear products.

- ii. The Company's protective eyewear products consist of lenses and frames, and may include a carrying pouch, case, and/or straps.
- iii. The Company sold such protective eyewear products to the United States through prime vendors under DLA's Special Operational Equipment Tailored Logistic Support Program ("SOE TLS Program").
- iv. Under the terms of the SOE TLS Program, products must be manufactured in accordance with the Berry Amendment, 10 U.S.C. §4862, which, as pertinent here, prohibits the use of funds appropriated (or otherwise available) to the Department of Defense for procurement of products containing certain enumerated items, including textiles, that are not grown, reprocessed, reused, or produced in the United States, with certain statutory exceptions.
- v. During the relevant period, DLA funded the purchase of Revision eyewear through the SOE TLS Program.
- vi. The Company submitted bids in response to solicitations from prime vendors under the SOE TLS Program that required compliance with the Berry Amendment.
- vii. The Company used a non-domestic source of carrying pouches, cases, and/or straps for certain of its eyewear systems orders through the SOE TLS Program during the relevant period.
- viii. The Company submitted claims for payment to prime vendors in the SOE TLS Program for the orders described in Subparagraph vii that included carrying pouches, cases, and/or straps that were non-compliant with the domestic sourcing requirements of the Berry

Amendment.

- ix. Certain Company former employees responsible for overseeing the sourcing of materials, product operations, and/or product sales during the relevant period knew that certain components in the orders described in Subparagraph vii contained carrying pouches, cases, and/or straps that did not comply with the Berry Amendment.

E. Revision does not dispute the facts regarding the Covered Conduct insofar as they are described above in Paragraph D, but Revision does not admit and expressly denies liability based on the Covered Conduct. Rather than litigate, the Parties have agreed to amicably settle the claims that the United States contends it has arising out of the Covered Conduct.

F. Following its acquisition by new ownership in 2019, the Company installed new management and, after the relevant period, implemented an enhanced and comprehensive compliance program to ensure compliance with all applicable federal contracting requirements.

G. Revision has been credited in this settlement under the Justice Department's Guidelines for taking into account disclosure, cooperation, and remediation in False Claims Act cases, Justice Manual § 4-4.112. Specifically, in addition to the self-initiated improved compliance measures implemented following its acquisition by new ownership in September 2019, and the replacement of management who had been responsible for overseeing compliance, Revision cooperated with the United States' investigation of the Covered Conduct by, *inter alia*, disclosing to the United States relevant facts gathered in its independent investigation.

H. 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 Company shall pay to the United States \$426,000 (the “Settlement Amount”), of which \$266,250 is restitution. Interest on the Settlement Amount shall accrue at a rate of 2% per annum from the Effective Date of this Settlement Agreement per Paragraph 16 below through the date of payment. Payment, including accrued interest, shall be made no later than thirty (30) days after the Effective Date of this Agreement by electronic funds transfer and pursuant to written instructions to be provided by the office of the United States Attorney for the District of Vermont.

2. Subject to the exceptions in Paragraph 3 (concerning reserved claims) below, and conditioned upon the United States’ receipt of the Settlement Amount, plus any interest due under Paragraph 1, the United States releases Revision, together with its current and former parent corporations, direct and indirect subsidiaries, brother or sister corporations, divisions, current or former corporate owners, and the corporate successors and assigns of any of them, and its current or former directors, officers, agents, servants, and employees, 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. Except as set forth in Paragraph 2, any liability of individuals;
- g. Any liability for express or implied warranty claims or other claims for defective or deficient products or services, including quality of goods and services;
- h. Any liability for failure to deliver goods or services due; and
- i. Any liability for personal injury or property damage or for other consequential damages arising out of the Covered Conduct.

4. Revision 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.

5. Revision, its current or former owners, and the successors and assigns of any of them, 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 Revision 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 Revision, 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) Revision'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;
- (5) the payment Revision 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: If applicable, Unallowable Costs will be separately determined and accounted for by Revision, and it 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: If applicable, within 90 days of the Effective Date of this Agreement, Revision shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by Revision or any of its subsidiaries or affiliates from the United States. Revision agrees 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 Revision's books and records and to disagree with any calculations submitted by Revision or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by Revision, 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 Vermont.

11. 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 representing Revision represents and warrants that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below. The individuals signing on behalf of the United States represent that they are signing this Agreement in their official capacities and that they are authorized to execute this Agreement.

14. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement. This Agreement is binding on Revision's successors, transferees, heirs, and assigns.

15. All Parties consent to the 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 of this Agreement). Facsimiles or PDF versions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

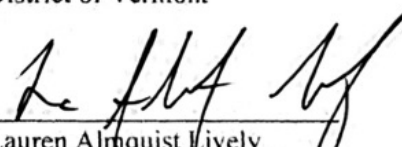
THE UNITED STATES OF AMERICA

NIKOLAS P. KEREST
United States Attorney
District of Vermont

DATED:

12/16/24

BY:


Lauren Almquist Lively
Assistant United States Attorney

REVISION MILITARY LTD.

DATED: 12/14/24

BY: Karan Rai
Karan Rai
Chairman & Chief Executive Officer
Revision Military Ltd.

DATED: 12/16/24

BY: F. Greg Bowman, Esq.
F. Greg Bowman, Esq.
Emmet T. Flood, Esq.
Williams & Connolly LLP
Counsel for Revision Military Ltd.