

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into among (i) the United States of America (the “United States” or “Government”), acting through the United States Department of Justice (“DOJ” or the “Department of Justice”); (ii) Relators Noah Rudolph, Andrea Ford, and Lawrence Cosgriff (collectively, “Relators”); and (iii) Defendants Inchcape Shipping Services Holdings, Ltd.; ISS Group Holdings, Ltd.; ISS Marine Services, Inc.; Inchcape Shipping Services, S.A.; Milne Servicios Maritimos S.A. (d/b/a Inchcape Shipping Services); Inchcape Shipping Services Dubai, LLC; and Inchcape Shipping Services World Limited (collectively, the “Inchcape Defendants”) (all collectively, the “Parties” and each a “Party”), through their respective authorized representatives.

RECITALS

A. As used herein, the term “Inchcape” (when used as distinct from the Inchcape Defendants) refers to the Inchcape Defendants together with their affiliates listed on Attachment A to this Agreement and their collective predecessors, successors-in-interest, and assigns. The Inchcape group of companies includes the Inchcape Defendants and is one of the world’s leading marine services providers, managing thousands of port calls for clients each year in ports around the world. One of the company’s principal lines of business is providing ship husbanding or agency services, where Inchcape provides various services for client vessels, such as facilitating the purchase of items from local vendors at each port.

B. On or about June 30, 2010, Relators filed an action in the United States District Court for the District of Columbia captioned *United States ex rel. Rudolph v. Inchcape Shipping Services Holdings Ltd.*, Civ. A. No. 10-1109 (RBW) (D.D.C.), pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the “Civil Action”). In the Civil Action, Relators generally contend that in performing their contracts with the U.S. Navy, the Inchcape Defendants

submitted false invoices to the U.S. Navy, billing for amounts in excess of those permitted under its contracts.

C. On or about September 2, 2014, the United States intervened in the Civil Action, and on February 5, 2016, the United States filed its Complaint-in-Intervention.

D. The United States contends that it has certain civil claims against the Incape Defendants arising from the conduct alleged in its Complaint-in-Intervention, which conduct hereinafter is referred to as the “Covered Conduct.”

E. This Agreement is neither an admission of liability by Incape or the Incape Defendants nor a concession by the United States that its claims are not well founded.

F. Relators claim entitlement under 31 U.S.C. § 3730(d) to a share of the proceeds of this Agreement and to Relators’ 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 Agreement, the Parties agree and covenant as follows.

TERMS AND CONDITIONS

1. The Incape Defendants collectively shall pay to the United States the total sum of \$20,000,000 (twenty million dollars), plus simple interest accrued on outstanding amounts at the rate of 1.75% per annum from March 1, 2018, and continuing until and including the day before the final payment is made under this Agreement (the “Settlement Amount”). Each of the Incape Defendants agrees to be jointly and severally liable for the Settlement Amount and all payments due under this Agreement. The Incape Defendants shall pay the Settlement Amount as follows:

- a. Within seven (7) days after the Effective Date of this Agreement, the Incape Defendants shall pay to the United States the amount of \$4,500,000, plus accrued interest (the “Initial Payment”), and thereafter make principal payments

with interest according to the payment schedule attached as Attachment B (the “Payment Schedule”).

- b. The Inchcape Defendants shall make the Initial Payment and all other payments set forth in the Payment Schedule to the United States by electronic funds transfer pursuant to written instructions to be provided by the Department of Justice. The Inchcape Defendants may pre-pay the entire balance of the Settlement Amount, or any portion thereof, plus any interest accrued on the principal as of the date of any prepayment, at any time without penalty and without advance notice except that the Inchcape Defendants shall inform the Department of Justice of any such prepayment within five (5) business days after making such a prepayment.
- c. Should a majority of the outstanding equity or assets of Inchcape Shipping Services Holdings, Ltd. or ISS Group Holdings, Ltd. become subject to a merger, sale, transfer, or other change in ownership (in each case, other than (i) in connection with the granting or permitting to exist of a Permitted Lien (as such term is defined in the Security Agreement described in paragraph 1.d hereto (the “Security Agreement”)), or the exercise of any rights or remedies of a holder of a Permitted Lien, or (ii) in connection with such a change of ownership that results in another Inchcape entity owning such equity or assets so transferred (and with respect to any such change of ownership of the equity of ISS Group Holdings, Ltd., such Inchcape entity enters into a security agreement for the pledge of equity of ISS Group Holdings, Ltd. substantially in the form of the Security Agreement)) before the Settlement Amount and

accrued interest thereon is paid in full to the United States, (i) the Inchcape Defendants shall notify counsel for the United States and Relators (by email and first class mail, postage pre-paid, to the signatories for the United States and Relators' counsel, respectively, below) within five (5) business days of the execution of any agreement calling for or effecting such a change in ownership; and (ii) absent alternative agreement between the Inchcape Defendants and the United States, the net outstanding balance of the Settlement Amount plus accrued interest shall become immediately due and payable by the Inchcape Defendants and shall be paid by the Inchcape Defendants prior to effectiveness of any such change in ownership. This provision shall not restrict or apply to (and therefore no notices or payments shall be required as a result of) any corporate reorganization of any particular Inchcape Defendant or Inchcape as a whole provided that such reorganization does not result in the transfer of majority ownership of Inchcape Shipping Services Holdings, Ltd. or ISS Group Holdings, Ltd., except as otherwise permitted above.

- d. The United States and Inchcape Shipping Services Holdings, Ltd. have executed in connection with this Agreement a Security Agreement providing the United States security for the Initial Payment and all other payments set forth in the Payment Schedule subject to the terms and conditions of that Security Agreement. Inchcape Shipping Services Holdings Ltd. agrees to deliver to John Fordham of Stephenson Harwood LLP, 1 Finsbury Circus, London, EC2M 7SH ("Stephenson Harwood") (the United States' solicitors in England and Wales) quoting reference "1765/121", the original signed Security

Agreement as soon as possible after, and in any event within five (5) business days of, the effective date of the Security Agreement. Inchcape Shipping Services Holdings, Ltd. hereby consents to Stephenson Harwood delivering the Security Agreement to the Registrar of Companies with a statement of particulars of charge in accordance with Chapter A1 of Part 25 (Company Charges) of the Companies Act 2006 (as amended).

2. Conditioned upon the United States receiving the full Initial Payment plus accrued interest from the Inchcape Defendants, and as soon as feasible after receipt, the United States shall pay nine-hundred and ninety thousand dollars (\$990,000) plus interest accrued at the rate described in Paragraph 1 to Relators by electronic funds transfer in accordance with the written instructions provided by the Relators' undersigned counsel. Conditioned upon the United States receiving each additional payment from the Inchcape Defendants identified in the Payment Schedule, and as soon as feasible after receipt of each such payment, the United States agrees to pay to Relators twenty-two (22%) of each such payment (principal and interest combined) as set forth in the Payment Schedule. In addition, should the United States receive or collect any additional amounts from the Inchcape Defendants pursuant to Paragraph 8(b) below, the United States agrees to pay to Relators twenty-two (22%) of such amounts as soon as feasible after receipt of any such amounts from the Inchcape Defendants. No other payments shall be made by the United States to Relators with respect to the matters covered by this Agreement, and no payments by the United States to Relators shall be due unless and until the conditions set forth in this Paragraph are satisfied.

3. Within seven (7) days after the Effective Date of this Agreement and conditioned upon timely receipt of written instructions from Relators' counsel, the Inchcape Defendants agree to pay Relators' counsel the total sum of \$1,250,000 (the "Fee Payment"), pursuant to 31 U.S.C.

§ 3730(d) for expenses and attorneys' fees and costs arising from the filing of the Civil Action. Payment shall be made by electronic funds transfer pursuant to written account instructions to be provided by Relators' counsel.

4. Subject to the exceptions in Paragraph 6 below (concerning excluded claims), and conditioned upon the Inchcape Defendants' compliance with this Settlement Agreement and full payment of the Settlement Amount, and subject to Paragraph 15 below (concerning bankruptcy proceedings commenced within 91 days of the Effective Date of this Agreement or any payment made under this Agreement), the United States releases Inchcape 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; any other statute creating causes of action for civil damages or civil penalties that the Civil Division of the Department of Justice has actual and present authority to assert and compromise as set forth in Section 0.45(d) of Title 28 of the Code of Federal Regulations; and 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 conditioned upon the Inchcape Defendants' compliance with the Settlement Agreement, including the full payment of the Settlement Amount to the United States and the full Fee Payment to Relators' counsel, and subject to Paragraph 15 below (concerning bankruptcy proceedings commenced within 91 days of the Effective Date of this Agreement or any payment made under this Agreement), Relators, for themselves and for their predecessors, successors, heirs, attorneys, agents, and assigns, release Inchcape from any civil monetary claim the Relators, or their predecessors, successors, heirs, attorneys, agents, or assigns, have related to the Covered Conduct (whether for themselves or on behalf of the United States), including but not limited to claims under the False Claims Act, 31

U.S.C. §§ 3729-3733 and for any claim (including under 31 U.S.C. § 3730(d)) for expenses or attorneys' fees and costs arising from or related to the Civil Action.

6. Notwithstanding the releases given in Paragraphs 4 and 5 of this Agreement, or any other term of this Agreement, the following claims 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, 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 personal injury or property damage or for other consequential damages arising from the Covered Conduct.

7. Relators and their predecessors, successors, heirs, attorneys, agents, and assigns shall not object to this Agreement, and 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 Relators' receipt of the payments described in Paragraph 2, Relators and their predecessors, successors, heirs, 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 claims against Inchcape set forth in Civil Action.

8. The Inchcape Defendants have provided the United States documents disclosing Inchcape's financial position in connection with the parties' settlement discussions, all as of the dates referenced on the respective documents (the "Financial Information"). The Inchcape Defendants warrant that they presented the Financial Information in good faith. The Inchcape Defendants further warrant that the following financial documents (the "Financial Statements") were materially current, accurate, and complete as of the respective dates indicated therein: (i) Reconciliations of Principal Funds Balance Sheet to Cash Summary dated March and April 2017; (ii) ISS Annual Reports and Financial Statements dated 2015 and 2016; and (iii) Unaudited Statement of Financial Position of ISS World Group as of 31 October 2017. If the United States learns of any misrepresentation by the Inchcape Defendants on, or in connection with, the above warranties, and if such misrepresentation changes the collective estimated net worth of the Inchcape Defendants as indicated on the document(s) implicated in such misrepresentation by \$7,000,000 or more, the United States may at its option within one-hundred and eighty (180) days of the United States learning of the misrepresentation: (a) rescind this Agreement and file suit based on the Covered Conduct, or (b) let the Agreement stand, proceed pursuant to the Agreement, and collect the full Settlement Amount plus one hundred percent (100%) of the value of the previously undisclosed assets. The Inchcape Defendants agree not to contest any collection action undertaken by the United States pursuant to subsection (b) of this Paragraph, and immediately to pay the United States all reasonable costs incurred in such an action, including attorneys' fees and expenses. If the United States elects to rescind this Agreement under subsection (a) of this

Paragraph, the United States shall promptly return all amounts previously paid by the Inchcape Defendants pursuant to this Agreement.

9. In the event that the United States opts in writing to rescind this Agreement pursuant to Paragraph 8 above, the Inchcape Defendants agree not to plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any civil or administrative claims that (a) are filed by the United States within 90 calendar days of written notification to the Inchcape Defendants that this Agreement has been rescinded pursuant to Paragraph 8, and (b) relate to the Covered Conduct, except to the extent these defenses were available on February 5, 2016.

10. Inchcape waives and shall not assert any defenses Inchcape may have to any criminal prosecution or administrative action relating to the Covered Conduct to the extent that the defenses are 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.

11. Inchcape fully and finally releases the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) that Inchcape 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.

12. Inchcape fully and finally releases Relators and their predecessors, successors, heirs, attorneys, agents, and assigns from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Inchcape has asserted, could have asserted, or may

assert in the future against Relators, or their predecessors, successors, heirs, attorneys, agents, or assigns, related to the Covered Conduct and the Relators' investigation and prosecution thereof.

13. Unallowable Costs:

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 Incape Defendants, and its present or former officers, directors, employees, shareholders, and agents in connection with:

- i. the matters covered by this Agreement;
- ii. the United States' audits and civil and any criminal investigations of the matters covered by this Agreement;
- iii. the Incape Defendants' investigation, defense, and corrective actions undertaken in response to the United States' audits and civil and any criminal investigations in connection with the matters covered by this Agreement (including attorneys' fees);
- iv. the negotiation and performance of this Agreement; and/or
- v. the payments the Incape Defendants makes to the United States pursuant to this Agreement and any payments that the Incape Defendants may make to Relators, 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 Inchcape, and Inchcape 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 Inchcape Defendants shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by the Inchcape Defendants or any of its subsidiaries or affiliates from the United States. The Inchcape Defendants agree that the United States, at a minimum, shall be entitled to recoup from the Inchcape Defendants 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 reexamine the Inchcape Defendants' books and records and to disagree with any calculations submitted by the Inchcape Defendants or any of their subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by the Inchcape Defendants, or the effect of any such Unallowable Costs on the amount of such payments.

14. Inchcape Shipping Services Holdings, Ltd. and ISS Group Holdings, Ltd. warrant that neither company is currently insolvent within the meaning of 11 U.S.C. § 101(32), and shall not be rendered insolvent as a result of payment to the United States of the Settlement Amount under the schedule contemplated herein. Further, the Parties warrant that, in evaluating whether to execute this Agreement, they (a) have intended that the mutual promises, covenants, and

obligations set forth herein constitute a contemporaneous exchange for new value given to the Inchcape Defendants, including within the meaning of 11 U.S.C. § 547(c)(1), and (b) conclude that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange. Further, the Parties warrant that the mutual promises, covenants, and obligations set forth herein are intended to and do, in fact, constitute an exchange of reasonably equivalent value and any transfer made pursuant to this Agreement is not intended to hinder, delay, or defraud any entity to which the Inchcape Defendants were or became indebted to on or after the date of such transfer.

15. If within 91 days of the Effective Date of this Agreement or any payment made under this Agreement Inchcape Shipping Services Holdings, Ltd. or ISS Group Holdings, Ltd. commences, or a third party commences an “Insolvency Proceeding”—i.e., any case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors (a) seeking to have any order for relief of debts, or seeking to adjudicate Inchcape Shipping Services Holdings, Ltd. or ISS Group Holdings, Ltd. as bankrupt or insolvent; or (b) seeking appointment of a receiver, trustee, custodian, or other similar official for Inchcape Shipping Services Holdings, Ltd. or ISS Group Holdings, Ltd. or for all or a substantial part of the assets of Inchcape Shipping Services Holdings, Ltd. or ISS Group Holdings, Ltd.—the Inchcape Defendants agree as follows:

- a. The obligations of Inchcape Shipping Services Holdings, Ltd. and ISS Group Holdings, Ltd. under this Agreement may not be avoided pursuant to 11 U.S.C. § 547, and the Inchcape Defendants shall not argue or otherwise take the position in any such case, proceeding, or action that: (i) the obligations of Inchcape Shipping Services Holdings, Ltd. and ISS Group Holdings, Ltd. under

this Agreement may be avoided under 11 U.S.C. § 547 or similar source of foreign law; (ii) Inchcape Shipping Services Holdings, Ltd. and ISS Group Holdings, Ltd. were insolvent at the time this Agreement was entered into, or became insolvent as a result of the payment made to the United States or Relators; or (iii) the mutual promises, covenants, and obligations set forth in this Agreement do not constitute a contemporaneous exchange for new value given to the Inchcape Defendants.

- b. If any of the Inchcape Defendants' payment obligations under this Agreement are (i) with respect to any payment made, avoided and recovered; or (ii) with respect to any other obligation, avoided, for any reason, including, but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code or under similar foreign law, the United States, at its sole option, may rescind the releases in this Agreement and bring any civil and/or administrative claim, action, or proceeding against the Inchcape Defendants for the claims that would otherwise be covered by the releases provided in Paragraphs 4 and 5 above. In such case, the Inchcape Defendants agree that

- i. any such claims, actions, or proceedings brought by the United States are not subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) or similar stay under any foreign law as a result of an Insolvency Proceeding because it would be an exercise of the United States' police and regulatory power to protect public policy and public health, safety and welfare, and the Inchcape Defendants shall not argue or otherwise contend that the United States' claims,

actions, or proceedings are subject to an automatic stay or any stay under foreign law by virtue of an Insolvency Proceeding;

- ii. the Inchcape Defendants shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any such civil or administrative claims, actions, or proceeding that are brought by the United States within sixty (60) calendar days of written notification to the Inchcape Defendants that the releases have been rescinded pursuant to this Paragraph, except to the extent such defenses were available on February 5, 2016;
- iii. the United States has a valid claim in the Insolvency Proceeding against the Inchcape Defendants in the amount of \$45,000,000 (forty-five million dollars) for which each of the Inchcape Defendants are jointly and severally liable, and the Inchcape Defendants each agree to an allowed claim in the amount of \$45,000,000 (forty-five million dollars), less any amounts paid to and retained by the United States pursuant to this Agreement), in the Insolvency Proceeding; and
- iv. the United States can set-off and withhold a total of \$45,000,000 (forty-five million dollars) less any amounts paid to and retained by the United States under this Agreement, from any amounts owed to any of the Inchcape Defendants by the United States, including any of the United States' agencies, components, and instrumentalities.

- c. The Inchcape Defendants acknowledge that their agreements in this Paragraph are provided in exchange for valuable consideration provided in this Agreement, including within the meaning of 11 U.S.C. § 548(d)(2).
- d. For avoidance of doubt, nothing in this Agreement shall prohibit Inchcape or the Inchcape Defendants from reorganizing including through the use of bankruptcy or similar foreign law or prohibit Inchcape or the Inchcape Defendants from dissolving, closing, or liquidating one or more of the Inchcape Defendants as part of such a reorganization, provided that such reorganization does not result in the transfer of majority ownership of the equity or assets of Inchcape Shipping Services Holdings, Ltd. or ISS Group Holdings, Ltd., except as otherwise permitted in Paragraph 1.c above.

16. Time is of the essence as to all payments of the Settlement Amount as set forth in the Payment Schedule.

17. In the event (i) that the Inchcape Defendants fail to make a payment set forth in the Payment Schedule by the date such payment is due in accordance with the Payment Schedule (“Payment Default”), or (ii) (a) there is an event of default under any Senior Loan Document (as defined in the Security Agreement) as a result of Inchcape Shipping Services Holdings, Ltd. or ISS Group Holdings, Ltd. failing to make a payment of principal or interest when due thereunder that is not waived by the respective agent and/or lender(s) or financial institution(s) or not timely cured by Inchcape Shipping Services Holdings, Ltd. or ISS Group Holdings, Ltd. or (b) any other event of default occurs under any Senior Loan Document and, as a result thereof, any lender thereunder (1) declares that the obligations owing thereunder are due and payable prior to its stated maturity or (2) exercises any right it may have with respect to the Collateral (as such term is defined

in the Security Agreement), in each case pursuant to the terms of such Senior Loan Documents (any such occurrence under this clause (ii), a “Cross-Default”), the Inchcape Defendants shall be in default of this Agreement.

- a. In the event of a Payment Default, the United States will provide written notice of the Default (“Notice of Payment Default”) to the Inchcape Defendants, and the Inchcape Defendants shall have an opportunity to cure the Payment Default within five (5) business days from the date the Inchcape Defendants receive the Notice of Payment Default (“Payment Default Cure Period”) by paying the outstanding balance plus interest of any amounts then-due under the Payment Schedule. Notice of Payment Default will be delivered to the following individuals by email, mail, hand delivery, and/or express means of delivery: Tom De Clerck, Inchcape Shipping Services, Tom.DeClerck@iss-shipping.com, 60 Fenchurch Street, London EC3M 4AD UK, with copy to Craig Holman, craig.holman@apks.com, Arnold & Porter Kaye Scholer LLP, 601 Massachusetts Avenue, N.W., Washington, D.C. 20001, or to such other representative as the Parties shall agree to in writing. If the Inchcape Defendants fail to cure the Payment Default within the Payment Default Cure Period as described in this subparagraph (such failure, a “Payment Event of Default”), the entire unpaid balance of the Settlement Amount, plus any accrued interest, shall become immediately due and payable; and the Inchcape Defendants further agree:
 - i. to the entry of a consent judgment in the Civil Action or a separate action concerning or enforcing this Agreement in the amount of the

unpaid balance of the Settlement Amount plus accrued interest against each of the Inchcape Defendants on a joint and several basis; and

ii. that the United States and any of its agencies, components and instrumentalities can set-off and withhold the unpaid balance of the Settlement Amount plus accrued interest from any amounts owed by the United States or its agencies, components, and instrumentalities to any of the Inchcape Defendants.

b. In the event of a Cross-Default, the Inchcape Defendants shall promptly notify the United States (by email and first class mail, postage pre-paid, to the signatories for the United States below) within five (5) business days of learning of such Cross-Default (“Notice of Cross-Default”). Inchcape Shipping Services Holdings Ltd. or ISS Group Holdings, Ltd. may cure the Cross-Default within 15 days of the occurrence of such Cross-Default (“Cross-Default Cure Period”) by either (1) paying the entire unpaid balance of the Settlement Amount plus accrued interest; or (2) providing the United States with evidence establishing that the event of default giving rise to such Cross-Default has been waived or cured. If Inchcape Shipping Services Holdings, Ltd. or ISS Group Holdings, Ltd. fail to cure the Cross-Default within the Cross-Default Cure Period as described in this subparagraph (such failure, a “Cross Event of Default”), the entire unpaid balance of the Settlement Amount, plus any accrued interest, shall become immediately due and payable, and the Inchcape Defendants agree to the entry of a consent judgment in the Civil Action or a separate action in the

amount of the unpaid balance of the Settlement Amount plus accrued interest against each of the Inchcape Defendants on a joint and several basis.

- c. Forbearance by the United States in declaring any default, seeking a consent judgment, setting-off or withholding funds, or executing on a judgment shall not constitute a waiver by the United States of any right or remedy for default under this agreement.

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

19. Upon the United States' receipt of the Initial Payment plus accrued interest, the United States and Relators shall promptly sign and file in the Civil Action a joint notice of dismissal without prejudice of all claims except for Relators' claims for attorneys' fees and costs, which, after full payment of the Settlement Amount, shall become a dismissal with prejudice as to all claims except for Relators' claims for attorneys' fees and costs. The United States and Relators shall abstain from filing or refiling any complaint or otherwise pursuing claims arising from the Covered Conduct while the Inchcape Defendants are in compliance with the terms of this Agreement, including, but not limited to, the Inchcape Defendants' payment obligations set forth in Paragraph 1 above.

20. Upon receipt by Relators' counsel of the Fee Payment, Relators shall promptly sign and file in the Civil Action a notice of dismissal of their claims for attorneys' fees and costs with prejudice.

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

22. 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.

23. This Agreement is governed by the laws of the United States.

24. The exclusive venue for any dispute relating to this Agreement is the United States District Court for the District of Columbia unless venue in that Court is determined by that Court to be improper. For any dispute arising from or related to this Agreement, the Inchcape Defendants (i) consent to personal jurisdiction in the courts of the United States, and (ii) irrevocably authorize and designate their counsel, Craig Holman, to accept service of any process on their behalf.

25. 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.

26. This Settlement Agreement and the Security Agreement (along with any exhibits to either such agreement) constitute the entire agreement of the Parties. These agreements may not be amended except by written consent of the Parties.

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

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

29. Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

30. This Agreement is binding on the Inchcape Defendants' successors, transferees, heirs, and assigns.

31. This Agreement is binding on Relators' successors, transferees, heirs, and assigns.

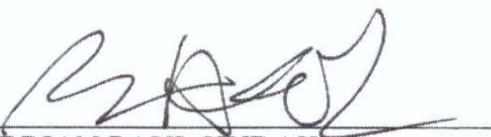
32. All parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

33. This Agreement is effective on the date of signature of the last signatory to the Agreement (the "Effective Date").

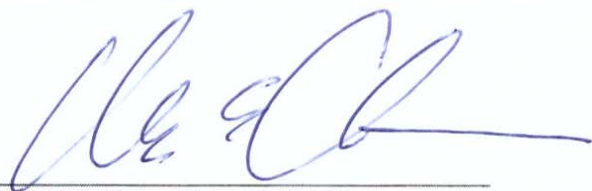
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FOR THE UNITED STATES OF AMERICA:

DATED: 5/25/2018

BY: 
BRIAN PAUL HUDAK
Assistant United States Attorney
U.S. Attorney's Office for the District of Columbia

DATED: 5/25/2018

BY: 
ROBERT E. CHANDLER
Trial Attorney
Fraud Section, Commercial Litigation Branch
U.S. Department of Justice

Counsel for the United States of America

FOR RELATORS NOAH RUDOLPH, ANDREA FORD, and LAWRENCE COSGRIFF:

DATED: 5/25/18

BY: 
JANET L. GOLDSTEIN
Vogel, Slade & Goldstein, LLP

Counsel for Relators

DATED: _____

BY: _____
NOAH RUDOLPH

DATED: _____

BY: _____
ANDREA FORD

DATED: _____

BY: _____
LAWRENCE COSGRIFF

FOR RELATORS NOAH RUDOLPH, ANDREA FORD, and LAWRENCE COSGRIFF:

DATED: _____

BY: _____

JANET L. GOLDSTEIN
Vogel, Slade & Goldstein, LLP

Counsel for Relators

DATED: 5/23/18

BY: _____



NOAH RUDOLPH

DATED: _____

BY: _____

ANDREA FORD

DATED: _____

BY: _____

LAWRENCE COSGRIFF

FOR RELATORS NOAH RUDOLPH, ANDREA FORD, and LAWRENCE COSGRIFF:

DATED: _____

BY: _____
JANET L. GOLDSTEIN
Vogel, Slade & Goldstein, LLP

Counsel for Relators

DATED: _____

BY: _____
NOAH RUDOLPH

DATED: 25/05/18

BY: Andrea Ford
ANDREA FORD

DATED: _____

BY: _____
LAWRENCE COSGRIFF

FOR RELATORS NOAH RUDOLPH, ANDREA FORD, and LAWRENCE COSGRIFF:

DATED: _____

BY: _____
JANET L. GOLDSTEIN
Vogel, Slade & Goldstein, LLP

Counsel for Relators

DATED: _____

BY: _____
NOAH RUDOLPH

DATED: _____

BY: _____
ANDREA FORD

DATED: May 23, 2018

BY: 
LAWRENCE COSGRIFF

FOR EACH OF INCHCAPE SHIPPING SERVICES HOLDINGS LIMITED; ISS GROUP HOLDINGS LIMITED; ISS MARINE SERVICES, INC.; INCHCAPE SHIPPING SERVICES, S.A.; MILNE SERVICIOS MARITIMOS S.A. (D/B/A INCHCAPE SHIPPING SERVICES); INCHCAPE SHIPPING SERVICES DUBAI, LLC; and INCHCAPE SHIPPING SERVICES WORLD LIMITED:

DATED: 24/5/18

BY:


SIMON MORSE

Authorized signatory for each of Inchcape Shipping Services Holdings Limited; ISS Group Holdings Limited; ISS Marine Services, Inc.; Inchcape Shipping Services, S.A.; Milne Servicios Maritimos S.A. (d/b/a Inchcape Shipping Services); Inchcape Shipping Services Dubai, LLC; and Inchcape Shipping Services World Limited

ATTACHMENT A TO SETTLEMENT AGREEMENT

Entity	Registered
Inchcape Shipping Services Abu Dhabi LLC	UAE
Hapag Lloyd Agency LLC	UAE
Inchcape Shipping Services Dubai LLC	UAE
Inchcape Shipping Services LLC	UAE
Inchcape Shipping Services Fujairah LLC	UAE
Inchcape Shipping Services Argentina SRL	Argentina
Australian Ship Agencies Pty Ltd	Australia
Christy & Griffin Pty Ltd	Australia
GMT Australia Pty Ltd	Australia
Inchcape Shipping Services Holdings Pty Ltd	Australia
Inchcape Shipping Services Pty Ltd	Australia
United Arab Agencies (Australia) Pty Ltd	Australia
Yang Ming (Australia) Pty Ltd	Australia
ANCON NV	Belgium
CGA Shipping & Port Services NV	Belgium
Inchcape Shipping Services NV	Belgium
ISS Marine Services Ltda	Brazil
Inchcape Shipping Services Cambodia Ltd	Cambodia
Services Maritime Inchcape Inc. / Inchcape Shipping Services Inc.	Canada
Agencias Maritimas Christophersen Chile y Cia Ltda	Chile
Inchcape Shipping Services B.V. Chile Ltda	Chile
Ying Hai Shipping Services Co Ltd	China

Entity	Registered
Coal Export Services de Colombia Ltd	Colombia
Inchcape Shipping Services (Cyprus) Ltd	Cyprus
ISS-Barbon Cyprus Ltd (in liquidation)	Cyprus
Trinity Shipping Services AS	Denmark
Inchcape Shipping Services SA ISS Grupo	Ecuador
Inchcape Shipping Services France SAS	France
Inchcape Shipping Services GmbH	Germany
Inchcape Shipping Services Ghana Ltd	Ghana
Inchcape Shipping Services (Hellas) SA	Greece
Inchcape Shipping Services (Guam) LLC	Guam
Inchcape Shipping Services (Hong Kong) Ltd	Hong Kong
Inchcape Shipping Services India Pvt Ltd	India
Shipnet Software Solutions India Pvt Ltd	India
PMA CESI Indonesia	Indonesia
PT Equator Marindo	Indonesia
PT Marindo Indonesia	Indonesia
Inchcape Shipping Services Ireland Ltd	Ireland
ISS-Augusta Srl	Italy
ISS-Tositti Srl	Italy
Inchcape Shipping Services (Japan) KK	Japan
ISS Machinery Services Ltd	Japan
Dodwell & Company (East Africa) Ltd	Kenya
Inchcape Shipping Services Kenya Ltd	Kenya

Entity	Registered
Inchcape Shipping Services Sdn Bhd	Malaysia
Inchcape Shipping Services (Malta) Ltd	Malta
Inchcape Shipping Services (Mauritius) Ltd (f.k.a. ISS Belship (Mauritius) Ltd)	Mauritius
Inchcape Shipping Services Namibia (Pty) Ltd	Namibia
Inchcape Shipping Services BV	Netherlands
Inchcape Shipping Services Logistics BV	Netherlands
ISS-GMT BV	Netherlands
Adsteam Agency (Tauranga) Ltd	New Zealand
Inchcape Shipping Services NZ Ltd	New Zealand
Inchcape Shipping Services SA	Panama
Inchcape Shipping Services PNG Ltd	Papua New Guinea
MCC LSL Ltd	Papua New Guinea
Milne Servicios Marítimos SA	Peru
Inchcape Shipping Services Philippines Inc.	Philippines
InterArgo PH.Inc.	Philippines
Inchcape Shipping Services Poland Sp z.o.o.	Poland
ISS-Prisco OOO	Russia
Inchcape Shipping Services Rwanda Ltd	Rwanda
Inchcape Shipping Services (Saudi) Company Ltd	Saudi Arabia
Inchcape Shipping Services (Singapore) Pte Ltd	Singapore
Inchcape Shipping Services España SA	Spain
ISS-Tositti SA	Switzerland

Entity	Registered
ISS-Barbon Ltd	Syria
Syrian Customs and Transit Ltd	Syria
Inchcape Shipping Services Agency (Taiwan) Ltd	Taiwan
Inchcape Shipping Services (Tanzania) Ltd	Tanzania
Inchcape Shipping Services (Thailand) Ltd	Thailand
Inchcape Shipping Services Trinidad and Tobago Ltd	Trinidad and Tobago
Dabcovich Deniz Acentaligi AS	Turkey
Merkez Deniz Acentaligi ve Ticaret AS	Turkey
Inchcape Shipping Services Uganda Ltd	Uganda
Inchcape Shipping Services Ukraine LLC	Ukraine
CESI Holdings, Inc.	US
Coal Export Services de Colombia, Inc.	US
Global Marine Travel LLC	US
GMT Holdings Corp.	US
ISS Brokerage Services, Inc.	US
ISS Marine Services, Inc.	US
Williams Dimond & Co., Inc.	US
CES de Venezuela, SNC	Venezuela
Inchcape Shipping Services Holdings Bahamas, Inc.	Bahamas
Inchcape Shipping Services WLL	Bahrain
General Transport Services Sarl	Djibouti
Inchcape Shipping Services et Cie (Djibouti) SA	Djibouti
Premier Shipping Agency Sarl	Djibouti

Entity	Registered
Cairo Shipping Services Ltd	Egypt
Cairo Sorting Services Ltd	Egypt
Inchcape Shipping Services Egypt Ltd	Egypt
International Company for Maritime Navigation Ltd	Egypt
OOCL (Egypt) Shipping Agency SAE	Egypt
Palumbo Egypt Ltd	Egypt
United ISS Logistic Ltd	Egypt
ISS Palumbo Marseille Sarl	France
ISS Shipping India Pvt Ltd	India
Manarat Al-bahr	Iraq
ISS Palumbo Srl	Italy
Logam Srl	Italy
Palumbo Services Srl	Italy
Gellatly Hankey (Kenya) Ltd	Kenya
Inchcape Shipping Services (Korea) Co., Ltd	Korea
Dodwell Kuwait FTZ	Kuwait
International Shipping Services	Libya
Inchcape Shipping Services-Mexico SA de CV	Mexico
ISS-McKay Ltd	New Zealand
Inchcape Shipping Services Nigeria Ltd	Nigeria
ShipNet AS	Norway
ShipNet Asia Pte Ltd	Singapore
Inchcape Shipping Services Pty Ltd	South Africa

Entity	Registered
ISS Palumbo South Africa Pty Ltd	South Africa
ISS Palumbo Turkey Deniz Acentaligi Nakliyat ve Ticaret LS	Turkey
ISS Palumbo Shipping Services LLC	UAE
ISS Palumbo Houston LLC	US
ShipNet USA, Inc.	US
ISS Marine Services Venezuela, CA	Venezuela
ISS-Gemadept Company Ltd	Vietnam
ISS Mocambique Ltda	Mozambique
ISS Marine Services SAC	Peru
Inchcape Shipping Services Somalia Ltd	Somalia
John Cook Ltd	UAE
Kuwait Maritime & Mercantile Company KSC (Closed)	Kuwait
Inchcape Shipping Services (Qatar) WLL	Qatar
Inchcape Shipping Services & Company LLC	Oman
Inchcape Shipping Services Ras Al Khaimah LLC	UAE
Tecnica Naviera Portuaria Tecninave SA	Ecuador
Maersk Djibouti SARL	Djibouti
Gibraltar Chart Agency Ltd	Gibraltar
ISS-Tositti Savona Srl	Italy
Shipping and Transport Terneuzen BV	Netherlands
ISS-Navigo d.o.o.	Slovenia
Inchcape Shipping Services World Ltd	Cayman Islands
ISS Abu Dhabi Ltd	Jersey

Entity	Registered
ISS Dubai Ltd	Jersey
ISS Fujairah Ltd	Jersey
ISS Kuwait Ltd	Jersey
ISS Oman Ltd	Jersey
ISS Ras Al Khaimah Ltd	Jersey
Bethell, Gwyn & Co. Ltd	UK
Exnor Craggs Ltd	UK
FMS (Chartering) Ltd	UK
Gellatly Shipping (UK) Ltd	UK
Global Marine Travel (UK) Ltd	UK
Global Marine Travel Ltd	UK
Inchcape Shipping (Europe) Ltd	UK
Inchcape Shipping Services (Gibraltar) Ltd	UK
Inchcape Shipping Services (Iraq) Ltd	UK
Inchcape Shipping Services (UK) Ltd	UK
Inchcape Shipping Services Holdings Ltd	UK
Inchcape Shipping Services Ltd	UK
Inchcape Shipping Services Pension Trustees Ltd	UK
ISS (Global Services) Ltd	UK
ISS Group Holdings Ltd	UK
ISS Palumbo UK Ltd	UK
John Cook (Agencies) Ltd	UK
Shipnet (UK) Ltd	UK

Entity	Registered
ShipNet London Ltd	UK

ATTACHMENT B TO SETTLEMENT AGREEMENT**Payment Schedule**

Up Front	\$	4,500,000.00
Interest		1.75%
Interest Start Date		March 1, 2018
Up Front Payment Date		May 31, 2018
Up Front Plus Accrued Interest	\$	4,587,260.27
Term Payment Amount	\$	812,271.35
Total Settlement Amount (principal)	\$	20,000,000.00

Payment Due Dates	Payment	Interest	Principal	Balance
				\$ 20,000,000.00
Initial Payment (May 31, 2018)	\$ 4,587,260.27	\$ 87,260.27	\$ 4,500,000.00	\$ 15,500,000.00
September 30, 2018	\$ 562,271.34	\$ 90,416.67	\$ 471,854.67	\$ 15,028,145.33
December 31, 2018	\$ 812,271.35	\$ 65,748.14	\$ 746,523.21	\$ 14,281,622.12
March 31, 2019	\$ 812,271.35	\$ 62,482.10	\$ 749,789.25	\$ 13,531,832.87
June 30, 2019	\$ 812,271.35	\$ 59,201.77	\$ 753,069.58	\$ 12,778,763.29
September 30, 2019	\$ 812,271.35	\$ 55,907.09	\$ 756,364.26	\$ 12,022,399.03
December 31, 2019	\$ 812,271.35	\$ 52,598.00	\$ 759,673.35	\$ 11,262,725.68
March 31, 2020	\$ 812,271.35	\$ 49,274.42	\$ 762,996.93	\$ 10,499,728.75
June 30, 2020	\$ 812,271.35	\$ 45,936.31	\$ 766,335.04	\$ 9,733,393.71
September 30, 2020	\$ 812,271.35	\$ 42,583.60	\$ 769,687.75	\$ 8,963,705.96
December 31, 2020	\$ 812,271.35	\$ 39,216.21	\$ 773,055.14	\$ 8,190,650.82
March 31, 2021	\$ 812,271.35	\$ 35,834.10	\$ 776,437.25	\$ 7,414,213.57
June 30, 2021	\$ 812,271.35	\$ 32,437.18	\$ 779,834.17	\$ 6,634,379.40
September 30, 2021	\$ 812,271.35	\$ 29,025.41	\$ 783,245.94	\$ 5,851,133.46
December 31, 2021	\$ 812,271.35	\$ 25,598.71	\$ 786,672.64	\$ 5,064,460.82
March 31, 2022	\$ 812,271.35	\$ 22,157.02	\$ 790,114.33	\$ 4,274,346.49
June 30, 2022	\$ 812,271.35	\$ 18,700.27	\$ 793,571.08	\$ 3,480,775.41
September 30, 2022	\$ 812,271.35	\$ 15,228.39	\$ 797,042.96	\$ 2,683,732.45
December 31, 2022	\$ 812,271.35	\$ 11,741.33	\$ 800,530.02	\$ 1,883,202.43
March 31, 2023	\$ 812,271.35	\$ 8,239.01	\$ 804,032.34	\$ 1,079,170.09
June 30, 2023	\$ 1,083,891.46	\$ 4,721.37	\$ 1,079,170.09	\$ -
Total	\$ 20,854,307.37	\$ 854,307.37	\$ 20,000,000.00	