SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made and entered into by and between the United States of America, acting through the United States Department of Justice and on behalf of the United States Small Business Administration ("SBA") (collectively, the "United States"); Daniel Foster (the "Relator"); and Trax Retail, Inc. ("Trax") (hereinafter collectively referred to as the "Parties"), through their authorized representatives.

RECITALS

A. Trax is a Delaware corporation with a principal place of business in Boston, Massachusetts. During the relevant time, Trax was a U.S. subsidiary of and owned by Singaporean company, Trax Technology Solutions Pte. Ltd. ("Trax Technology").

B. The SBA is an independent agency of the United States government that provides aid, counsel, and assistance to small businesses and entrepreneurs. The Coronavirus Aid, Relief, and Economic Security Act, Section 1102, vested the SBA with the responsibility of managing the Paycheck Protection Program ("PPP") under the SBA's 7(a) Loan Program. The PPP was a federal program that provided emergency relief to small businesses affected by the COVID-19 pandemic. *See* 15 U.S.C. § 636(a)(36). The SBA administered the PPP and guaranteed loans that were made according to PPP regulations.

C. Under the PPP, an entity could receive up to two loans—a "First Draw" PPP loan, which was available from March 2020 through March 2021, and a "Second Draw" PPP loan, which was available from January 2021 through May 2021. An applicant could qualify for a Second Draw loan if, among other things, it had no more than 300 employees on average during the 12 months preceding its loan application or during the period it used to calculate average monthly payroll. 15 U.S.C. § 636(a)(37)(A)(iv). For purposes of meeting size eligibility requirements, including number of employees, an applicant had to include all of its employees and the employees of its U.S. and foreign affiliates. *See* 85 Fed. Reg. 30835, 30836 (May 21, 2020).

D. On March 20, 2025, Relator Daniel Foster filed a qui tam action in the United States District Court for the District of Massachusetts captioned *United States ex rel. Foster v. Trax Retail, Inc., et al.*, No. 25-cv-10671-RGS, pursuant to the qui tam provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the "Civil Action"). The Relator alleged that Trax violated the False Claims Act because it submitted a false application for a Second Draw loan for which it was not eligible because Trax and its affiliates together employed more than 300 individuals.

E. Trax admits, acknowledges, and accepts responsibility for the following facts:

1. On February 6, 2021, Trax obtained a $2,000,000.00 Second Draw PPP loan through a private lender (SBA Loan # 3773188407). On its application, Trax certified that it was eligible for the Second Draw loan under the PPP regulations in effect at the time of the application. On the application for the Second Draw loan, Trax represented that it had 74 employees.

2. Trax later applied for forgiveness of the Second Draw PPP loan, and on September 2, 2021, the SBA forgave the loan, including interest, for a total of $2,011,166.67.

3. Prior to 2021 and through 2022, Trax was a subsidiary of Trax Technology, a company based in Singapore that owns multiple other foreign companies.

4. When it applied for the Second Draw loan and when it applied for forgiveness, Trax had more than 300 employees when properly considering employees of its foreign affiliates under applicable regulations.

F. The foregoing conduct described in Paragraph E, including subparagraphs, is hereinafter referred to as the "Covered Conduct." The United States contends that, as a result of the Covered Conduct, Trax caused the submission of false claims to the SBA for its Second Draw PPP loan. In particular, the United States contends that, had it complied with the PPP rules, Trax would not have been eligible for a Second Draw loan.

G. Trax received credit under the Department of Justice's guidelines for taking disclosure, cooperation, and remediation into account in False Claims Act cases, Justice Manual § 4-4.112. Among other actions, Trax timely produced materials, identified documents most relevant to the United States' investigation, and sought to resolve this matter expeditiously.

H. The Relator claims entitlement under 31 U.S.C. § 3730(d) to a share of the proceeds of this Agreement and to the Relator's reasonable expenses, attorneys' fees and costs.

In consideration of the mutual promises and obligations of this Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

1. Trax shall pay to the United States the sum of $3,016,750.01, plus interest at a rate of four percent (4%) from May 18, 2026, and continuing until and including the day payment is completed ("Settlement Amount"). Of the Settlement Amount, $2,011,166.67 shall constitute restitution to the United States. No later than ten (10) days after the Effective Date of this Agreement, Trax shall make an initial payment to the United States of $754,187.51, plus interest. Over a period of one year, Trax shall pay the United States the remaining balance, plus accrued interest on the outstanding balance, pursuant to the payment schedule below.

Due Date	Base Payment	Interest (4.0%)	Payment Amount
9/18/2026	$754,187.50	$40,664.14	$794,851.64
1/18/2027	$754,187.50	$40,333.53	$794,521.03
5/18/2027	$754,187.50	$39,672.33	$793,859.83

The individual payments comprising the Settlement Amount shall be referred to as the "Settlement Payments." The Settlement Payments shall be made pursuant to written instructions to be provided by the Office of the United States Attorney for the District of Massachusetts. If Trax is sold, merged, or transferred, or a significant portion of the assets of Trax or of any of its affiliates is sold, merged, or transferred into another non-affiliated entity, Trax shall promptly notify the United States, and, at the option of the United States, all remaining Settlement Payments shall be accelerated and become immediately due and payable.

2. Conditioned upon the United States receiving the Settlement Payments from Trax, the United States agrees that it shall pay to Relator by electronic funds transfer ten percent of each such payment received under the Agreement ("Relator's Share") as soon as feasible after receipt of the payment.

3. Within thirty (30) days of the Effective Date of this agreement, Trax shall pay to the Relator the sum of $25,616.25 for expenses and attorneys' fees and costs pursuant to 31 U.S.C. § 3730(d). Immediately upon execution of this Agreement, Relator shall provide wire instructions to Trax in order to effectuate this payment.

4. Subject to the exceptions in Paragraph 6 (concerning reserved claims), Paragraph 14 (concerning default), and Paragraph 15 (concerning bankruptcy) below, and upon the United States' receipt of the Settlement Amount, plus interest due under Paragraph 1, the United States releases Trax from any civil or administrative monetary claim the United States has for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-33, the Administrative Remedies for the False Claims Act, 31 U.S.C. §§ 3801-12, or common law theories, including breach of contract, payment by mistake, unjust enrichment, and fraud.

5. Subject to the exceptions in Paragraph 6 (concerning reserved claims), Paragraph 14 (concerning default), and Paragraph 15 (concerning bankruptcy) below, and upon the United States' receipt of the Settlement Amount, plus interest due under Paragraph 1, Relator, for himself and for his heirs, successors, attorneys, agents, and assigns, releases Trax from any civil monetary claim the Relator has on behalf of the United States for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733, or under 31 U.S.C. § 3730(d) for expenses or attorneys' fees and costs.

6. Notwithstanding the release 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 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.

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 the Relator's receipt of the Relator's Share, the 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. Conditioned upon its receipt of the payment from Trax described in Paragraph 3, the Relator, for himself, and for his heirs, successors, attorneys, agents, and assigns, releases Trax, together with its current and former parent corporation or entities, subsidiaries, divisions, and affiliates, and the successors and assigned for any of them, and their respective directors, officers, agents, employees and attorneys, from any liability to the 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. Trax 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.

10. Trax 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 Trax 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 or the United States' investigation or prosecution thereof.

11. Trax fully and finally releases the Relator from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Trax has 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. Trax agrees to the following:

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 Trax, 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 any criminal investigation(s) of the matters covered by this Agreement;

(3) Trax's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil and any criminal 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 Trax makes to the United States and the Relator 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 Trax, and Trax 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, Trax shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by Trax or any of its subsidiaries or affiliates from the United States. Trax agrees that the United States, at a minimum, shall be entitled to recoup from Trax 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 Trax's books and records and to disagree with any calculations submitted by Trax or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by Trax, or the effect of any such Unallowable Costs on the amount of such payments.

13. Trax agrees to cooperate fully and truthfully with the United States' investigation of individuals and entities not released in this Agreement. Upon reasonable notice, Trax 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. Trax 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. This provision does not impose any obligations on Shopkick, Inc., an affiliated company of Trax, that is also a defendant in Relator's lawsuit.

14. The schedule of Settlement Payments represents the payment schedule that the United States is willing to accept in compromise of its civil claims arising from the Covered

Conduct due to Trax's representations about its inability to pay the Settlement Amount, including interest, in a lump sum.

a. In the event that Trax fails to pay the Settlement Amount or any of the Settlement Payments as provided in the payment schedule set forth in Paragraph 1 above, Trax shall be in default of Trax's payment obligations ("Default"). The United States will provide a written Notice of Default, and Trax shall have an opportunity to cure such Default within seven (7) calendar days from the date of receipt of the Notice of Default by making the payment due under the payment schedule and paying any additional interest accruing under the Agreement up to the date of payment. Notice of Default will be delivered to Trax, or to such other representative as Trax shall designate in advance in writing. If Trax fails to cure the Default within seven (7) calendar days of receiving the Notice of Default and in the absence of an agreement with the United States to a modified payment schedule ("Uncured Default"), the remaining unpaid balance of the Settlement Amount shall become immediately due and payable, and interest on the remaining unpaid balance shall thereafter accrue at the rate of 12% per annum, compounded daily from the date of Default, on the remaining unpaid total (principal and interest balance).

b. In the event of Uncured Default, Trax agrees that the United States, at its sole discretion, may (i) retain any payments previously made, rescind this Agreement and pursue the Civil Action or bring any civil and/or administrative claim, action, or proceeding against Trax for the claims that would otherwise be covered by the releases provided in Paragraph 4 above, with any recovery reduced by the amount of any payments previously made by Trax to the United States under this Agreement; (ii) take any action to enforce this Agreement in a new action or by reinstating the Civil Action; (iii) offset the remaining unpaid balance from any amounts due and owing to Trax and/or affiliated companies by any department, agency, or agent of the United States at the time of Default or subsequently; and/or (iv) exercise any other right granted by law, or under the terms of this Agreement, or recognizable at common law or in equity. The United States shall be entitled to any other rights granted by law or in equity by reason of Default, including referral of this matter for private collection. In the event the United States pursues a collection action, Trax agrees immediately to pay the United States the greater of (i) a ten percent (10%) surcharge of the amount collected, as allowed by 28 U.S.C. § 3011(a), or (ii) the United States' reasonable attorneys' fees and expenses incurred in such an action. In the event that the United States opts to rescind this Agreement pursuant to this paragraph, Trax waives and agrees not to plead, argue, or otherwise raise any defenses of statute of limitations, laches, estoppel or similar theories, to any civil or administrative claims that are (i) filed by the United States against Trax within 120 days of written notification that this Agreement has been rescinded, and (ii) relate to the Covered Conduct, except to the extent these defenses were available on March 20, 2025. Trax agrees not to contest any offset, recoupment, and /or collection action undertaken by the United States pursuant to this paragraph, either administratively or in any state or federal court, except on the grounds of actual payment to the United States.

15. In exchange for valuable consideration provided in this Agreement, Trax and Relator acknowledge the following:

a. Trax has reviewed its financial situation and warrants that it is solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I) and that its payment to the United States of the Settlement Amount shall not cause it to become insolvent.

b. In evaluating whether to execute this Agreement, the Parties intend that the mutual promises, covenants, and obligations set forth herein constitute a contemporaneous exchange for new value given to Trax, within the meaning of 11 U.S.C. § 547(c)(1), and the Parties conclude that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange.

c. The mutual promises, covenants, and obligations set forth herein are intended by the Parties to, and do in fact, constitute a reasonably equivalent exchange of value.

d. The Parties do not intend to hinder, delay, or defraud any entity to which Trax was or became indebted to on or after the date of any transfer contemplated in this Agreement, within the meaning of 11 U.S.C. § 548(a)(1).

e. If any of Trax's payments or obligations under this Agreement are avoided for any reason (including but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code) or if, before the Settlement Amount is paid in full, Trax or a third party commences a case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors seeking any order for relief of Trax's debts, or to adjudicate Trax as bankrupt or insolvent; or seeking appointment of a receiver, trustee, custodian, or other similar official for Trax or for all or any substantial part of Trax's assets:

(i) the United States may rescind the releases in this Agreement and bring any civil and/or administrative claim, action, or proceeding against Trax for the claims that would otherwise be covered by the releases provided in Paragraph 4;

(ii) the United States has an undisputed, noncontingent, and liquidated allowed claim against Trax in the amount of $6,033,500.01, less any payments received pursuant to Paragraph 1 of this Agreement, provided, however, that such payments are not otherwise avoided and recovered from the United States by a receiver, trustee, creditor, custodian, or similar official;

(iii) if any payments are avoided and recovered by a receiver, trustee, creditor, custodian, or similar official, the United States shall not be responsible for the return of any amounts already paid by the United States to the Relator; and

(iv) if, notwithstanding subparagraph (iii), any amounts already paid by the United States to the Relator pursuant to Paragraph 2 are recovered from the United States in an action or proceeding filed by a receiver, trustee, creditor, custodian, or similar official in or in connection with a bankruptcy case that is filed within two years of the Effective Date of this Agreement or of any payment made under Paragraph 1 of this Agreement, Relator shall, within thirty days of written notice from the United States to the undersigned Relator's counsel, return to the United States all amounts recovered from the United States.

f. Trax agrees that any civil and/or administrative claim, action, or proceeding brought by the United States under Paragraph 15.e is not subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) because it would be an exercise of the United States' police and regulatory power. Trax shall not argue or otherwise contend that the United States' claim, action, or proceeding is subject to an automatic stay and, to the extent necessary, consents to relief from the automatic stay for cause under 11 U.S.C. § 362(d)(1). Trax waives and 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 claim, action, or proceeding brought by the United States within 120 days of written notification to Trax that the releases have been rescinded pursuant to this paragraph, except to the extent such defenses were available on March 20, 2025.

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

17. Upon receipt of the initial payments described in Paragraphs 1 and 3, above, the United States and the Relator shall promptly sign and file in the Civil Action a Joint Stipulation of Dismissal subject to the terms of this Agreement, including but not limited to the United States' rights described in Paragraphs 14 and 15. The Joint Stipulation of Dismissal shall state that: (1) claims for the allegations described in the Covered Conduct are dismissed with prejudice to the United States; (2) all other claims in the Civil Action, including claims under 31 U.S.C. §§ 3729-33, shall be dismissed without prejudice to the United States; and (3) all claims in the Civil Action shall be dismissed with prejudice as to the Relator.

18. Subject to 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.

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

20. 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 Massachusetts. 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.

21. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties. Forbearance by the United States from pursuing any remedy or relief available to it under this Agreement shall not constitute a waiver of rights under this Agreement.

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

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

24. This Agreement is binding on Trax's successors, transferees, heirs, and assigns.

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

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

27. This Agreement is effective on the date of signature of the last signatory to the Agreement ("Effective Date" of this Agreement). Facsimiles and electronic transmissions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

THE UNITED STATES OF AMERICA

9/16/26

Date

By:

Alexandra Brazier
Assistant United States Attorney
United States Attorney's Office
District of Massachusetts

TRAX RETAIL, INC.

7/27/2026 Date	By: ______________________ David Gottlieb President Trax Retail, Inc.
7/23/26 Date	By: ______________________ Joshua D. Hurwit Holland & Hart LLP Counsel for Trax Retail, Inc.

RELATOR DANIEL FOSTER

7/28/26
Date

By: Daniel Foster
Daniel Foster
Relator

July 28, 2026
Date

By: Gregg Shapiro
Gregg Shapiro
Gregg Shapiro Law, LLC
Counsel for Daniel Foster