

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 Postal Service (USPS) (collectively, the United States), Lance Armstrong (Armstrong or Defendant), and Floyd Landis (Landis or Relator) (hereafter collectively referred to as the Parties), through their authorized representatives.

RECITALS

A. Lance Armstrong is a resident of the State of Texas. From 1998-2004, Armstrong was the lead rider for a professional bicycle racing team owned by Tailwind Sports Corp., Inc. and its predecessors. The USPS was the title sponsor of the team during that time period.

B. On June 10, 2010, Floyd Landis filed a qui tam action in the United States District Court for the District of Columbia captioned *United States ex rel. Landis v. Tailwind Sports Corp., et al.*, No. 1:10-cv-00976 (CRC), pursuant to the qui tam provisions of the False Claims Act, 31 U.S.C. § 3730(b). Landis subsequently filed amended complaints on December 23, 2010 and February 22, 2013. Collectively, Landis' complaints are referred to as the Civil Action. Among other things, Relator alleged in the Civil Action that Armstrong and the other defendants (1) knowingly caused the submission of claims to the USPS for the payment of sponsorship fees that were materially false or fraudulent because Armstrong and other members of the team repeatedly used banned performance-enhancing substances and methods (PEDs) in violation of the USPS sponsorship agreement; (2) knowingly made and caused to be made materially false statements denying his own and the team's use of PEDs to get the

USPS to pay sponsorship fees; (3) knowingly made and caused to be made false statements to conceal, avoid or decrease an obligation to repay sponsorship fees to the United States; and (4) conspired with others to defraud the United States by getting a false or fraudulent claim for sponsorship fees allowed or paid. The United States intervened in the Civil Action on February 22, 2013, and filed the United States' Complaint in Intervention on April 23, 2013.

C. The United States contends that it has certain civil claims against Armstrong in the Civil Action, as detailed in the United States' Complaint in Intervention, arising from violations of the False Claims Act and under theories of common law fraud and unjust enrichment, for the conduct described in Paragraph B, above. The conduct alleged in the United States' Complaint in Intervention is referred to below as the Covered Conduct.

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

E. Armstrong denies that he is liable to the Relator or the United States for the matters alleged in the Civil Action and the Complaint in Intervention.

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

To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, and in consideration of the mutual promises and obligations of this Settlement Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

1. Armstrong shall pay to the United States \$5,000,000 (five million dollars) plus applicable interest as set forth below (the entire amount of which is the Settlement Amount) by electronic funds transfer pursuant to written instructions to be provided by the Office of the United States Attorney for the District of Columbia:

a. First Payment: Within 30 (thirty) days of the Effective Date of this Agreement, Armstrong shall pay the United States \$75,000.00 (seventy-five thousand dollars).

b. Second Payment: No later than 90 days after the Effective Date of this Agreement, Armstrong shall pay the United States an additional sum of \$676,879.70 (six hundred seventy-six thousand eight hundred seventy-nine dollars and seventy cents).

c. Third Payment: No later than 180 days after the Effective Date of this Agreement, Armstrong shall pay the United States an additional sum of \$1,879,699.25 (one million eight hundred seventy-nine thousand six hundred ninety-nine dollars and twenty-five cents).

d. Fourth Payment: No later than the first anniversary of the Effective Date of this Agreement, Armstrong shall pay the United States an additional principal sum of \$2,368,421.05 (two million three hundred sixty-eight thousand four hundred twenty-one dollars and five cents), plus daily interest on such principal sum at the rate of one percent (1%) per annum, accruing from the Effective Date of this Agreement through the date on which the Fourth Payment is made in full. In the event that Armstrong makes the Fourth Payment within

180 days after the Effective Date of this Agreement, no interest shall be payable or owed on the Fourth Payment.

2. Conditioned upon the United States receiving from Armstrong each Settlement Amount payment set forth in Paragraphs 1.a-1.d, above, and as soon as feasible after receipt of each payment, the United States shall pay Relator twenty-two percent (22%) of each such payment by electronic funds transfer, pursuant to instructions provided by Relator to the United States.

3. Armstrong shall pay to Relator \$1,650,000 (one million six hundred fifty thousand dollars) for Relator's expenses, and attorney's fees and costs under 31 U.S.C. § 3730(d), by electronic funds transfer pursuant to instructions provided by Relator, as follows:

a. First Payment: Within 30 (thirty) days of the Effective Date of this Agreement, Armstrong shall pay Relator \$25,000.00 (twenty-five thousand dollars).

b. Second Payment: No later than 90 days after the Effective Date of this Agreement, Armstrong shall pay Relator an additional sum of \$223,120.30 (two hundred twenty-three thousand one hundred twenty dollars and thirty cents).

c. Third Payment: No later than 180 days after the Effective Date of this Agreement, Armstrong shall pay Relator an additional sum of \$620,300.75 (six hundred twenty thousand three hundred dollars and seventy-five cents).

d. Fourth Payment: No later than the first anniversary of the Effective Date of this Agreement, Armstrong shall pay Relator an additional

principal sum of \$781,578.95 (seven hundred eighty-one thousand five hundred seventy-eight dollars and ninety-five cents).

4. Subject to the exceptions in Paragraph 6 (concerning excluded claims), Paragraph 13 and 14 (concerning default) and Paragraph 16 (concerning bankruptcy proceedings commenced within 91 days of the Effective Date of this Agreement or any payment made under this Agreement), below, and conditioned upon Armstrong's full payment of the Settlement Amount, the United States releases Armstrong 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 unjust enrichment and fraud.

5. Subject to the exceptions in Paragraph 6 (concerning excluded claims), Paragraphs 13 and 14 (concerning default) and Paragraph 16 (concerning bankruptcy proceedings commenced within 91 days of the Effective Date of this Agreement or any payment made under this Agreement), below, and conditioned upon Armstrong's full payment of the Settlement Amount, Relator, for himself and for his heirs, successors, attorneys, agents, and assigns, releases Armstrong 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. This paragraph does not release any claims that Relator may have on his own behalf against Armstrong. See Paragraph 8 for releases by Relator of his own claims.

6. Notwithstanding the release given in Paragraph 4 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 or entities, other than Armstrong; and
- g. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct.

7. Relator and his heirs, successors, attorneys, agents, and assigns shall not object to this Agreement but agree and confirm that this Agreement is fair, adequate, and reasonable under all the circumstances, pursuant to 31 U.S.C. § 3730(c)(2)(B). Conditioned upon Relator's receipt of the payments described in Paragraph 2, and conditioned upon those funds not being repaid to the United States by Relator as a result of this Agreement being rescinded or avoided for any reason, 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 against Armstrong or under 31 U.S.C. § 3730 with respect to claims against Armstrong, and from any claims to a share of the proceeds of this Agreement and/or the Civil Action against Armstrong.

Notwithstanding any other provision of this Agreement, Relator does not release any claims to a share of any recovery from any of the defendants in the Civil Action, other than his claim to a share of the United States' recovery from Armstrong provided for in this Agreement.

8. Conditioned upon Relator's receipt of the payments described in Paragraph 3, and conditioned upon those funds not being repaid to Armstrong as a result of this Agreement being rescinded or avoided for any reason, Relator, for himself and for his heirs, successors, attorneys, agents, and assigns, releases Armstrong, and his heirs successors, attorneys, agents, and assigns, from any and all claims, counts, causes of action, liability, losses, damages, legal fees, or costs that the Relator has asserted, could have asserted, or may assert in the future against Armstrong, known or unknown, reasonably discoverable or not, accrued or unaccrued, asserted or unasserted, whether legal, statutory, or equitable, arising out of or related to the Civil Action or Covered Conduct, or under 31 U.S.C. § 3730(d) for expenses or attorney's fees and costs, except that Relator expressly does not release any claims against any of the defendants in the Civil Action other than Armstrong.

9. Armstrong waives and shall not assert any defenses Armstrong 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. Armstrong 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 Armstrong 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.

11. Armstrong, for himself, and for his heirs, successors, attorneys, agents, and assigns, fully and finally releases Relator and his heirs successors, attorneys, agents, and assigns, from any and all claims, counts, causes of action, liability, losses, damages, legal fees, or costs that Armstrong has asserted, could have asserted, or may assert in the future against Relator, known or unknown, reasonably discoverable or not, accrued or unaccrued, asserted or unasserted, whether legal, statutory, or equitable, arising out of or related to the Civil Action or Covered Conduct (including any claims to attorney's fees, costs, or expenses of any kind and however denominated) or to the Relator's investigation and prosecution thereof.

12. a. Armstrong hereby grants the United States and Relator a security interest and lien (or deed of trust) (the Lien) on his interest in certain real property located in Texas (the Texas Collateral) from the date on which he executes this Agreement through the date on which he fully satisfies his financial obligations to them under the Agreement. Armstrong agrees that while the Lien is in place, he shall not cause or allow any liens or encumbrances to be placed upon the Texas Collateral, other than the existing mortgage and the Lien.

b. In the event Armstrong sells all or any part of his interest in the Texas Collateral before making all the payments set forth in Paragraphs 1 and 3, as a condition of obtaining from the United States and Relator a release of their Lien on the Texas Collateral, Armstrong shall (i) provide to the United States and Relator a security interest and lien on his interest in certain property located in Colorado (the Colorado Collateral); (ii) ensure that the value of his unencumbered equity interest in the Colorado Collateral is at least equal to the combined unpaid balances due to the United States and Relator under Paragraphs 1 and 3; (iii) ensure that no other liens or encumbrances are placed upon the Colorado Collateral from the time Armstrong grants the United States and Relator a security interest in the Colorado Collateral until the lien on that property is released by the United States and Relator, other than any then-existing mortgage(s). Further, in the event Armstrong sells all or any part of his interest in the Texas Collateral before the due date of the Third Payments set forth in Paragraphs 1 and 3, then all of the unpaid amounts owed by Armstrong through and including the Third Payments in Paragraphs 1 and 3 shall be accelerated, and Armstrong shall pay the United States and Relator the total of such unpaid amounts on the earlier of (i) ten (10) business days after the closing of the sale of the Texas Collateral or (ii) the due date of the Third Payments under Paragraphs 1 and 3.

c. The Lien, and any lien on substitute collateral provided under this Paragraph (including the Colorado Collateral), is enforceable by the United States or the Relator upon an Event of Default (as defined in Paragraph 13 below), and will be released upon satisfaction by Armstrong of all his financial and other

obligations under this Agreement. In order to allow the United States and Relator to perfect and enforce the Lien and any lien on substitute collateral (as necessary), simultaneously with Armstrong's execution of this Agreement, Armstrong will cause his counsel to execute and deliver to the United States and Relator the Consent Judgments attached hereto as Exhibits A and B. The United States or Relator may perfect the Lien at any time after the Effective Date of this Agreement. The United States or Relator may perfect the lien on the Colorado Collateral at any time after Armstrong grants such lien. The United States or Relator may enforce the Lien and any liens on substitute collateral and the Consent Judgments only upon an Event of Default, and only up to the remaining unpaid amounts then due pursuant to Armstrong's obligations under this Agreement, including any amounts that may become due pursuant to Paragraph 13 as a result of the Event of Default. Armstrong agrees that the Liens on the Texas Collateral and/or the Colorado Collateral are enforceable by the United States or Relator upon an Event of Default and he expressly and unconditionally waives the benefits of the homestead exemption afforded by the Texas Constitution and section 42.001(b)(1) of the Texas Property Code as to this obligation, and any other homestead exemptions under any other applicable state law.

d. The United States shall pay the expenses of recording the Lien on the Texas Collateral; Armstrong shall be solely responsible for all expenses related to the release of the Lien upon the Texas Collateral, and also for the

recording and release of any liens on substitute collateral provided under this Agreement, including, as necessary, the Colorado Collateral.

e. Armstrong shall cooperate fully and expeditiously to execute such documents and perform such acts as may be required to perfect the security interest and Lien (and any lien on substitute collateral, including the Colorado Collateral) granted to the United States and Relator under this Agreement, and Armstrong's failure to do so shall constitute an Event of Default under Paragraph 13, below, with respect to all amounts still due and owing pursuant to Paragraphs 1 and 3. If Armstrong fails to execute and return to the United States and Relator any documents required to perfect the Lien on the Texas Collateral within five (5) business days of being presented such documents (or such other time as the Parties may subsequently agree), then the United States, at its sole option, may either rescind this Agreement, or declare an Event of Default, pursuant to Paragraph 13, below.

f. The United States and Relator shall cooperate fully and expeditiously in executing such documents as may be necessary (i) to release the Lien in the event that Armstrong sells the Texas Collateral, subject to the condition that Armstrong must provide evidence that he has recorded a lien on the Colorado Collateral perfecting the United States' and Relator's combined security interest in any amounts still due and owing under Paragraphs 1 and 3, in accordance with Paragraph 12.b, above; and (ii) to release the Lien and any liens on substitute collateral (including the Colorado Collateral) upon satisfaction by Armstrong of his financial obligations under this Agreement.

g. Details concerning the Texas Collateral and the Colorado Collateral are set forth in a side letter from Armstrong's undersigned counsel to counsel for the United States and the Relator.

13. In the event that Armstrong fails to pay any amount required by Paragraph 1 or Paragraph 3 on or before the date on which such payment is due, Armstrong shall be in default of his payment obligations (Payment Default) with respect to the particular payment(s) then owed. The United States or Relator will provide written notice of the Payment Default to counsel for Armstrong by email and overnight mail at the address below, and Armstrong agrees that notice to his counsel shall satisfy the United States' and Relator's notice obligations under this Paragraph. Armstrong shall have ten (10) business days from the transmission date of the notice of Default to cure the Default. If Armstrong fails to cure such Payment Default within this ten (10) business day time period, there shall be an event of default (Event of Default). If an Event of Default occurs, the United States and Relator shall have the right to demand immediate payment of the specific amount then owed as set forth in Paragraphs 1 and 3, and all remaining unpaid portions of the amounts then due and owing to the United States and the Relator as of the Payment Default date, and interest shall accrue at the rate of 10% (ten percent) per annum compounded daily from the Payment Default date on the unpaid amounts of the specific payment (principal and interest) in Default, until the date of payment in full of the amount. In addition to the above payment, Armstrong shall immediately pay to the United States, and shall not contest, a surcharge of ten percent (10%) of the amount of the defaulted payment(s) subject to collection under this Paragraph, as provided by 28 U.S.C. § 3011(a). Relator shall also be entitled to collect from Armstrong the reasonable costs

of Relator's collection and enforcement under this Paragraph, including his attorneys' fees and expenses. Upon an Event of Default, the United States or Relator may pursue any and all actions for collection as they may choose, including, without limitation, entry of the Consent Judgments attached as Exhibits A and B. Armstrong agrees not to contest any collection undertaken by the United States or Relator pursuant to this paragraph.

14. In the event that the United States, pursuant to Paragraph 12.e, above, opts to rescind this Agreement, Armstrong agrees 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 Armstrong that this Agreement has been rescinded, and (b) relate to the Covered Conduct, except to the extent these defenses were available on the Effective Date of this Agreement.

15. Armstrong warrants that he has reviewed his financial situation and that he currently is solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I), and shall remain solvent following each payment to the United States and Relator under Paragraphs 1 and 3 of this Agreement. 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 constitute a contemporaneous exchange for new value given to Armstrong, 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, represent a reasonably equivalent exchange of value that is not intended to hinder, delay, or defraud

any entity to which Armstrong was or became indebted to on or after the date of this transfer, within the meaning of 11 U.S.C. § 548(a)(1).

16. If within 91 days of the Effective Date of this Agreement or of any payment made under this Agreement, Armstrong commences, or a third party commences, 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 Armstrong's debts, or seeking to adjudicate Armstrong as bankrupt or insolvent; or (b) seeking appointment of a receiver, trustee, custodian, or other similar official for Armstrong or for all or any substantial part of Armstrong's assets, Armstrong agrees as follows:

a. Armstrong's obligations under this Agreement may not be avoided pursuant to 11 U.S.C. § 547, and Armstrong shall not argue or otherwise take the position in any such case, proceeding, or action that: (i) Armstrong's obligations under this Agreement may be avoided under 11 U.S.C. § 547; (ii) Armstrong was insolvent at the time this Agreement was entered into, or became insolvent as a result of the payments made to the United States or Relator; or (iii) the mutual promises, covenants, and obligations set forth in this Agreement do not constitute a contemporaneous exchange for new value given to Armstrong.

b. If Armstrong's 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, 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 Armstrong for the claims that would otherwise be covered by the

releases provided in Paragraphs 4 and 5, above. Armstrong agrees 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) as a result of the action, case, or proceedings described in the first clause of this Paragraph, and Armstrong shall not argue or otherwise contend that the United States' claims, actions, or proceedings are subject to an automatic stay; (ii) Armstrong 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 90 calendar days of written notification to Armstrong that the releases have been rescinded pursuant to this Paragraph, except to the extent such defenses were available on June 10, 2010; and (iii) the United States has a valid claim against Armstrong for the full amount of its claim for damages and statutory penalties under the False Claims Act, 31 U.S.C. § 3729, and for its claims under the theories of common law fraud and unjust enrichment, and the United States may pursue its claims in the case, action, or proceeding referenced in the first clause of this Paragraph, as well as in any other case, action, or proceeding.

c. Armstrong acknowledges that his agreements in this Paragraph are provided in exchange for valuable consideration provided in this Agreement.

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

18. Upon receipt of the payments described in Paragraphs 1.a and 3.a, above, and conditioned upon Armstrong's compliance with Paragraph 12.e, above, the Parties shall promptly sign and file in the Civil Action a Joint Stipulation of Dismissal with Prejudice of the Civil Action as to Armstrong, pursuant to Federal Rule of Civil

Procedure 41(a)(1).

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

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

21. 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 Columbia. 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.

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

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

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

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

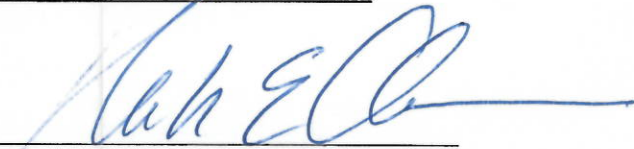
26. This Agreement is binding on Relator's successors, transferees, heirs, and assigns.

27. All parties consent to the disclosure of this Agreement, and information about this Agreement, to the public.

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

THE UNITED STATES OF AMERICA

DATED: 4/19/18

BY: 

ROBERT E. CHANDLER
Trial Attorney
Commercial Litigation Branch
Civil Division
United States Department of Justice

DATED: 4/19/2018

BY: 

DARRELL C. VALDEZ
Assistant United States Attorney
District of Columbia

LANCE ARMSTRONG – DEFENDANT

DATED: _____

BY: _____
LANCE ARMSTRONG

DATED: _____

BY: _____
ELLIOT R. PETERS
Keker, Van Nest & Peters, LLP
633 Battery Street
San Francisco, CA 94111-1809
EPeters@keker.com
Counsel for Lance Armstrong

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ROBERT E. CHANDLER
Trial Attorney
Commercial Litigation Branch
Civil Division
United States Department of Justice

DATED: _____ BY: _____
DARRELL C. VALDEZ
Assistant United States Attorney
District of Columbia

LANCE ARMSTRONG - DEFENDANT

DATED: 4/19/18 BY: 
LANCE ARMSTRONG

DATED: _____ BY: _____
ELLIOT R. PETERS
Keker, Van Nest & Peters, LLP
633 Battery Street
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Counsel for Lance Armstrong

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ROBERT E. CHANDLER
Trial Attorney
Commercial Litigation Branch
Civil Division
United States Department of Justice

DATED: _____ BY: _____
DARRELL C. VALDEZ
Assistant United States Attorney
District of Columbia

LANCE ARMSTRONG – DEFENDANT

DATED: _____ BY: _____
LANCE ARMSTRONG

DATED: 4/19/18 BY: 
ELLIOT R. PETERS
Keker, Van Nest & Peters, LLP
633 Battery Street
San Francisco, CA 94111-1809
EPeters@keker.com
Counsel for Lance Armstrong

FLOYD LANDIS - RELATOR

DATED: 4/19-18

BY: 

FLOYD LANDIS

DATED: 4/19/18

BY: 

PAUL D. SCOTT

Law Offices of Paul D. Scott, P.C.
435 Pacific Avenue, Suite 200
San Francisco, CA 94133
pdscott@lopds.com
Counsel for Floyd Landis

EXHIBIT A

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA, *ex rel.*
FLOYD LANDIS,

Plaintiffs,

v.

TAILWIND SPORTS CORP., *et al.*,

Defendants.

Civil Action No. 1:10-cv-00976-CRC

ECF

CONSENT JUDGMENT

The United States, Relator Floyd Landis, and Defendant Lance Armstrong (Armstrong) (collectively the "Parties"), by and through undersigned counsel, consent to entry of this judgment based on the following uncontested allegations:

1. This Court has subject matter jurisdiction over this action pursuant to 31 U.S.C. §§ 3730(a) and (b), and 28 U.S.C. §§ 1331 and 1345.
2. This Court has personal jurisdiction over Armstrong.
3. On April 19, 2018, Armstrong entered into a settlement agreement with the United States and Relator for purposes of resolving a dispute under the federal False Claims Act, 31 U.S.C. §§ 3729-3733, and common law causes of action for common law fraud and unjust enrichment. A copy of the Settlement Agreement is attached hereto as Exhibit 1 and incorporated by reference herein.
4. The Settlement Agreement resolved the *qui tam* action involving Armstrong, initially filed by Relator on June 10, 2010, and in which the United States intervened and filed a complaint on April 23, 2013.

payment or payments for which Armstrong is then in default.

8. In addition, under the terms of the Settlement Agreement, Armstrong agreed that interest shall accrue at the rate of 10% per annum compounded daily from the Payment Default date on the remaining unpaid amounts (principal and interest) in Default, until the date of payment in full of the amount.

9. In addition, under the terms of the Settlement Agreement, Armstrong agreed that in the event that he defaulted and failed to pay timely any one or more of the payments set forth in the Settlement Agreement, Armstrong would immediately pay to the United States, and would not contest, a surcharge of ten percent (10%) of the amount of the defaulted payment(s) subject to collection under this Paragraph, as provided by 28 U.S.C. § 3011(a).

10. In addition, under the terms of the Settlement Agreement, Armstrong provided the United States a security interest and deed of trust on his interest in certain real property, and he agreed to waive the benefits of the homestead exemption afforded by the Texas Constitution and section 42.001(b)(1) of the Texas Property Code as to this obligation, and any other homestead exemptions under any other applicable state law.

11. Armstrong failed to make the payment or payments set forth in the Settlement Agreement at Paragraph(s) _____, and therefore he is in default under the terms of the Settlement Agreement.

12. The United States has given Armstrong written notice of default under the terms of the Settlement Agreement, and demanded that Armstrong cure that default by tendering payment in full on the cure amount under the terms of the Settlement Agreement. The United States has given Armstrong ten business days to cure the default, as provided in the Settlement

Agreement, but he has failed to cure that default or make arrangements satisfactory to the United States to comply with the terms of the Settlement Agreement.

13. The amount due and owing under the Settlement Agreement is \$ _____, which includes the defaulted payment amount of \$ _____, interest accrued to date in the amount of \$ _____, and collection costs of \$ _____.

14. Accordingly, this Court enters judgment for the United States against Armstrong, in the amount of \$ _____, plus interest at the rate of 10% per annum compounded daily from the date hereof until this Consent Judgment is satisfied, for which let execution issue forthwith.

SO ORDERED THIS ___ day of _____, 201_

CHRISTOPHER R. COOPER
United States District Judge

The Parties, through counsel, hereby stipulate and agree to the entry of this Consent Judgment.

Respectfully submitted,

CHAD A. READLER
Acting Assistant Attorney General

JESSIE K. LIU, D.C. Bar # 472845
United States Attorney

DANIEL F. VAN HORN, D.C. Bar # 924092
Assistant United States Attorney

KEKER, VAN NEST & PETERS LLP

By:  Elliot R. Peters

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ELLIOT R. PETERS (*pro hac vice*)
R. JAMES SLAUGHTER (*pro hac vice*)
SHARIF E. JACOB (*pro hac vice*)
ELIZABETH K. McCLOSKEY (*pro hac vice*)

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EXHIBIT B

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA, *ex rel.*
FLOYD LANDIS,

Plaintiffs,

v.

TAILWIND SPORTS CORP., *et al.*,

Defendants.

Civil Action No. 1:10-cv-00976-CRC

ECF

CONSENT JUDGMENT

The United States, Relator Floyd Landis, and Defendant Lance Armstrong (Armstrong) (collectively the "Parties"), by and through undersigned counsel, consent to entry of this judgment based on the following uncontested allegations:

1. This Court has subject matter jurisdiction over this action pursuant to 31 U.S.C. §§ 3730(a) and (b), and 28 U.S.C. §§ 1331 and 1345.
2. This Court has personal jurisdiction over Armstrong.
3. On April 19, 2018, Armstrong entered into a settlement agreement with the United States and Relator for purposes of resolving a dispute under the federal False Claims Act, 31 U.S.C. §§ 3729-3733, and common law causes of action for common law fraud and unjust enrichment. A copy of the Settlement Agreement is attached hereto as Exhibit 1 and incorporated by reference herein.
4. The Settlement Agreement resolved the *qui tam* action involving Armstrong, initially filed by Relator on June 10, 2010, and in which the United States intervened and filed a complaint on April 23, 2013.

5. The Settlement Agreement also resolved the Relator's claims against Armstrong under 31 U.S.C. § 3730(d) to reimbursement for Relator's reasonable expenses, attorneys' fees and costs.

6. Under the terms of the Settlement Agreement, Armstrong agreed to pay Relator \$1,650,000 (one million six hundred fifty thousand dollars) ("the Attorney's Fees Payments"), as follows:

- a. First Payment: \$25,000.00 (twenty-five thousand dollars) within 30 (thirty) days of the Effective Date of the Settlement Agreement.
- b. Second Payment: \$223,120.30 (two hundred twenty-three thousand one hundred twenty dollars and thirty cents) within 90 days of the Effective Date of the Settlement Agreement.
- c. Third Payment: \$620,300.75 (six hundred twenty thousand three hundred dollars and seventy-five cents) within 180 days of the Effective Date of the Settlement Agreement.
- d. Fourth Payment: \$781,578.95 (seven hundred eighty-one thousand five hundred seventy-eight dollars and ninety-five cents) no later than the first anniversary of the Effective Date of the Settlement Agreement.

7. Under the terms of the Settlement Agreement, the United States and the Relator agreed, upon receipt of the first payments due under that agreement, to file a Joint Stipulation of Dismissal of the Civil Action as to Armstrong pursuant to Federal Rule of Civil Procedure 41(a)(1).

8. Under the terms of the Settlement Agreement, Armstrong agreed that in the event that he defaulted and failed to pay any one of the four periodic Attorney's Fees Payments as set

forth in the Settlement Agreement on or before the date any one is due, the Relator may file a Consent Judgment against Armstrong, in the amount of the remaining unpaid balance of the payment or payments for which Armstrong is then in default.

9. In addition, under the terms of the Settlement Agreement, Armstrong provided the Relator a security interest and deed of trust on his interest in certain real property, and he agreed to waive the benefits of the homestead exemption afforded by the Texas Constitution and section 42.001(b)(1) of the Texas Property Code as to this obligation, and any other homestead exemptions under any other applicable state law.

10. Armstrong failed to make the payment or payments set forth in the Settlement Agreement at Paragraph(s) _____, and therefore he is in default under the terms of the Settlement Agreement.

11. The Relator has given Armstrong written notice of default under the terms of the Settlement Agreement, and demanded that Armstrong cure that default by tendering payment in full on the cure amount under the terms of the Settlement Agreement. The Relator has given Armstrong ten business days to cure the default, as provided in the Settlement Agreement, but he has failed to cure the default or make arrangements satisfactory to the Relator to comply with the terms of the Settlement Agreement.

12. The amount due and owing under the Settlement Agreement is \$ _____, which includes the defaulted payment amount of \$ _____.

13. Accordingly, this Court enters judgment for the Relator against Armstrong, in the amount of \$ _____, plus interest at the rate of 10% per annum compounded daily from the date hereof until this Consent Judgment is satisfied, for which let execution issue forthwith.

14. Upon satisfaction of this Consent Judgment, Relator may return to this Court to apply for payment by Armstrong of the reasonable expenses, attorney's fees, and costs incurred by Relator in collection of the amounts due hereunder.

15. This Consent Judgment does not resolve any claims of Relator against any of the other parties to this action other than Armstrong, including claims to recover his reasonable expenses, attorney's fees and costs in this action under 31 U.S.C. § 3730(d).

SO ORDERED THIS ____ day of _____, 201__

CHRISTOPHER R. COOPER
United States District Judge

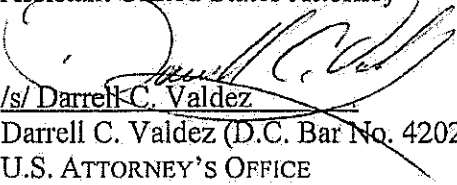
The Parties, through counsel, hereby stipulate and agree to the entry of this Consent Judgment.

Respectfully submitted,

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Acting Assistant Attorney General

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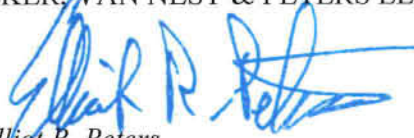

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