IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEBRASKA

UNITED STATES OF AMERICA,

Plaintiff,

VS.

STABL, INC., (f/k/a Nebraska By-Products, Inc.); LANT, INC.; LEON JOHNSON; and ANN JOHNSON,

Defendants.

Civil Action No. 8:16CV00233

STIPULATION OF SETTLEMENT AND JUDGMENT

- 1. WHEREAS, the United States of America (the "United States"), along with the State of Nebraska, obtained a judgment against Stabl, Inc. in January 2014 (the "Judgment") in the case captioned United States of America and State of Nebraska vs. Stabl, Inc. f/k/a Nebraska By-Products, Inc., Case No. 8-11CV 274, in the United States District Court for the District of Nebraska. The Judgment was in the amount of \$2,285,874.00, to be divided equally between the State of Nebraska and the United States;
- 2. WHEREAS, the United States initiated this litigation against Stabl, Inc., Lant, Inc., Leon Johnson, and Ann Johnson (collectively "Defendants") in May 2016 (the "2016 Federal Action") to collect the United States' share of the Judgment (which is solely against Stabl, Inc.), and the United States and the Defendants (the "Parties") are presently litigating this dispute regarding the Judgment, including whether the non-Stabl, Inc. defendants could be liable for the amount of the Judgment;

STIPULATION OF SETTLEMENT AND JUDGMENT, *United States v. Stabl, Inc. et al.*, pg. 1

- 3. WHEREAS, the Parties agree that it is in the public interest to resolve this matter and have negotiated this Stipulation of Settlement in good faith to avoid further expensive and protracted litigation;
- 4. *NOW THEREFORE*, without adjudication or admission of any issue of fact or law, and without any admission of liability by the Defendants, the Parties, by and through the undersigned, agree and stipulate as follows:
- A. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, 1345 and 1355 and 28 U.S.C. § 3001 et seq. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391 and 1395, because the Defendants reside in this District and a substantial part of the events giving rise to the claim occurred in this District.
- B. For the purposes of this Stipulation of Settlement, or any action to enforce it, the Defendants consent to the Court's jurisdiction over this Stipulation of Settlement and any such action over the Defendants and consent to venue in this judicial district.
- C. The obligations of this Stipulation of Settlement apply to and are binding upon the United States and upon the Defendants and their heirs, representatives, successors and assigns.
- D. Within fifteen (15) business days of entry by the Court of this Stipulation of Settlement and receipt of payment instructions pursuant to Paragraph E below, Defendants Leon Johnson and Ann Johnson shall pay to the United States the sum of \$880,000.00 on behalf of Stabl, Inc.
- E. Defendants shall pay the amount due by FedWire Electronic Funds Transfer ("EFT") to the U.S. Department of Justice account, in accordance with instructions provided to Defendants by the Financial Litigation Unit of the United States Attorney's Office for the District of Nebraska (the "FLU") after the entry of this Stipulation of Settlement. The payment

instructions provided by the FLU will include a Consolidated Debt Collection System ("CDCS") number, which Defendants shall use to identify all payments required to be made in accordance with this Stipulation of Settlement. The FLU will provide the payment instructions via electronic mail and regular mail to:

Leon & Ann Johnson c/o Krista M. Eckhoff Baird Holm LLP 1700 Farnam Street Suite 1500 Omaha, Nebraska 68102 keckhoff@bairdholm.com

on behalf of Defendants. At the time of payment, Defendants shall send notice that payment has been made: (i) to EPA via email at cinwd_acctsreceivable@epa.gov or via regular mail at EPA Cincinnati Finance Office, 26 W. Martin Luther King Drive, Cincinnati, Ohio 45268; and (ii) to the United States via email at EESCDCopy.ENRD@usdoj.gov and via regular mail to:

Chief, Environmental Enforcement Section Environmental Enforcement Section Environment & Natural Resources Division United States Department of Justice P.O. Box 7611 Ben Franklin Station Washington, D.C. 20044-7611

and

Regional Counsel
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 7
11201 Renner Boulevard
Lenexa, KS 66219

Such notice shall state that the payment is made pursuant to this Stipulation of Settlement in the United States v. Stabl, Inc., et al., and shall reference the civil action number, CDCS Number and DOJ case number 90-5-1-1-10051/1.

- F. Within ten business days of receipt of all amounts due under this Stipulation of Settlement, the United States shall file a notice with the Court that full payment has been made and shall file a Satisfaction of Judgment in Case No. 8:11-CV-274 in the United States District Court for the District of Nebraska.
- G. The Defendants' payment of the amount identified in Paragraph D on behalf of Stabl, Inc., shall constitute a complete settlement and shall be in full satisfaction of the United States' Judgment against Stabl, Inc. and claims against the Defendants regarding the Judgment. This Stipulation of Settlement is limited solely to the Judgment and the civil claims expressly alleged against the Defendants in the 2016 Federal Action.
- H. The amount paid pursuant to this Stipulation of Settlement is not deductible by the Defendants or any other person for federal, state, or local tax purposes.
- I. The Court shall retain jurisdiction for the purposes of interpreting and enforcing this Stipulation of Settlement through the date that payment is made in accordance with the provisions herein.
- J. The undersigned representatives of the Parties, including Defendants, the Chief or Deputy Chief of the Environmental Enforcement Section, and the Acting Regional Counsel of EPA Region 7 certify that each is fully authorized to enter into the terms and conditions of this Stipulation of Settlement and to bind legally the party he or she represents to this document.
 - K. Each party shall bear its own costs and attorneys' fees in this action.
- L. There are no separate agreements or understandings with respect to this matter that have not been set forth in this Stipulation of Settlement.

- M. This Stipulation of Settlement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.
- N. All prior orders of the Court regarding restrictions or disbursements from any and all funds of the Defendants, including brokerage and or investment or financial accounts of any type, are immediately and effectively dismissed and voided.

AS STIPULATED AND AGREED TO BY THE PARTIES, IT IS SO ORDERED AND ADJUDGED THIS 30TH DAY OF JANUARY, 2020.

United States District Judge

FOR THE UNITED STATES:

DATED: 01-26-2020

THOMAS A. MARIANI, JR

Section Chief

Environmental Enforcement Section

DATED: ____ 1/30/2020

s/ Katherine L. Matthews

KATHERINE L. MATTHEWS, CO #53372

Senior Counsel

U.S. Department of Justice

Environment and Natural Resources Division,

Environmental Enforcement Section

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DATED: _ 1-30-2020

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FOR THE UNITED STATES:

DATED: 1.16.2020

LESLIE HUMPHREY

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U.S. Environmental Protection Agency, Region 7

KRISTEN NAZAR ///
Attorney, Office of Regional Counsel

U.S. Environmental Protection Agency, Region 7

FOR DEFENDANTS STABL, INC.; LANT, INC.; LEON JOHNSON; and ANN JOHNSON

DATED: 01-10-20

Ann Johnson

FOR DEFENDANTS STABL, INC.; LANT, INC.; LEON JOHNSON; and ANN JOHNSON

DATED: 1/30/2000

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