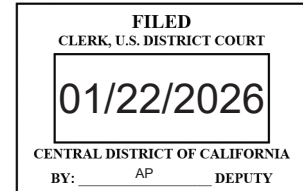


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Attorneys for Plaintiff
UNITED STATES OF AMERICA

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

EBLOCK CORPORATION,

Defendant.

No. CR [] 5:26-cr-00013-SSS

DEFERRED PROSECUTION AGREEMENT
FOR DEFENDANT EBLOCK CORPORATION

Violations: 15 U.S.C. § 1
18 U.S.C. § 1343

DEFERRED PROSECUTION AGREEMENT

The United States Department of Justice, Antitrust Division ("United States") and EBLOCK CORPORATION (the "Company"), a corporation organized and existing under the laws of Delaware, by and through its undersigned representative, pursuant to authority granted by its board of directors, enter into this Deferred Prosecution Agreement ("Agreement"), the terms and conditions of which are as follows:

Criminal Information and Acceptance of Responsibility

1. The Company acknowledges and agrees that the United States will file a two-count Information in the United States District Court for the Central District of California. The Information will charge

1 the Defendant with entering into and engaging in a combination and
2 conspiracy - through individuals who became employees as a result of
3 an asset acquisition - to suppress competition by rigging bids and
4 pooling profits in online used vehicle auctions, in violation of the
5 Sherman Antitrust Act, 15 U.S.C. § 1, and for engaging - through
6 individuals who became employees as a result of an asset acquisition
7 - in deceitful bidding practices, in violation of 18 U.S.C. § 1343.
8 In so doing, the Company: (a) knowingly and voluntarily waives its
9 right to indictment on these charges, as well as all rights to a
10 speedy trial pursuant to the Sixth Amendment to the United States
11 Constitution, Title 18, U.S. Code, Section 3161, and Federal Rule of
12 Criminal Procedure 48(b); and (b) knowingly and voluntarily waives
13 for the purposes of this Agreement and for the purposes of any
14 charges by the United States arising out of the conduct described in
15 the Statement of Facts (attached as Attachment A and incorporated by
16 reference into this Agreement) any objection with respect to venue
17 and consents to the filing of the Information, as provided under the
18 terms of this Agreement, in the United States District Court for the
19 Central District of California. The United States agrees to defer
20 prosecution of the Company pursuant to the terms and conditions
21 described below.

22 2. The Company admits, accepts, and acknowledges that, under
23 U.S. federal law, it is responsible for the acts of its officers,
24 directors, and employees that give rise to the charges in the
25 Information. The Company admits, accepts, and acknowledges that the
26 facts set forth in the Statement of Facts are true and accurate.
27 Should the United States pursue the prosecution that is deferred by
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1 this Agreement, the Company agrees that it will not dispute the
2 Statement of Facts set forth in this Agreement, and, in any such
3 prosecution by the United States, the Statement of Facts shall be
4 admissible as: (a) substantive evidence offered by the government in
5 its case-in-chief and rebuttal case; (b) impeachment evidence offered
6 by the government on cross-examination; and (c) evidence at any
7 sentencing or other hearing by the United States. In addition, the
8 Company agrees not to assert any claim under the United States
9 Constitution, Rule 410 of the Federal Rules of Evidence, Rule 11(f)
10 of the Federal Rules of Criminal Procedure, Section 1B1.1(a) of the
11 United States Sentencing Guidelines ("USSG" or "Sentencing
12 Guidelines"), or any other federal rule that the Statement of Facts
13 should be suppressed or is otherwise inadmissible as evidence in any
14 form in any prosecution or hearing by the United States. Neither this
15 Agreement nor the Information is a final adjudication of the matters
16 addressed in those documents.

17 **Parties to and Scope of the Agreement**

18 3. The Company is organized under the laws of Delaware. Its
19 parent company is headquartered in Toronto, Canada. This Agreement
20 binds only the Company and the United States Department of Justice,
21 Antitrust Division ("United States").

22 **Length of the Agreement**

23 4. This Agreement is effective for a period beginning on the date
24 on which the Information is filed (the "Effective Date") and ending
25 one year after the Effective Date, (the "Term"), except for the
26 Cooperation Obligations set forth in Paragraph 6 below and the
27 payment obligations set forth in Paragraph 8 below. The Company
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1 agrees that in the event that the United States determines, in
2 its sole discretion, that the Company has violated any provision
3 of this Agreement, an extension or extensions of the Term of the
4 Agreement may be imposed by the United States, in its sole
5 discretion, for up to a total additional time period of one-half
6 year, without prejudice to the United States' right to proceed
7 as provided in Paragraphs 17-21 below. Any extension of the
8 Agreement extends all terms of this Agreement, including
9 attachments, for an equivalent period, but does not extend the
10 due date for payments provided in Paragraph 8 below.

11 **Relevant Considerations**

12 5. The United States enters into this Agreement based on the
13 individual facts and circumstances of this case, including:

14 (a) That the Company inherited the problem conduct in an
15 acquisition of assets ("Company A") via a multi-step transaction
16 in California in November 2020 during Covid; Covid prevented
17 travel from Canada, where the Company's parent and executives
18 are located, to the United States and hampered due diligence and
19 integration;

20 (b) The problem conduct was carried out by Company A employees
21 who joined the Company through the acquisition in November 2020
22 on a separate auction platform not under the Company's control
23 until Company A's auctions were migrated to the Company's
24 auction platform on July 12, 2021;

25 (c) The Company was not aware of the problem conduct taking
26 place at Company A until on or about January 2021. The Company
27 rejected the problem conduct, did not install the functionality
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1 that facilitated the conduct from Company A's platform onto the
2 Company's platform, and took concrete steps to stop the problem
3 conduct. But, Company A's legacy employees intentionally hid
4 their continued problem conduct, making it difficult for the
5 Company to stop it.

6 (d) Upon being alerted to the United States' investigation, the
7 Company timely cooperated with the United States, including
8 producing all requested documents, data, answering all questions
9 from the United States about the documents and data, and making
10 current employees of the Company available for voluntary
11 interviews. The Company has further agreed to cooperate with the
12 Antitrust Division, as provided in Paragraph 6 below. The
13 Company's cooperation will aid the United States' prosecution of
14 other non-Company-employed individuals and companies not yet
15 charged.

16 (e) By the end of 2023, financial strains on the Company caused
17 the Company to cease selling on its platform in the eastern
18 United States, Northern California, Oregon, and Arizona.

19 (f) The Company has committed to continuing to enhance its
20 compliance program and internal controls, including by ensuring
21 that its compliance program will satisfy the minimum elements
22 set forth in Attachment C to this agreement, and by conducting
23 specific antitrust training for Company employees; and

24 (g) This Agreement can ensure that integrity continues to be a
25 focus of the Company's operations and preserve its financial
26 viability while preserving the United States' ability to
27 prosecute it should material breaches occur.

Cooperation and Disclosure Obligations

6. The Company shall cooperate fully and truthfully with the United States in any and all matters relating to the current federal criminal investigation into violations of federal antitrust and related criminal laws involving online auctions for used vehicles, including the conduct described in this Agreement and the attached Statement of Facts, and other conduct under criminal investigation directly relating to conduct described in this Agreement and the attached Statement of Facts by the United States at any time during the Term, until the later of the date upon which all criminal investigations and prosecutions arising out of such conduct are concluded, or the end of the Term specified in Paragraph 4 (collectively "Federal Criminal Proceeding"). Federal Criminal Proceeding also includes, but is not limited to, any investigation, prosecution, litigation, or other proceeding regarding obstruction of, the making of a false statement or declaration in, the commission of perjury or subornation of perjury in, the commission of contempt in, or conspiracy to commit such offenses in any Federal Criminal Proceeding. The Company agrees that full, truthful, and continuing cooperation pursuant to this Paragraph will include, but not be limited to, the following:

- (a) producing to the United States all EBlock Corporation documents, information, and other materials, wherever located, not protected under the attorney-client privilege or the work-product doctrine, in the possession, custody, or control of the Company, that are requested by the United States in its sole discretion, so long as not unreasonably burdensome, in

1 connection with any Federal Criminal Proceeding or the payment
2 of victim compensation pursuant to this Agreement, as well as
3 providing to the United States a log of any responsive
4 documents, information, and other materials that were not
5 provided, including an explanation of the basis for withholding
6 the materials, and bearing the burden of establishing the
7 validity of any such an assertion;

8 (b) using best efforts to secure the full, truthful, and
9 continuing cooperation of current and certain former officers,
10 directors, and employees of the Company, as may be requested by
11 the United States in its sole discretion, except that the
12 Company will not have an obligation to secure the cooperation of
13 former employees of Company A who are no longer employed by EBlock,
14 of any individuals associated with Company B, nor of any
15 whistleblowers (together "Excluded Individuals"). Such efforts will
16 include, but not be limited to, making these persons available in the
17 United States and at other mutually agreed-upon locations at the
18 Company's expense for interviews and the provision of testimony
19 in grand jury, trial, and other judicial proceedings in
20 connection with the Federal Proceeding.

21 7. In addition to the Cooperation Obligations described above,
22 during the Term of the Agreement, should the Company learn of or
23 possess any evidence or allegation of conduct that the Company
24 reasonably believes may constitute a federal criminal offense **or** a
25 federal criminal antitrust offense or another federal criminal
26 offense affecting the competitive process by the Company, or by any
27 present or former officers, directors, or employees during their
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1 employment at the Company, the Company shall promptly report such
2 evidence or allegations to the United States. Any information that
3 the Company thus discloses to the United States likely will include
4 proprietary, financial, confidential, and competitive business
5 information. Public disclosure of the information and reports could
6 discourage cooperation, impede pending or potential government
7 investigations, and thus undermine the United States' objectives in
8 obtaining such reports. For these reasons, among others, the
9 information and reports and the contents thereof are intended to
10 remain and shall remain nonpublic, except as otherwise agreed to by
11 the parties in writing, or except to the extent that the United
12 States determines in its sole discretion that disclosure would be in
13 furtherance of its discharge of its duties and responsibilities or is
14 otherwise required by law.

15 **Monetary Penalty**

16 8. The United States and the Company agree that the Company will
17 pay a monetary penalty in the amount of \$3,280,000. The United States
18 and the Company agree that this penalty is appropriate given the
19 facts and circumstances of this case, including the Relevant
20 Considerations described in Paragraph 5. While the Company retains
21 the option to pay the monetary penalty in full at any time during the
22 Term, the Company must make incremental payments in at least the
23 following amounts on the following schedule: \$1 million within 4
24 business days of the filing of this Agreement with the Court; with
25 the balance paid in two equal payments of \$1,140,000 over the
26 following two years: the first on or before January 4, 2027, and the
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1 second on or before January 3, 2028.¹ The United States agrees that
2 it will not seek additional payment from the Company in the
3 Information, meaning there is no additional money owed via
4 restitution, fine, or forfeiture in the Information. This paragraph,
5 including the Company's payment obligations, shall survive the Term of
6 the Agreement and remain in effect until the Company has paid the
7 monetary penalty in full. The Company acknowledges that any failure to
8 make a scheduled payment as set forth in this paragraph constitutes a
9 material breach of this Agreement pursuant to Paragraphs 17-21. In the
10 event of such a breach, the United States may, in its sole discretion,
11 reinstate the Information and prosecute the Company in accordance with
12 the terms of this Agreement and Paragraphs 17-21.

13 9. The penalty set forth in Paragraph 8 is final and shall not
14 be refunded. Furthermore, nothing in this Agreement shall be deemed
15 an agreement by the United States that \$3,280,000 is the maximum
16 penalty that may be imposed in any future prosecution in the event
17 of a breach of this Agreement, and the United States is not precluded
18 from arguing in any future prosecution that the Court should impose a
19 higher fine, although the United States agrees that under those
20 circumstances, it will recommend to the Court that the penalty paid
21 under this Agreement should be offset against any criminal fine the
22 Court imposes as part of a future judgment. The Company acknowledges
23 that no tax deduction may be sought, and agrees that no tax deduction
24 will be sought, in the United States or elsewhere in connection with
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26 ¹ Because the 2028 payment will be made after expiration of the DPA,
27 the United States will provide an appropriate account for payment
28 prior to January 4, 2028.

1 the payment of any part of this penalty.

2 **Conditional Release from Liability**

3 10. In return for the full and truthful cooperation of the
4 Company as described in Paragraph 6, and compliance with all other
5 terms and conditions of this Agreement:

6 (a) The United States agrees that, except as provided by this
7 Agreement, it will not bring criminal charges against the
8 Company for any act or offense committed before the Effective
9 Date, involving the Company's entry into and engagement in a
10 combination and conspiracy to suppress competition by rigging
11 bids and pooling auction profits, in violation of 15 U.S.C. § 1,
12 and its involvement in deceitful bidding practices, in violation
13 of 18 U.S.C. § 1343 and releases any claim on or related to
14 these facts;

15 (b) Failure by the Company to comply fully with the Cooperation
16 Obligations under Paragraph 6 that is not cured pursuant to
17 Paragraph 18 will void the United States' agreement in Paragraph
18 10(a), and the Company may be prosecuted criminally for any
19 federal crime of which the United States has knowledge; and

20 (c) The United States' agreement in Paragraph 10(a) does not
21 apply to subornation of perjury (18 U.S.C. § 1622), false
22 statements (18 U.S.C. § 1001), obstruction of justice (18 U.S.C.
23 § 1503 *et seq.*), contempt (18 U.S.C. §§ 401-402), or conspiracy
24 to commit such offenses. Its agreement in Paragraph 10(a) also
25 does not apply to civil matters of any kind, any civil or
26 criminal violation of the federal tax or securities laws or
27 conspiracy to commit such offenses, or any crimes of violence.

Related Administrative Proceedings

11. The Company understands that it may be subject to suspension or debarment action by state or federal agencies based upon this Agreement, and that this Agreement in no way controls what action, if any, other agencies may take. However, the United States agrees that, if requested, it will advise the appropriate officials of any governmental agency considering such action of the fact, manner, and extent of the cooperation and remediation of the Company as a matter for that agency to consider before determining what action, if any, to take. By agreeing to provide this information to such agencies, the United States is not agreeing to advocate on behalf of the Company but rather is agreeing to provide facts to be evaluated independently by such agencies.

Corporate Compliance Program

12. In light of the conduct described in the Information and in the Statement of Facts, the Company represents that it has conducted a review of its compliance program and is implementing, and will continue to implement, compliance controls reasonably designed to prevent and detect similar antitrust violations in the future.

13. The Company represents that it will make best efforts to implement a compliance and ethics program reasonably designed to prevent and detect antitrust violations throughout the Company's operations.

14. The Company further represents that it will continue to periodically review its antitrust compliance program and make any necessary adjustments and updates based on changes in the Company's operations, circumstances, legal developments, and industry

1 practices.

2 **Deferred Prosecution**

3 15. In consideration of the undertakings agreed to herein by
4 the Company, the United States agrees that any prosecution of the
5 Company for the conduct set forth in the Statement of Facts be and
6 hereby is deferred for the Term. To the extent there is conduct
7 disclosed by the Company, pursuant to Paragraph 7, that is not set
8 forth in nor arising from the conduct described in the Statement of
9 Facts, such conduct will not be exempt from further prosecution and
10 is not within the scope of or relevant to this Agreement.

11 16. The United States further agrees that if the Company fully
12 complies with all obligations under this Agreement, the United States
13 will not continue the criminal prosecution of the offenses described
14 in Paragraph 1 of the Agreement and, at the conclusion of the Term,
15 this Agreement shall expire, except for the Cooperation Obligations
16 set forth in Paragraph 6 of the Agreement. Within thirty (30) days of
17 the Agreement's expiration, the United States shall seek dismissal
18 without prejudice of the Information described in Paragraph 1 of the
19 Agreement, and shall further request that the dismissal be converted
20 to dismissal with prejudice once the payment terms described in
21 Paragraph 8 are fully satisfied.

22 **Breach of Agreement**

23 17. If, during the Term of this Agreement, the Company
24 (a) commits any felony offense under U.S. federal law; (b) provides
25 to the United States deliberately false, incomplete, or misleading
26 information, including in connection with its disclosure of
27 information about individual culpability; (c) fails to satisfy any
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1 Cooperation Obligations as set forth in Paragraph 6 of this
2 Agreement; (d) fails to satisfy the requirements set forth in
3 Attachment D; or (e) otherwise fails to completely perform or fulfill
4 any of the Company's obligations under this Agreement, regardless of
5 whether the United States becomes aware of such a breach after the
6 Term is complete, the Company shall thereafter be subject to
7 prosecution for any federal criminal violation of which the United
8 States has knowledge, including, but not limited to, the charges in
9 the Information described in Paragraph 1, which may be pursued by the
10 United States in the United States District Court for the Central
11 District of California or any other appropriate venue. Determination
12 of whether the Company has breached this Agreement and whether to
13 pursue prosecution of the Company shall be in the United States' sole
14 discretion. Any such prosecution may be premised on information
15 provided by any source, including but not limited to the Company. Any
16 such prosecution relating to the conduct described in the Statement
17 of Facts or relating to conduct known to the United States prior to
18 the date of the signing of this Agreement that is not time-barred by
19 the applicable statute of limitations on the Effective Date of this
20 Agreement may be commenced against the Company, notwithstanding the
21 expiration of the statute of limitations between the Effective Date
22 and the expiration of the Term plus one year. Thus, by signing this
23 Agreement, the Company agrees that the statute of limitations with
24 respect to any such prosecution that is not time-barred on the
25 Effective Date of this Agreement shall be tolled for the duration of
26 the Term plus one year.

27 18. In the event the United States determines that the Company
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1 has breached this Agreement in any respect, the United States agrees
2 to provide the Company with written notice of such breach prior to
3 instituting any prosecution resulting from any such breach. Within
4 thirty (30) days of receipt of such notice, the Company shall have
5 the opportunity to respond to the United States in writing to explain
6 the nature and circumstances of such breach, as well as the actions
7 the Company has taken to address and remediate the situation, which
8 the United States shall consider in determining whether to pursue
9 prosecution of the Company.

10 19. In the event that the United States determines that the
11 Company has breached this Agreement: (a) all statements made by or on
12 behalf of the Company to the United States or to the Court, including
13 the Statement of Facts, and any testimony given by any individual
14 before a grand jury, a court, or any tribunal, or at any legislative
15 hearings, whether prior or subsequent to this Agreement, and any
16 leads derived from such statements or testimony, shall be admissible
17 in evidence in any and all criminal proceedings brought by the United
18 States against the Company; and (b) the Company shall not assert any
19 claim under the United States Constitution, Rule 11(f) of the Federal
20 Rules of Criminal Procedure, Rule 410 of the Federal Rules of
21 Evidence, or any other federal rule that any such statements or
22 testimony made by or on behalf of the Company prior or subsequent to
23 this Agreement, or any leads derived therefrom, should be suppressed
24 or are otherwise inadmissible. The decision whether any conduct or
25 statement of any current or former director, officer, or employee, or
26 any person acting on behalf of, or at the direction of, the Company,
27 will be imputed to the Company for the purpose of determining whether
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1 the Company has violated any provision of this Agreement shall be in
2 the sole discretion of the United States.

3 20. The Company acknowledges that the United States has made no
4 representations, assurances, or promises concerning what sentence may
5 be imposed by the Court if the Company breaches this Agreement and
6 this matter proceeds to judgment. The Company further acknowledges
7 that any such sentence is solely within the discretion of the Court
8 and that nothing in this Agreement binds or restricts the Court in
9 the exercise of such discretion.

10 21. On the date that the period of deferred prosecution
11 specified in this Agreement expires, as set forth in Attachment E,
12 the Company, by its President and Chief Executive Officer, will
13 certify to the United States that the Company has met the disclosure
14 obligations set forth in Paragraph 6 of this Agreement. Each
15 certification will be deemed a material statement and representation
16 by the Company to the executive branch of the United States for
17 purposes of 18 U.S.C. §§ 1001 and 1519, and it will be deemed to have
18 been made in the judicial district in which this Agreement is filed.

19 **Sale, Merger, or Other Change in Corporate Form**

20 22. The Company agrees that, during the Term, if it undertakes
21 any change in corporate form, including if it sells, merges, or
22 transfers business operations that are material to the Company's
23 consolidated operations in the United States, as they exist as of the
24 date of this Agreement, whether such sale is structured as a sale,
25 asset sale, merger, or transfer, it shall provide notice to the
26 United States at least thirty (30) business days prior to undertaking
27 any such sale, merger, transfer, or other change in corporate form.
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1 If at any time during the Term or prior to completing full payment of
2 the penalty the Company engages in a transaction(s) that has the
3 effect of circumventing or frustrating the purposes of this Agreement
4 or payment of the penalty, the United States may deem it a breach
5 pursuant to Paragraphs 17-21 of this Agreement. Nothing herein shall
6 restrict the Company from indemnifying (or otherwise holding
7 harmless) the purchaser or successor in interest for penalties or
8 other costs arising from any conduct that may have occurred prior to
9 the date of the transaction(s), so long as such indemnification does
10 not have the effect of circumventing or frustrating the purposes of
11 this Agreement or payment of the penalty, as determined by the United
12 States in its sole discretion.

13 **Public Statements by the Company**

14 23. The Company expressly agrees that it shall not, through
15 present or future attorneys, officers, directors, employees, or any
16 other person authorized to speak for the Company, make any public
17 statement, in litigation or otherwise, contradicting the acceptance
18 of responsibility by the Company set forth above or as described in
19 the Statement of Facts. Any such contradictory statement shall,
20 subject to cure rights of the Company described below, constitute a
21 breach of this Agreement, and the Company thereafter shall be subject
22 to prosecution as set forth in Paragraphs 17-21 of this Agreement.
23 The decision whether any public statement by any such person
24 contradicting a fact contained in the Statement of Facts will be
25 imputed to the Company for the purpose of determining whether it has
26 breached this Agreement shall be at the sole discretion of the United
27 States. If the United States determines that a public statement by
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1 any such person contradicts in whole or in part a statement contained
2 in the Statement of Facts, the United States shall so notify the
3 Company, and the Company may avoid a breach of this Agreement by
4 publicly repudiating such statement(s) within five (5) business days
5 after notification. The Company shall be permitted to raise defenses
6 and to assert affirmative claims in other proceedings relating to the
7 matters set forth in the Statement of Facts provided that such
8 defenses and claims do not contradict, in whole or in part, a
9 statement contained in the Statement of Facts. This Paragraph does
10 not apply to any statement made by any present or former officer,
11 director, or employee of the Company in the course of any criminal,
12 regulatory, or civil case initiated against such individual, unless
13 such individual has been authorized by the Company to speak on behalf
14 of the Company.

15 24. The Company agrees that if the Company issues a press
16 release, makes a required disclosure, or holds any press conference
17 in connection with this Agreement, the Company shall first consult
18 the United States to determine: (a) whether the text of the release,
19 required disclosure, or proposed statements at the press conference
20 are true and accurate with respect to matters between the United
21 States and the Company; and (b) whether the United States has any
22 objection to the release, disclosure or proposed statements. The
23 United States shall respond to such inquiry by the Company within ten
24 (10) days to agree on the release, disclosures, or proposed
25 statements.

26 **Limitations on Binding Effect of Agreement**

27 25. This Agreement is binding on the Company and the United
28

1 States Department of Justice, Antitrust Division, but specifically
2 does not bind any other component of the Department of Justice, other
3 federal agencies, or any state, local or foreign law enforcement or
4 regulatory agencies, or any other authorities. If the court refuses
5 to grant exclusion of time under the Speedy Trial Act, 18 U.S.C. §
6 3161(h)(2), all the provisions of this Agreement shall be deemed null
7 and void, and the Term shall be deemed to have not begun, except that
8 the statute of limitations for any prosecution relating to the
9 conduct described in the Statement of Facts shall be tolled from the
10 date on which this Agreement is signed until the date the Court
11 refuses to grant the exclusion of time plus six months, and except
12 for provisions the contained within Paragraph 2 of this Agreement.

13 Notice

14 26. Any notice to the United States under this Agreement shall
15 be given by personal delivery, overnight delivery by a recognized
16 delivery service, or registered or certified mail, addressed to Ryan
17 Tansey, Chief, Washington Criminal Section, Antitrust Division, U.S.
18 Department of Justice, 450 Fifth Street NW, Washington, DC 20530. Any
19 notice to the Company under this Agreement shall be given by personal
20 delivery, overnight delivery by a recognized delivery service, or
21 registered or certified mail, addressed to Legal Counsel, EBlock
22 Corporation, 10 Lower Spadina Avenue, Suite 400, Toronto, Ontario,
23 Canada M5V 2Z2. Notice shall be effective upon actual receipt by the
24 United States or the Company.

Entirety of Agreement

27. This Agreement, including its Attachments, sets forth all the terms of the agreement between the Company and the United States. No amendments, modifications, or additions to this Agreement shall be valid unless they are in writing and signed by the United States, the attorney(s) for the Company, and a duly authorized representative of the Company.

Date: January 22, 2026

Respectfully submitted,

By: 
JASON MCLENAHAN
President and Chief Executive Officer
EBLOCK CORPORATION

By: 
PATRICK HALLAGAN
MELANIE KREBS-PILOTTI
Trial Attorneys
United States Department of
Justice
Antitrust Division

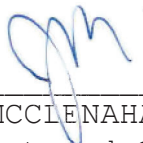
EBLOCK - COMPANY OFFICER'S CERTIFICATE

I have read the Deferred Prosecution Agreement ("Agreement") and carefully reviewed every part of it with outside counsel for EBLOCK CORPORATION (the "Company"). I understand the terms of this Agreement and voluntarily agree, on behalf of the Company, to each of its terms. Before signing this Agreement, I consulted outside counsel for the Company. Counsel fully advised me of the rights of the Company, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into this Agreement.

I have carefully reviewed the terms of this Agreement with the Board of Directors of the Company. I have advised and caused outside counsel for the Company to advise the Board of Directors fully of the rights of the Company, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into the Agreement.

No promises or inducements have been made other than those contained in this Agreement. Furthermore, no one has threatened or forced me, or to my knowledge any person authorizing this Agreement on behalf of the Company, in any way to enter into this Agreement. I am also satisfied with outside counsel's representation in this matter. I certify that I am the President and Chief Executive Officer for the Company and that I have been duly authorized by the Company to execute this Agreement on behalf of the Company.

Date: January 22, 2026

By: 
JASON MCCLENAHAN
President and Chief Executive Officer
EBLOCK CORPORATION

CERTIFICATE OF COUNSEL

I am counsel for EBLOCK CORPORATION (the "Company") in the matter covered by the Deferred Prosecution Agreement ("Agreement"). In connection with such representation, I have examined relevant Company documents and have discussed the terms of this Agreement with the Company Board of Directors. Based on our review of the foregoing materials and discussions, I am of the opinion that the representative of the Company has been duly authorized to enter into this Agreement on behalf of the Company and that this Agreement has been duly and validly authorized, executed, and delivered on behalf of the Company and is a valid and binding obligation of the Company. Further, I have carefully reviewed the terms of this Agreement with the Board of Directors and the President/Chief Executive Officer of the Company. I have fully advised them of the rights of the ~ of possible defenses, of the Sentencing Guidelines' provisions and of the consequences of entering into this Agreement. To my knowledge, the decision of the Company to enter into this Agreement, based on the authorization of the Board of Directors, is an informed and voluntary one.

Date: January 22, 2026

By: 

WENDELYNNE J. NEWTON

JASON P. BOLOGNA

CARRIE G. AMEZCUA

Buchanan Ingersoll & Rooney PC

Counsel for EBLOCK CORPORATION

Attachment A: Statement of Facts

The following Statement of Facts is incorporated by reference as part of the Deferred Prosecution Agreement ("Agreement") between the United States Department of Justice, Antitrust Division ("United States") and EBLOCK CORPORATION ("EBLOCK"). EBLOCK hereby agrees and stipulates that the following information is true and accurate. Prior to November 20, 2020, EBLOCK, a corporation organized and existing under the laws of Delaware, with its parent company located in Canada, was engaged in physical auctions of used vehicles in the eastern United States. Through a multi-step transaction in California in November 2020 during Covid, EBLOCK acquired the assets of Company A. Due to Covid, EBLOCK executives were not able to travel to the United States to conduct due diligence, meet the potential new employees, or facilitate integration, and instead relied on a management agreement to run day-to-day operations. Company A was an auction company that provided a digital platform for sellers to put their vehicles up for auction to commercial buyers in the Central District of California. After the acquisition, EBLOCK retained certain former Company A employees, including its CEO, district managers, and operations managers, and many of those employees continued to work at EBLOCK, in the Central District of California, for a year or more after the acquisition. Company A continued hosting online auctions on its separate, third-party hosted auction platform until July 12, 2021, when Company A migrated to using the EBLOCK auction platform. Prior to EBLOCK's acquisition of Company A assets, Company A employees had been engaged in a long-standing conspiracy with Individual B, the owner of Company B, a used auto wholesale

1 company. As alleged by the United States, beginning at least as early
2 as October 2015, Company A employees conspired with Company B and
3 Individual B to manipulate online auctions of used vehicles, in
4 violation of the Sherman Act, 15 U.S.C. § 1, and engaged in material
5 misrepresentations to place shill bids, bids placed for the purpose
6 of artificially increasing bid prices, in violation of 18 U.S.C.
7 § 1343. The United States has determined that, for the purpose of
8 forming and carrying out the charged combination and conspiracy and
9 wire fraud, Company A, did those things that they combined and
10 conspired to do, including, among other things:

11 (a) Allocated placement of bids with Company B;

12 (b) Exchanged bid information with Company B, including the
13 maximum amount Company A or Company B would bid on vehicles;

14 (c) Provided special access and user permissions to Company B,
15 enabling Company B to see the confidential bidding information
16 of other buyers and sellers on the auction site;

17 (d) Maintained a shared inventory of vehicles with Company B
18 consisting of vehicles Company A or Company B purchased during
19 Company A's auctions.

20 (e) Coordinated with Company B to place shill bids, with the
21 intention of artificially increasing the prices paid by
22 legitimate buyers;

23 (f) Misrepresented the numbers of bidders during online
24 auctions by commissioning the development of software that would
25 automatically place shill bids at set time intervals;

26 (g) Misrepresented the identities of bidders by placing shill
27 bids under the names of actual auto dealerships without those
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1 dealerships' consent; and

2 (h) Pooled and split profits with Company B for vehicles
3 purchased and re-sold during the course of the conduct.

4 The facts detailed above in subparagraphs (a) - (h) were all
5 unknown by EBLOCK when it acquired the assets of Company A on
6 November 20, 2020. In or around January 21, 2021, EBLOCK executives
7 first learned about coordinated bidding activity between Company A
8 and Company B, which included an automated shill bidding
9 functionality on Company A's platform. EBLOCK refused to incorporate
10 that functionality into the EBLOCK platform for the migration on July
11 12, 2021. EBLOCK and its executives had no intention of continuing
12 the conduct initiated by Company A and Company B pre-acquisition, and
13 tried to stop the conduct outlined above, including by not giving
14 Individual B special access to the EBLOCK platform, taking steps to
15 end, and in fact ending, the profit sharing agreement, and tracking
16 down the dealer names that Individual B was using to cover up the
17 fake bids. But despite the ongoing efforts of EBLOCK executives and
18 employees, legacy Company A employees continued to pursue certain
19 conduct with Company B and Individual B post migration, including,
20 among other things, using other dealer names to cover up and hide
21 Individual B's fake bids, and continuing to give Individual B
22 information about the vehicles outside of the controls on EBLOCK's
23 platform, all to hide their continued conduct from EBLOCK. EBLOCK did
24 not condone the conduct and took steps to stop it, and due to
25 EBLOCK's efforts, the conduct decreased after July 12, 2021, with
26 bids from fake dealers dropping significantly. But because legacy
27 Company A employees intentionally hid their on-going conduct, it was
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1 not completely ended until February 2022. Further, the parties agree
2 the factual summary reflects that, although EBLOCK did not stop the
3 conduct immediately, the conduct stopped because EBLOCK's repeated
4 efforts made it stop. The United States has determined that the
5 purchases and sales affected by the charged offenses attributable to
6 Company A legacy employees working for EBLOCK totaled approximately
7 \$16,240,000. The penalty under this Agreement does not purport to
8 quantify any individual damages or harm to an individual dealer and
9 represents only the amount the Company has agreed with the United
10 States to pay, and is not intended as a conclusion as to antitrust
11 injury as that concept is interpreted in civil antitrust law.

12 EBLOCK owned and operated online auction platforms for used
13 vehicles, and vehicles listed for auction were routinely sold. Acts
14 in furtherance of this conspiracy and wire fraud were carried out
15 within the Central District of California. The communications
16 described above took place in this District and elsewhere and were
17 transmitted by means of wire communication in interstate commerce,
18 and the vehicles that were the subject of the charged conspiracy were
19 sold or purchased by one or more of the conspirators to commercial
20 buyers located in this District and elsewhere.

Attachment B: Certificate of Corporate Board Resolutions

WHEREAS, EBLOCK CORPORATION (the "Company") has been engaged in discussions with the United States Department of Justice, Antitrust Division ("United States") regarding issues arising in relation to the conduct described in Attachment A; and

WHEREAS, in order to resolve such discussions, it is proposed that the Company enter into a Deferred Prosecution Agreement with the United States dated January 22, 2026 ("Agreement"); and

WHEREAS, the Company's President and Chief Executive Officer, Jason McClenahan together with outside counsel for the Company, have advised the Board of Directors of the Company of its rights, possible defenses, the Sentencing Guidelines' provisions, and the consequences of entering into such Agreement with the United States;

Therefore, the Board of Directors has RESOLVED that:

1. The Company (a) acknowledges the filing of the two-count Information charging the Company with rigging bids and pooling profits, in violation of the Sherman Antitrust Act, 15 U.S.C. § 1, and deceitful bidding practices, in violation of 18 U.S.C. § 1343; (b) waives indictment on such charges and enters into the Agreement with the United States; and (c) agrees to pay a monetary penalty in the amount of \$3,280,000 with respect to the conduct described in Attachment A;

2. The Company accepts and will comply with all of the terms and conditions contained in the Agreement and its attachments;

3. The President and Chief Executive Officer of Company, Jason McClenahan, is hereby authorized, empowered and directed, on behalf of the Company, to execute the Agreement substantially in such form

1 as reviewed by this Board of Directors at this meeting with such
2 changes as the President and Chief Executive Officer of Company,
3 Jason McClenahan, may approve;

4 4. The President and Chief Executive Officer of Company, Jason
5 McClenahan, is hereby authorized, empowered and directed to take any
6 and all actions as may be necessary or appropriate and to approve the
7 forms, terms or provisions of any agreement or other documents as may
8 be necessary or appropriate, to carry out and effectuate the purpose
9 and intent of the foregoing resolutions; and

10 5. All of the actions of the President and Chief Executive
11 Officer of Company, Jason McClenahan, which actions would have been
12 authorized by the foregoing resolutions except that such actions were
13 taken prior to the adoption of such resolutions, are hereby severally
14 ratified, confirmed, approved, and adopted as actions on behalf of
15 the Company.

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17 Date: January 22, 2026

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19 By: 

20 Corporate Secretary
21 EBLOCK CORPORATION
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Attachment C: Corporate Compliance Program

As part of the Deferred Prosecution Agreement between EBLOCK CORPORATION (the "Company") and the United States Department of Justice, Antitrust Division ("United States") dated January 22, 2026 ("Agreement"), and to address any deficiencies in the Company's compliance program, including its policies, procedures, and internal controls relating to compliance with the Sherman Antitrust Act and other applicable antitrust laws and regulations, the Company agrees to continue to conduct, in a manner consistent with all of the Company's obligations under this Agreement, appropriate reviews of its existing policies, procedures, and internal controls.

Where necessary and appropriate, the Company agrees to adopt a compliance program, including compliance policies and procedures reasonably designed to ensure the prevention and detection of antitrust violations. At a minimum, the Company will make its best efforts to include, but not be limited to, the following elements:

1. *Design and Comprehensiveness.* The Company has or will develop compliance policies and procedures reasonably designed to prevent antitrust violations. The policies and procedures should be integrated into the Company's business practices and reinforced through appropriate internal controls specifically tailored to the Company's business, taking into account the Company's size and resources. The Company shall notify all employees that compliance with the policies and procedures is the duty of individuals at all levels of the company.

2. *Culture of Compliance.* The Company's senior leadership as a whole, through words and actions, will work to foster a culture of

1 compliance throughout the organization. Senior leadership across the
2 organization will be a model for the Company's antitrust compliance.

3 3. *Responsibility for the Compliance Program.* The Company will
4 assign responsibility to one or more senior leaders in the company
5 with sufficient background and competence in antitrust law, working
6 with outside counsel as necessary, for the implementation and
7 oversight of the antitrust compliance program. Those responsible for
8 the Company's antitrust compliance program will be provided with
9 sufficient autonomy, authority, and seniority within the Company's
10 governance structure to effectuate the compliance program.

11 4. *Periodic Risk-Based Reviews.* The Company will conduct periodic
12 antitrust risk assessments, taking into account the Company's size
13 and resources, to ensure that its antitrust compliance program,
14 including internal controls, is tailored to the Company's individual
15 circumstances. In undertaking such risk assessments, the Company will
16 review its policies and procedures and make any necessary adjustments
17 and updates based on changes in the Company's operations,
18 circumstances, legal developments, and industry practices. The risk-
19 based review will also address any portions of the policy that need
20 to be changed and will communicate those changed to all employees.

21 5. *Training and Communication.* The Company will develop an
22 antitrust compliance training program tailored to the Company's
23 specific antitrust risks and will periodically update the program to
24 ensure that it reflects the Company's current antitrust policies and
25 reporting procedures, and legal, technical, or marketplace
26 developments. The audience, timing, frequency, form, and content of
27 the Company's antitrust training should be commensurate with the
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1 Company's operations, resources, and circumstances. The Company will
2 take reasonably appropriate steps to ensure that all relevant
3 employees (regardless of management level or location) understand the
4 antitrust training and when and how to report a possible antitrust
5 violation. Training may include participation and compliance
6 certifications as appropriate. The Company will also maintain records
7 of training and compliance-related communications.

8 6. *Reporting and Guidance.* The Company will implement a
9 reasonably effective and confidential system for communication that
10 employees may use to seek guidance, raise concerns, or report
11 potential antitrust violations anonymously and confidentially without
12 fear of retaliation. The system will be widely disseminated to all
13 relevant employees and will be designed to respond reasonably
14 promptly to all communications.

1 **Attachment D: Compliance Reporting Requirements**

2 As part of the Deferred Prosecution Agreement between EBLOCK
3 CORPORATION (the "Company") and the United States Department of
4 Justice, Antitrust Division ("United States") dated January 22, 2026
5 ("Agreement"), the Company agrees that it will report to the United
6 States regarding remediation and implementation of the Company's
7 compliance program, including policies, procedures, and internal
8 controls described in Attachment C. During the Term, the Company
9 shall conduct a review and submit a report, as described below:

10 1. By no later than one year from the Effective Date of the
11 Agreement and prior to expiration of the DPA Term, the Company shall
12 submit to the United States a written report setting forth a complete
13 description of the Company's remediation efforts to date, its
14 proposals reasonably designed to improve the Company's policies,
15 procedures, and internal controls for ensuring compliance with the
16 criminal antitrust laws. The report shall be transmitted to Ryan
17 Tansey, Chief, Antitrust Division, U.S. Department of Justice, 450
18 5th St., NW, Washington, DC 20530. The Company may extend the time
19 period for issuance of the report with prior written approval of the
20 United States. The United States may respond to the report by
21 requesting additional information and/or requesting that the Company
22 take further action to improve its policies, procedures, and internal
23 controls for ensuring compliance with the criminal antitrust laws,
24 taking into account the Company's size and resources.

25 2. The report likely will include proprietary, financial,
26 confidential, and competitive business information. Moreover, public
27 disclosure of the report could discourage cooperation and impede
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1 pending or potential government investigations, and thus undermine
2 the objectives of the reporting requirement. For these reasons,
3 among others, the report and the contents thereof are intended to
4 remain and shall remain non-public, except as otherwise agreed to by
5 the parties in writing, or except to the extent that the United
6 States determines in its sole discretion that disclosure would be in
7 furtherance of the United States' discharge of its duties and
8 responsibilities or is otherwise required by law.

Attachment E: Certification

To: United States Department of Justice Antitrust Division
Attention: Washington Criminal Section

Re: Deferred Prosecution Agreement Disclosure Certification

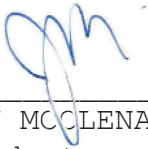
The undersigned certify, pursuant to Paragraph 21 of the Deferred Prosecution Agreement filed on January 22, 2026 in the U.S. District Court for the Central District of California, by and between the United States Department of Justice, Antitrust Division ("United States") and EBLOCK CORPORATION ("Company") dated January 22, 2026 ("Agreement"), that the undersigned are aware of the Company's disclosure obligations under Paragraph 6 of the Agreement and that the Company has disclosed to the United States any and all evidence or allegations of conduct it reasonably believes it is required to disclose pursuant to Paragraph 6 of the Agreement ("Disclosable Information"). This obligation to disclose information extends to any and all Disclosable Information that has been identified through the Company's investigation process, or other Company sources and processes. The undersigned further acknowledge and agree that the reporting requirement contained in Paragraph 6 and the representations contained in this certification constitute a significant and important component of the Agreement and the United States' determination whether the Company has satisfied its obligations under the Agreement and the Company will use its best efforts to comply with this Agreement.

The undersigned hereby certify respectively that [he/she] is the Chief Executive Officer of the Company that [he/she] has been duly

1 authorized by the Company to sign this Certification on behalf of the
2 Company.

3 This Certification shall constitute a material statement and
4 representation by the undersigned and by, on behalf of, and for the
5 benefit of, the Company to the executive branch of the United States
6 for purposes of 18 U.S.C. § 1001, and such material statement and
7 representation shall be deemed to have been made in the Central
8 District of California. This Certification shall also constitute a
9 record, document, or tangible object in connection with a matter
10 within the jurisdiction of a department and agency of the United
11 States for purposes of 18 U.S.C. § 1519, and such record, document,
12 or tangible object shall be deemed to have been made in the Central
13 District of California.

14
15 Date: January 22, 2026

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17 By: _____
18 JASON MCCLLENAHAN
19 President and Chief Executive Officer
20 EBLOCK CORPORATION
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