

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

THIS SETTLEMENT AGREEMENT AND MUTUAL RELEASE (this "Agreement") is made this ____ day of _____, 2024, by and among Tiffin City Schools ("Tiffin") and JBA Management Services, LLC ("JBA"). This Agreement shall be effective as of the last date set forth on the signature page hereof (the "Effective Date"). Tiffin may be referred to as the "Judgment Creditor," and JBA may be referred to as the "Judgment Debtor." The Judgment Creditor and the Judgment Debtor may collectively be referred to as the "Parties."

WHEREAS, on October 20, 2022, Tiffin filed a Complaint against JBA in the Court of Common Pleas of Seneca County, Ohio, under Case No. 22CV0247, styled *Tiffin City Schools v. JBA Management Services, LLC* (the "Seneca County Action") on the counts so set forth therein;

WHEREAS, on January 24, 2023, the Court in the Seneca County Action rendered a *Judgment Entry* in favor of Tiffin and against JBA in the amount of \$1,094,580.00, plus pre-judgment interest at the statutory rate from April 1, 2019 to January 24, 2023, plus post-judgment interest at the statutory rate thereafter (the "Judgment");

WHEREAS, on February 16, 2023, Tiffin certified the Judgment in Seneca County, Ohio under Certificate of Judgment No. 23CJ0287 (the "Certificate of Judgment");

WHEREAS, on May 22, 2023, in an effort to enforce the Judgment, Tiffin domesticated the Judgment in 22nd Judicial Circuit Court, in and for McHenry County, Illinois under Case No. 2023LA000128 and again styled *Tiffin City Schools v. JBA Management Services, LLC* (the "McHenry County Action");

WHEREAS, on September 21, 2023, Ohio Security Insurance Company ("OSIC" or "Ohio Security") filed a lawsuit against Tiffin and JBA Management Services, LLC (not a Party to this Agreement) in Case No. 3:23-cv-01833 in the United States District Court for the Northern District of Ohio (the "Lawsuit"), seeking a declaratory judgment that a certain liability insurance policy it issued provided no liability insurance coverage for JBA for Tiffin's claims against JBA as reduced to judgment in the Seneca County, Ohio Court of Common Pleas Case No. 22-cv-0247, styled *Tiffin City Schools v. JBA Management Services, LLC*;

WHEREAS, the Seneca County Action and the McHenry County Action may collectively be referred to as the "Litigation";

WHEREAS, as of the date of this Agreement, there remains an outstanding balance on the Judgment in the amount of \$1,082,286.20 plus pre-judgment interest at the statutory rate from April 1, 2019 to January 24, 2023 and post-judgment interest at the statutory rate thereafter (the "Amount Due");

WHEREAS, the Parties have agreed to a course of action that will allow for payment to the Judgment Creditor on the Judgment;

WHEREAS, it is understood by the Parties that this Agreement is made for the purpose of full and final settlement of all claims that were made, could have been made, or could be made in the future based on actions or events that occurred on or prior to the date of this Agreement by the Parties against the other as set forth in this Agreement, and that any action taken pursuant to this Agreement is not to be construed or considered as an admission of liability or fault on the part of the Parties, and it being further understood and agreed that the Parties deny liability on any and all claims which have been asserted, which could have been asserted, or which could be asserted in the future based on actions or events that occurred on or prior to the date of this Agreement by the Parties in any judicial or non-judicial dispute resolution forum based upon any claim relating directly or indirectly to the assertions in the prefatory paragraphs, the Seneca County Action, the Certificate of Judgment, the McHenry County Action, and/or the Judgment;

WHEREAS, notwithstanding any other provision of this Agreement, the Parties specifically acknowledge and agree that the provisions of this Agreement shall neither affect nor serve as assertions of any kind with regard to the claims and/or defenses by any party to Case No. 3:2-cv-01833, styled *Ohio Security Insurance Company v. Tiffin City Schools, et al.* currently pending in the U.S. District Court for the Northern District of Ohio; and

WHEREAS, it is the intent, purpose and desire of the Parties to release, remise, relinquish, acquit and discharge forever each other and their respective affiliates, directors, managers, officers, equity holders, agents, employees, representatives, heirs, beneficiaries, executors, administrators, predecessors, successors, assigns, grantees, trustees and fiduciaries from and against any and all claims, demands, actions or causes of action of any and every kind and character which the Parties had or have related directly or indirectly to the Seneca County Action, the Certificate of Judgment, the McHenry County Action, and/or the Judgment.

NOW, THEREFORE, intending to be legally bound, in consideration of the mutual promises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. **Incorporation:** The above recital paragraphs are incorporated herein by reference.

2. **Settlement Terms:**

A. JBA agrees to:

1. Abide by the terms of this Agreement; and
2. Pay the sum of \$50,000.00 (the "Settlement Funds") in eleven (11) monthly installment payments in the amount of \$4,166.66 and a final monthly installment payment in the amount of \$4,166.74, for a total of twelve (12) monthly installment payments, to be paid on or before the first day of the month following the date of this agreement and on or before the first day of each month thereafter until the Settlement Funds are fully paid (the "Installment Payments"). Time is of the essence with respect to all payments.

3. Pay the Installment Payments by check made payable to "Tiffin City Schools" and delivered to Tiffin City Schools, Attn: Gerald Nadeau, Superintendent; 244 South Monroe Street, Tiffin, OH 44883 on the terms stated in paragraph 2(A)(2) above.
4. Cause its Counsel to enter into a Consent Order allowing the Court in the McHenry County Action to authorize Tiffin's Action Against North American Specialty Flooring, Inc.; and Town Tap Woodstock LLC, respectively, for the recovery of its Judgment and compelling Paul Roeder to deliver up certain distribution assets received from JBA (the "Consent Order"), with credit given for each Installment Payment made by JBA: Should JBA fail to make an Installment Payment or default under the terms of this Agreement then Tiffin shall be entitled to file the Consent Order in the McHenry County Action. A copy of the Consent Order is attached hereto as Exhibit A.

B. Tiffin agrees to:

1. Abide by the terms of this Agreement; and
2. Accept the Settlement Funds in full satisfaction of the Amount Due;
3. File an entry of release as to the Judgment and dismissal, with prejudice, of the Seneca County Action and the McHenry County Action within fourteen (14) days upon receipt of all Installment Payments and confirmation that the Settlement Funds have cleared and the funds are good.
4. Release the Certificate of Judgment within fourteen (14) days upon receipt of all Installment Payments and confirmation that the Settlement Funds have cleared and the funds are good.

3. **Default.** In the event JBA fails to comply with the terms of this Agreement, Tiffin shall have the immediate right to file the Consent Order and pursue all rights and remedies available to it as a judgment creditor.

4. **JBA's Release:** Upon the Effective Date, JBA, for itself and its respective affiliates, directors, managers, officers, equity holders, agents, employees, representatives, heirs, beneficiaries, executors, administrators, predecessors, successors, assigns, grantees, trustees and fiduciaries (collectively, the "JBA Releasing Parties"), hereby fully release and discharge Tiffin and OSIC and all of its respective affiliates, directors, managers, officers, equity holders, agents, employees, representatives, heirs, beneficiaries, executors, administrators, predecessors, successors, assigns, grantees, trustees and fiduciaries (collectively, the "Tiffin/OSIC Released Parties"), from and against any and all claims, demands, promises, judgments, actions, causes of action, rights, obligations, debts, damages, costs, expenses, and/or liabilities, of any nature whatsoever, whether known or unknown, anticipated or unanticipated, asserted or unasserted,

accrued or unaccrued, which any of the JBA Releasing Parties now have, may have or claim to have, or which any of the JBA Releasing Parties anytime heretofore had, may have had or claimed to have had, against any of the Tiffin Released Parties, based upon any acts, omissions, conduct, or other matters relating directly or indirectly to the Seneca County Action, the Certificate of Judgment, the McHenry County Action, and/or the Judgment.

5. **Tiffin's Release:** Upon full receipt of the Settlement Funds by Tiffin, Tiffin, for itself and its respective affiliates, directors, managers, officers, equity holders, agents, employees, representatives, heirs, beneficiaries, executors, administrators, predecessors, successors, assigns, grantees, trustees and fiduciaries (collectively, the "Tiffin Releasing Parties"), hereby fully releases and discharges JBA and OSIC and their respective affiliates, directors, managers, officers, equity holders, agents, employees, representatives, heirs, beneficiaries, employees, executors, administrators, predecessors, successors, assigns, grantees, trustees and fiduciaries (collectively, the "JBA/OSIC Released Parties"), from and against any and all claims, demands, promises, judgments, actions, causes of action, rights, obligations, debts, damages, costs, expenses, and/or liabilities, of any nature whatsoever, whether known or unknown, anticipated or unanticipated, asserted or unasserted, accrued or unaccrued, which any of the Tiffin Releasing Parties now have, may have or claim to have, or which any of the Tiffin Releasing Parties anytime heretofore had, may have had or claimed to have had, against any of the JBA Released Parties, based upon any acts, omissions, conduct, or other matters relating directly or indirectly to the Seneca County Action, the Certificate of Judgment, the McHenry County Action, and/or the Judgment.

6. **No Release of Obligations under this Agreement:** None of the releases contained in Sections 3 and 4 will affect or apply to the right of any Party to bring a claim relating to a breach of or to otherwise enforce the terms of this Agreement.

7. **Covenant not to Sue:** Each Party covenants hereby not to sue or file any complaint or otherwise initiate any proceeding against any other Party for any and/or all of the claims released hereby.

8. **Acknowledgment of Fair Consideration Paid:** The Parties acknowledge that the consideration received and to be received in connection herewith is fair, just and adequate, and constitutes lawful consideration supporting the execution and legally binding effect hereof. However, it is understood and agreed that the consideration referred to herein was made in settlement and compromise of a disputed claim, and that it is not to be construed as an admission of liability or fault of any party.

9. **No Assignment of Claims:** Each of the Parties represents and warrants that such Party and its affiliates is the sole and exclusive owner of the claims released hereby and that no alleged claim or claims to be released herein have been assigned to any other entity, person, firm or corporation, whether in whole or in part, voluntarily or involuntarily, by operation of law,

10. **Clawback:** JBA acknowledges that if Tiffin is required to repay all or part of the Settlement Funds paid to it hereunder ("Claw Back") for any reason, including as a result of, among other things, an insolvency proceeding filed by or on behalf of JBA, then: (i) the Claw Back amount is not discharged and (ii) Tiffin not released from the debt due under the Seneca

County Action, the Certificate of Judgment, the McHenry County Action, and/or the Judgment to the extent of the Claw Back amount in any manner.

11. **No Additional Amounts Owed:** Art's Rental represents and warrants to JBA that the amounts claimed to be owed by JBA in the Litigation are the only amounts it claims to be owed by such Parties and that, upon receipt of the Settlement Funds, Tiffin shall not be owed any owed any additional amounts by JBA.

12. **Miscellaneous:**

12.1 Each of the Parties to this Agreement represents and warrants that: (a) it has the requisite power and authority to execute this Agreement for purposes stated herein, (b) the execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of such Party, and (c) this Agreement has been duly executed and delivered by such Party and constitutes the legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms.

12.2 All of the Parties to this Agreement agree that they have read all of the provisions of this Agreement in full, understand them and voluntarily agree to be bound thereby and warrant that no promise, inducement, or agreement not herein expressed has been made to any of the Parties herein.

12.3 All of the Parties to this Agreement acknowledge and agree that they have had the opportunity to consult with legal counsel and that they are entering into this Agreement based solely and exclusively upon their own and/or their counsel's own analysis of the facts and/or information of which they and/or their counsel are independently aware and not based upon or in reliance upon any statements and/or representations of any of the Parties signing or otherwise referenced in this Agreement, except as expressly set forth in this Agreement. All of the Parties to this Agreement are responsible for their own legal fees and costs except as specified herein.

12.4 This Agreement contains the entire agreement between the Parties with respect to the subject matter of this Agreement and any agreement hereafter made shall be ineffective to change, modify or discharge this Agreement unless such subsequent agreement is in writing and signed by each of the Parties. Neither Party may assign this Agreement, or any of its rights or obligations hereunder, to another person or entity without the prior written consent of the other Parties. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no provision of this Agreement will be interpreted for or against any Party because that Party or its attorney drafted the provision.

12.5 The validity, effect, and construction of this Agreement and any obligation undertaken pursuant hereto shall be determined in accordance with the laws of the State of Ohio, without regard to conflict of law principles. Any dispute relating to or arising from this Agreement shall be adjudicated exclusively in Seneca County, Ohio.

12.6 EACH OF THE PARTIES KNOWINGLY, VOLUNTARILY, IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING OR

COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR THE ACTIONS OF A PARTY IN THE NEGOTIATION, EXECUTION, DELIVERY, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT.

12.7 All captions and headings are for convenience only and shall not affect the interpretation of this Agreement.

12.8 If any term or provision or any part of this Agreement shall be invalid or unenforceable, the remainder of this Agreement (or the application of such terms or provisions to persons or circumstances other than those as to which it is held invalid or unenforceable) shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

12.9 This Agreement may be executed in several counterparts and transmitted by electronic, facsimile, or other transmission, each of which shall be considered an original. If no single counterpart is executed by all of the Parties, but all of the Parties execute one or more counterparts of an identical version of this Agreement, the original will consist of the collective bearing partial groups of signature.

12.10 The Parties shall, upon the reasonable request of another Party, execute such additional documents as shall be necessary to implement or effect the provisions contained in this Agreement.

12.11 This Agreement shall be construed as if it was drafted by the Parties jointly, and shall not be construed against any party regardless of which party drafted any provision hereof.

12.12 Time is of the essence for this Agreement.

The undersigned have read this document, and execute it freely, voluntarily and with full knowledge of its significance and legal effect.

TIFFIN CITY SCHOOLS

By: _____

Name: _____

Title: _____

Date: _____

JBA MANAGEMENT SERVICES, LLC

By: _____

Name: _____

Title: _____

Date: _____