

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (the "Settlement Agreement") is made and entered into this 24 day of August, by and between ANGELINA CIANFAGLIONE ("Plaintiff"); REDWOOD LAW OFFICE ("Plaintiff's Counsel"); TERRY ROGERS, DEE BURGIN, and BEVERLY WEGER ("Defendants"); and U.S. Specialty Insurance Company ("Insurer") for and on behalf of Defendants; who shall collectively be known as the "parties" and individually as "party" for the purposes of settling various claims among the parties arising out of the facts and circumstances relating directly to the cause of action more particularly described in Case No. 10-cv-2170 in the United States District Court for the Central District of Illinois.

FOR THE CONSIDERATION OF a total of One Hundred Sixty Two Thousand Seven Hundred Thirty Eight Dollars (\$162,738.00), to be paid out to Angelina Cianfaglione ("Plaintiff") and Redwood Law Office ("Plaintiff's Counsel"), the receipt and sufficiency whereof is hereby acknowledged, Angelina Cianfaglione and Redwood Law Office hereby release and forever discharge Terry Rogers, Dee Burgin, and Beverly Weger, ("Defendants") their heirs, executors, administrators, successors, agents, employees, assigns, U.S. Specialty Insurance Company, ("Insurer") and all other persons, firms, or corporations liable or who might be claimed to be liable, including their employers, employees, agents and/or assigns, none of whom admits any liability to the undersigned but all expressly deny any liability, from any and all claims, demands, suits, actions, causes of action, judgments, compensatory and punitive damages, appeals, cross appeals, petitions for attorney fees and costs of any kind or nature whatsoever, and particularly on account of any and all injuries and compensatory and punitive damages, attorney's fees, known or unknown, to person, property or otherwise, connected with Plaintiff and Defendants on August 20, 2008, and which gave rise to a certain cause of action in the United States District Court for the Central District of Illinois, under Docket No. 10-cv-2170.

RECITALS

A. Angelina Cianfaglione ("Plaintiff") filed suit in the United States District Court for the Central District of Illinois against Terry Rogers, Dee Burgin, and Beverly Weger ("Defendants") in their individual capacities, as well as against Robert Wilson in his individual capacity and County of Edgar, Illinois arising from an incident that occurred on or about August 20, 2008, allegedly as a result of violations of Angelina Cianfaglione's civil rights under the Fourth Amendment of the United States Constitution.

B. U.S. Specialty Insurance Company ("Insurer") for and on behalf of Terry Rogers, Dee Burgin, and Beverly Weger is the liability insurer of the Defendants, and as such, would be obligated to pay any claim made or judgment obtained against Defendants to the extent covered by the Insurer's policies with Defendants.

C. Between June 5 and June 8, 2012, a jury trial conducted in the United States District Court for the Central District of Illinois under Case No. 10-cv-2170 resulted in a jury verdict in favor of Angelina Cianfaglione and against Terry Rogers and Dee Burgin as well as a jury verdict in favor of Robert Wilson and against Angelina Cianfaglione. Judgment was also entered in favor of the County of Edgar, Illinois, and against Angelina Cianfaglione, pursuant to Rule 50(a)(1) of the Federal Rules of Civil Procedure. In addition, judgment was entered in favor of Beverly Weger and against Angelina Cianfaglione pursuant to a finding of qualified immunity pursuant to Motion for Judgment as a Matter of Law under Rule 50(a)(2) of the Federal Rules of Civil Procedure.

D. Subsequent to the jury's verdict in Case No. 10-cv-2170 and pursuant to court order, Terry Rogers and Dee Burgin filed a written Motion for Judgment as a Matter of Law post jury verdict that was denied by the United States District Court for the Central District of Illinois on June 28, 2012.

E. On June 28, 2012, the United States District Court for the Central District of Illinois issued final judgment in Case No. 10-cv-2170. (2:10-cv-02170-MPM-DGB Doc #76)

F. On July 19, 2012, Plaintiff's Counsel timely filed a Petition for Attorney's Fees and Costs in case No. 10-cv-2170 which was timely responded to by Defendants on August 6, 2012.

G. On July 30, 2012, Terry Rogers and Dee Burgin timely filed an appeal with the United States Court of Appeals for the Seventh Circuit (Case No. 12-2770) in connection with the final judgment entered on June 28, 2012, including the denial of Terry Rogers' and Dee Burgin's Motion for Judgment as a Matter of Law.

H. On August 11, 2012, Angelina Cianfaglione timely filed a cross appeal with the United States Court of Appeals for the Seventh Circuit (Case No. 12-2864) in connection with the final judgment entered on June 28, 2012, including the finding of qualified immunity in favor of Beverly Weger.

I. On August 13, 2012, the United States Court of Appeals for the Seventh Circuit, on its own motion, consolidated Case No. 12-2864 with Case No. 12-2770.

J. On August 14, 2012, pursuant to Rule 33 of the Federal Rules of Appellate Procedure and Circuit Rule 33, an appellate settlement conference was conducted in which a settlement agreement was reached among Plaintiff, Plaintiff's Counsel, Defendants, and Insurer.

K. The payment is in full accord and satisfaction of any liability whatsoever by or on behalf of Defendants and their Insurer, U.S. Specialty Insurance Company.

L. The parties desire to enter into this Settlement Agreement in order to provide for certain payments in full settlement, release, and discharge of all claims, judgments, compensatory and punitive damages, appeals, cross appeals and petitions for attorney's fees which have, or might be made against Defendants and Insurer, by reason of the incident described in Recital A above, upon the terms and conditions set forth below.

AGREEMENT

The parties agree as follows:

1.0 Release and Discharge

1.1 In consideration of the payments set forth in Section 2, Plaintiff and Plaintiff's Counsel hereby completely release and forever discharge Defendants and Insurer from any and all past, present or future claims, demands, suits, actions, causes of action, judgments, compensatory and punitive damages, appeals, cross appeals, petitions for attorney fees and costs of any kind or nature whatsoever, whether based on a tort, contract or other theory of recovery, which the Plaintiff and Plaintiff's Counsel now have, or which may hereafter accrue or otherwise be acquired, on account of or may in any way grow out of the incident described in Recital A above, including, without limitation, any and all known or unknown claims for bodily and personal injuries to Plaintiff, any future claim of Plaintiff's representatives or heirs, or any and all known or unknown claims for attorney's fees which have resulted or may result from the alleged acts or omissions of the Defendants. In addition, the parties agree to a dismissal of the pending appeal and cross appeal in the United States Court of Appeals for the Seventh Circuit, under Case Nos. 12-2770 and 12-2864, respectively, currently consolidated under Case. No. 12-2770. Finally, the parties agree to a withdraw of the Plaintiff's Petition for Attorney's Fees and Costs as well as the Response thereto filed by Terry Rogers and Dee Burgin in the United States District Court for the Central District of Illinois in Case No. 10-cv-2170.

1.2 This release and discharge shall also apply to Defendants' and Insurer's past, present and future officers, directors, stockholders, attorneys, agents, servants, representatives, employers, employees, subsidiaries, affiliates, partners, predecessors and successors in interest, and assigns and all other persons, firms or corporations with whom any of the former have been, are now, or may hereafter be affiliated.

1.3 This release, on the part of the Plaintiff and Plaintiff's Counsel, shall be a fully binding and complete settlement among the Plaintiff and Plaintiff's Counsel, the Defendants and the Insurer, and their heirs, assigns and successors.

1.4 The Plaintiff and Plaintiff's Counsel acknowledge and agree that the release and

discharge set forth above is a general release. Plaintiff and Plaintiff's Counsel expressly waive and assume the risk of any and all claims for damages or attorney's fees which exist as of this date, but of which the Plaintiff and Plaintiff's Counsel do not know or suspect to exist, whether through ignorance, oversight, error, negligence, or otherwise and which, if known, would materially affect Plaintiff and Plaintiff's Counsel decision to enter into this Settlement Agreement. The Plaintiff and Plaintiff's Counsel further agree that Plaintiff and Plaintiff's Counsel have accepted payment of the sums specified herein as a complete compromise of matters with Defendants and Insurer involving disputed issues of law and fact. Plaintiff and Plaintiff's Counsel assume the risk that the facts or law may be other than the Plaintiff and Plaintiff's Counsel believe. It is understood and agreed that this settlement is the compromise of certain disputed claims and that the payment made is not to be construed as an admission of liability on the part of any of the parties hereby released and that the releasees deny liability and intend merely to avoid protracted litigation and buy their peace.

2.0 Payments

2.1 In consideration of the release set forth above, the U.S. Specialty Insurance Company on behalf of the Defendants agrees to pay to the Individual(s) named below, the sum outlined below:

→ Payment of a lump sum in the amount of One Hundred Sixty Two Thousand Seven Hundred Thirty Eight Dollars (\$162,738.00) on the properly executed Settlement Agreement

The payment described herein will be made payable to "Angelina Cianfaglione and Redwood Law Office" and initiated with haste upon completion of the following: (a) the execution of this Settlement Agreement; and (b) the execution of a W-9 form by the Redwood Law Office. Parties further agree to initiate with haste the entry of any and all dismissal orders of the Petition for Attorney's Fees and Costs in Case No. 10-cv-2170; the entry of any and all dismissal orders of the Appeals and Cross Appeals in in the United States Court of Appeals for the Seventh Circuit under Case Nos. 12-2770 and 12-2864, respectively, currently consolidated under Case. No. 12-2770.

Plaintiff's Counsel will be informed immediately when the settlement check is ready for pick-up. Payment will be available for pick-up, delivery, or any method reasonably convenient for both parties.

Plaintiff hereby acknowledges and agrees that any and all liens, attorney fees, subrogation claims, medical expenses and all other expenses resulting from the incident described in Recital A above will be fully and completely satisfied by these amounts.

3.0 Attorney's Fees

Each party hereto shall bear all attorney fees and costs arising from the actions of its own counsel in connection with this Settlement Agreement, the matters and documents referred to herein, and all related matters.

4.0 Representation of Comprehension of Document

In entering into this Settlement Agreement, the Plaintiff and Plaintiff's Counsel accept the terms of this Settlement Agreement which are fully understood and voluntarily accepted by Plaintiff and Plaintiff's Counsel.

5.0 Warranty of Capacity to Execute Agreement

Plaintiff and Plaintiff's Counsel represent and warrant that no other person or entity has, or has had, any interest in the claims, demands, obligations, or causes of action referred to in this Settlement Agreement, except as otherwise set forth herein; that Plaintiff and Plaintiff's Counsel have the sole right and exclusive authority to execute this Settlement Agreement and receive the sums specified in it; and that Plaintiff and Plaintiff's Counsel have not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Settlement Agreement.

6.0 Governing Law

This Settlement Agreement shall be construed and interpreted in accordance with the laws of the State of Illinois.

7.0 Additional Documents

All parties agree to cooperate fully and execute any and all supplementary documents and to take all additional actions, which may be necessary or appropriate to give full force and effect to the basic terms and intent of this Settlement Agreement.

8.0 Entire Agreement and Successors in Interest

This Settlement Agreement contains the entire agreement between the Plaintiff and Plaintiff's Counsel, Defendants and the Insurer with regard to the matters set forth in it and shall be binding upon and inure to the benefit of the executors, administrators, personal representatives, heirs, successors and assigns of each.

9.0 Effectiveness

The undersigned hereby declare that the terms of this settlement have been completely

read and are fully understood and voluntarily accepted for the purpose of making a full and final compromise, adjustment and settlement of any and all claims, disputed or otherwise, on account of the injuries, compensatory and punitive damages, and attorney's fees above mentioned and for the express purpose of the aforesaid incident.

The undersigned further declare and represent that no promise, inducement or agreement not herein expressed has been made to the undersigned and that this Settlement Agreement contains the entire agreement between the parties hereto and that the terms of the Settlement Agreement are contractual and not a mere recital.

This Settlement Agreement shall become effective immediately following execution by the signatories below.

Plaintiff:
Angelina Cianfaglione

Plaintiff's Counsel:
Redwood Law Office

By: [Redacted Signature]

By: [Redacted Signature]

Date: Aug 24, 2012

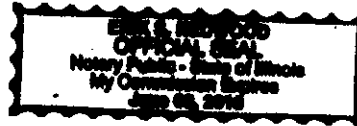
Title: Attorney

Date: Aug 24, 2012

STATE OF ILLINOIS)
)
COUNTY OF Edgar)

SS

Subscribed and sworn to before me,
a Notary Public, this 24 day of August, 2012.



[Redacted Signature]

Notary Public