

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT dated as of November \_\_\_\_\_, 2006 (the "Agreement") is made between KEYBANK NATIONAL ASSOCIATION, a national banking association ("Bank") and Trumbull Township Volunteer Fire Department, Inc., an Ohio corporation ("Corporation").

### RECITALS

A. Bank made a fixed rate/fixed term loan (the "Loan") to Corporation, as evidenced by that certain commercial Note dated on or about June 11, 2004 in the face amount of \$40,000 (the "Note") issued by Corporation in favor of Bank.

B. The Note is secured by a lien on an International Fire Truck bearing Vehicle Identification No. 1HTWCADR84JO27322 (the "Collateral") purchased in part with some or all of the proceeds of the Loan (the "Lien"). The lien is duly noted on the Certificate of Title issued to the Corporation by the State of Ohio (the "Title"). The original Title is in the possession of Bank.

C. Corporation failed to pay the Note according to its terms, and it remains in default. The principal balance and interest owing on Note is \$31,305.63.

D. Corporation is a party to litigation brought by Trumbull Township Board of Trustees, among others. The litigation is captioned Trumbull Township Volunteer Fire Department, Inc. vs. Board of Trumbull Township Trustees, Ashtabula County Court of Common Pleas Case N. 2006-CV-00487 ("the Case"). Among other things, the litigation challenges Corporation's asserted ownership of the International Fire Truck referenced above.

E. The Collateral is currently being held by the Corporation. It is being held in an unheated facility and is in danger of being damaged by freezing conditions.

F. Bank has been contacted by parties to the Case and informed that a global settlement of the Case is in place. Under the settlement, Trumbull Township ("Township") will schedule Corporation's debts and pay the scheduled debts from a settlement fund and in turn Township will acquire Corporation's interest in certain property. .

G. The parties to the Case have agreed with KeyBank to pay \$17,500.00 on behalf of the Corporation to satisfy the Note. KeyBank will accept this amount and will extinguish its lien on Collateral and mark the Title to show the lien as satisfied. Corporation hereby authorizes KeyBank to deliver Title to Township consistent with the global settlement agreement referenced below.

H. Parties to the Case will execute a global settlement agreement resolving all issues among the parties. Any claims by any parties that may or could have been brought against KeyBank will be released.

THEREFORE, in consideration of the foregoing premises, and for other good and valuable

consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. **REPRESENTATIONS AND WARRANTIES.** Corporation and the individuals signing because they are officers and Trustees of Corporation each represents and warrants to Bank the following:

1.1. **No Duress.** Each has voluntarily executed and delivered this Agreement without any coercion, duress, overreaching or any other misconduct by Bank;

1.2. **Advice of Counsel.** Each has had advice of counsel of its or her own choosing in negotiating and preparing this Agreement and such counsel has explained the significance of the terms of this Agreement;

1.3. **No Reliance.** In entering into this Agreement, neither Corporation or any individual signers has relied upon any representation of any kind made by Bank, its officers, employees, agents or representatives, other than as may be expressly set forth in this Agreement;

1.4. **No Bankruptcy.** Neither Corporation or any individual acting on its behalf has (i) made a general assignment for the benefit of creditors ; (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by its or her creditors; (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of its or her assets; or (iv) suffered the attachment or other judicial seizure of all, or substantially all, of its or her assets (other than noted above);

1.5. **Warranty of Authority.** In entering into this Agreement the signatories hereto hereby agree that any such signature shall be acknowledged and construed as an express warranty of authority by each signatory to act on behalf and bind the Corporation(s) listed below the signatory line. All signatories hereto shall agree to fully indemnify any party to this agreement for any claim without regard to its merits arising from a breach of the aforementioned warranty of authority.

2. **SETTLEMENT PAYMENT.** Concurrently upon the execution of this Agreement, Corporation shall cause to be paid to Bank the sum of Seventeen Thousand and Five Hundred Dollars (\$17,500.00) (the "**Settlement Payment**") in full satisfaction of Corporation's obligations under the Note.

3. **RELEASE OF LIEN.** Upon receiving the Settlement Payment, Bank shall note on the Title that the lien is released. Said Title shall then be delivered to Township per authorization from Corporation as referenced above.

4. **RELEASE OF BANK.** Corporation and individual signers, on behalf of themselves and their respective shareholders, agents, servants, employees, Trustees, officers, attorneys, affiliates, subsidiaries, heirs, executors, successors, and assigns, and all persons, firms, corporations, and organizations acting on their behalves (collectively, the "**Corporation Parties**"), each hereby releases, acquits, and forever discharges Bank, its shareholders, agents, servants, employees,

directors, officers, attorneys, affiliates, subsidiaries, successors, and assigns, and all persons, firms, corporations, and organizations acting on their behalf (collectively, the "Bank Parties") from and against any and all actions, causes of action, claims, debts, liabilities, accounts, demands, damages or other obligations of every kind existing as of the date of this Agreement, whether liquidated or unliquidated, certain or speculative, which any of the Corporation Parties has or may have against any of the Bank Parties by reason of, arising out of, or based upon (i) the Loan, Note, any collection activities, any negotiations or acts relating in any way to this settlement or the global settlement and (ii) any fact, matter or transaction relating to any of the foregoing, including, without limitation, any claim based upon fraud, duress, coercion, illegality, usury or any non-performance of any agreement or obligation. Bank's acceptance of this release does not constitute an admission of any liability or wrongdoing whatsoever.

5. **RELEASE BY BANK.** Subject to Bank's receipt of the Settlement Payment and its receipt of a fully executed global settlement agreement regarding the Case in a form it has approved, Bank, on behalf of itself and the other Bank Parties, hereby releases, acquits, and forever discharges the Corporation Parties who have signed this agreement from and against any and all actions, causes of action, claims, debts, liabilities, accounts, demands, damages or other obligations of every kind existing as of the date of this Agreement, whether liquidated or unliquidated, certain or speculative, which any of the Bank Parties has or may have against any of the signing Corporation Parties by reason of, arising out of, or based upon the Loan or the Note.

5.1. **Joint Drafting.** This Agreement is deemed to have been drafted jointly by the parties. Any uncertainty or ambiguity will not be construed for or against either party based upon attribution of drafting to either party.

5.2. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties and supersedes all prior negotiations and understandings between the parties concerning its subject matter. This Agreement is intended as the final, complete, and exclusive statement of the agreements between the parties.

5.3. **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective, valid and enforceable under applicable law. If any provision of this Agreement or the application thereof to any party or circumstance is invalid under applicable law, the remaining provisions remain valid and enforceable.

5.4. **Waiver of Jury.** The parties, to the extent permitted by law, each waives any right to have a jury participate in resolving any dispute, whether sounding in contract, tort, or otherwise, between the parties hereto arising out of this Agreement.

5.5. **Recitals.** The parties' execution of this Agreement does not constitute an admission by any party regarding any statement of facts set forth in the recitals of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date written in the preamble.

KEYBANK NATIONAL ASSOCIATION,  
a national banking association

By: \_\_\_\_\_

Trumbull Township Volunteer Fire Department,  
Inc,  
an Ohio corporation

By: Stanley J. Ruck

James Warren

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc,

Stanley J. Ruck

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc,

Connie Danning

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc,

James Gallagher

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc,

Debby Gallahan

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc,

KEYBANK NATIONAL ASSOCIATION.  
a national banking association

By: Debbie Monyak

Trumbull Township Volunteer Fire Department,  
Inc.  
an Ohio corporation

By: Stanley J. Ruck

James Warren

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc.

Stanley J. Ruck

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc.

Conrad Darnold

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc.

James Hallock

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc.

Debbie Hallock

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc.

Becky Wortman

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc,

Debby Gallagher

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc,

Sadd Stanley

As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc,

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As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc,

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As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc,

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As an individual and as an officer and or  
Trustee of Trumbull Township Volunteer Fire  
Department, Inc,

Exhibit C

Schedule of Debts

<u>Creditor</u>	<u>Nature of Debt</u>	<u>Debt Amt.</u>	<u>Indemnity Amt.</u>
Key Bank	Loan for vehicle & equip.	\$31,257.64	\$17,500.00
Firetec	Commission on sale of vehicle	\$2,000.00	\$1,000.00
J.P. Propane	Propane for heat	\$1,500.00	\$0.00
CEI	Electric	\$1,641.06	\$1,641.06
Windstream	Telephone	\$225.34	\$225.34
Wiles & Richards	Legal representation	\$7,325.46	
Snodgrass	Accounting services	\$8,721.00	
Reminger & Reminger	Legal representation	\$29,763.99	