

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Agreement") is entered into by and between the Laborers' Pension Fund and the Laborers' Welfare Fund of the Health and Welfare Department of the Construction and General Laborers' District Council of Chicago and Vicinity, and James S. Jorgensen, Administrator of the Funds (the "Funds"), defendant Alpine Asphalt Paving, Inc., "Alpine Asphalt." The Funds and Alpine Asphalt will be collectively referred to as the "Parties."

Whereas, the Parties agree to fully and finally settle and resolve any and all issues raised in the lawsuit filed before the United States District Court for the Northern District of Illinois, Eastern Division entitled *Laborers' Pension Fund et al., v. Alpine Asphalt Paving, Inc.*, No. 07C-4464 (N.D. Ill) (the "lawsuit").

In consideration of the promises and releases and for good and valuable consideration the parties agree to the following:

1. Alpine Asphalt is responsible for payment of a total amount of \$39,049.77, which consists of unpaid contributions owed to the Funds covering an audit report for the period from April 1, 2004 through September 30, 2006, remittance reports for the months of July through October 2007, plus dues owed to the Union, liquidated damage penalties, interest, attorneys' fees and costs, and audit fees.

2. The Funds agree to accept monthly payments for a period of twenty-four months as shown in the attached Installment Note. Alpine Asphalt agrees to pay the first Installment Note payment on January 1, 2008. Installment note payments will be hereinafter referred to as Settlement Payments, and must be remitted each month through December 1, 2009, to the Funds' Administrative Offices at 11465 Cermak Road, Westchester, IL 60154, on the first day of each month.

3. In addition to the Settlement Payments described above and Settlement Payments related to an action entitled *Laborers' Pension Fund et al., v. Alpine Asphalt Paving, Inc.*, 07C 4464 (N.D. Ill.). Alpine Asphalt agrees to report and pay all on going monthly contributions to the Funds as obligated under the terms of the collective bargaining agreement and the Funds' respective

Agreements and Declarations of Trust. This settlement is conditioned on Alpine Asphalt paying all current contributions to the Funds under the terms of the collective bargaining agreement and the Funds' respective Agreements and Declarations of Trust.

4. In the event that the Company fails to maintain its obligations under this Agreement, the collective bargaining agreement and the Funds' respective Agreements and Declarations of Trust, including but not limited to its obligations to submit timely contributions reports and to make timely current contribution payments by the tenth day following the month in which laborers' work was performed, Alpine Asphalt shall be deemed in default and the Funds shall have the right to reinstate this action. Upon default, the Funds may declare the entire unpaid amounts, together with interest, immediately due and accelerate collection of the total balance owed (current contribution payments and the unpaid balance on the note). The Funds, on motion in accordance with the Rules of this Court and by Notice of Motion to the Company's attorney, Todd Miller, Allocco & Miller, 3409 N. Paulina, Chicago, IL 60657, shall be entitled to entry of judgment by the Court against Alpine Asphalt and against Roger Groanson, in his individual capacity. Judgment will be entered for all unpaid amounts due plus reasonable attorneys' fees incurred by the Funds in their efforts to obtain compliance with this Settlement Agreement.

5. The parties agree that for the purpose of enforcing the Installment Note and Guaranty, upon motion by Funds' counsel, Roger Groanson shall be named as a defendant waiving the filing of an Amended Complaint and service of Summons. Neither Alpine Asphalt nor Roger Groanson will be permitted to raise defenses to bar judgment of the unpaid balance plus reasonable attorneys' fees and costs for time expended to collect settlement payments. Alpine Asphalt and Roger Groanson agree, in the event of a default, to confess entry of judgment.

6. In consideration of the receipt of all payments and promises made by the Parties herein, and after receipt of all amounts in the Settlement Agreement and Release, plus interest, the Funds hereby release and discharge Alpine Asphalt and Roger Groanson and each of their affiliates, parents, subsidiaries, divisions, partners, owners, stockholders, directors, officers, employees, agents, representatives, and their predecessors, successors, heirs, executors, administrators and assigns, all

past, present and future owners, members, agents, attorneys, representatives, trustees, administrators, fiduciaries, and insurers, and all persons acting by, through or under any of them jointly and severally, in their individual, fiduciary and corporate capacities, or any of them, of and from any and all actions, causes of action, grievances, suits, complaints or claims, liquidated or unliquidated, absolute or contingent, in law or in equity, arising out of, or in any way related to the amounts owed as described in paragraph 1, above.

7. This Agreement is entered into solely for the purpose of settling disputed claims and shall not be construed as an admission by the Defendant of any (a) liability or wrongdoing; (b) violation of any statute, law regulation, collective bargaining agreement or declaration of trust; or (c) waiver of defenses as to those matters within the scope of this Agreement. It is understood that Defendant denies engaging in unlawful conduct, and this Agreement does not constitute an admission by Defendant of any violation of any law, regulation, collective bargaining agreement or declaration of trust.

8. This Agreement, the Installment Note and Guaranty constitute the entire Agreement between the Parties concerning the subject matter hereof and supersede all prior and contemporaneous oral and written agreements, if any, between the Parties relating to the subject matter hereof. This Agreement may be amended only by a written document signed by the authorized Parties.

9. Each of the undersigned has read this Settlement Agreement and Release, understands its contents, has had the opportunity to and did negotiate over the terms of this Agreement, and is authorized to sign same on behalf of the entity indicated below. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. This Agreement shall be governed and construed in accordance with the laws of the State of Illinois.

10. This document may be signed in separate counterparts which will have the same effect as if signed on one document. In the event that any of the provisions of this Agreement are found by a judicial or other tribunal to be unenforceable, the remaining provisions of this Agreement

will remain enforceable.

11. The Parties agree that this Settlement Agreement and Release represents a resolution of the Lawsuit allowing the Court to keep jurisdiction through the entire term of the payment plan. The Parties agree that the United States District Court for the Northern District of Illinois, Eastern Division in case No. 07 C 4464, has jurisdiction to enforce this settlement agreement. The parties further agree that this cause is dismissed, without prejudice, permitting the parties' leave to reinstate to extend time or to seek entry of judgment. Unless otherwise ordered or agreed, on January 30, 2010, this cause shall be dismissed, with prejudice.

LABORERS' PENSION FUND and
LABORERS' WELFARE TRUST FUND
OF THE HEALTH AND WELFARE
DEPARTMENT OF THE CONSTRUCTION
AND GENERAL LABORERS' DISTRICT
COUNCIL OF CHICAGO AND VICINITY, and
JAMES S. JORGENSEN, Administrator of the
Funds

ALPINE ASPHALT
PAVING, INC.,

Date

Alpine Asphalt Paving Inc
12/18/07
Date

ROGER GROANSON

Roger Groanson
12/18/07
Date

This Installment Note ("Note") is made between the Laborers' Pension Fund ("Pension Fund") and Laborers' Welfare Fund of the Health and Welfare Department of the Construction and General Laborers' District Council of Chicago and Vicinity ("Health and Welfare Fund" or collectively the "Funds"), the parties of the first part, and Alpine Asphalt Paving, Inc. (the "Company"), the party of the second part.

WHEREAS, the Company has at all relevant times been party to a collective bargaining agreement ("CBA") with Local 5 the Construction and General Laborers' District Council of Chicago and Vicinity, whereunder it is obligated to make certain contributions to the above-named Funds, as well as to the Training Fund, on behalf of its covered employees, and to submit payment of all employee union dues:

WHEREAS, the Company has failed to timely pay certain contributions owed to the Funds for the audit period of April 1, 2004 thru September 30, 2006 plus June 2007 thru October 2007 remittance reports.

WHEREAS, the Company has failed to remit all employee union dues to the Funds, as the designated collection agent for the Construction and General Laborers' District Council of Chicago and Vicinity, for the audit period of April 1, 2004 thru September 30, 2006 plus June 2007 thru October 2007 remittance reports.

WHEREAS, the Company desires to pay all delinquencies owed to the Funds, to pay all union dues owed to the Construction and General Laborers' District Council of Chicago and Vicinity, together with liquidated damages, and interest, as set forth below and further desires to remain current in its obligation to pay contributions to the Funds.

THE PARTIES HEREBY AGREE as follows:

1. The Company will pay \$21,502.03 to the Health and Welfare Fund (comprised of \$13,371.64 in delinquent contributions, \$5,369.44 in liquidated damages, \$505.00 in attorneys fees and costs, \$340.00 in audit costs and \$1,915.95 in interest) (based on an interest rate of 9.5%). The Company will also pay \$15,237.07 to the Pension Fund (comprised of \$9,502.36 in delinquent contributions, \$3,586.17 in liquidated damages, \$505.00 in attorneys fees and costs, \$340.00 in audit costs and \$1,303.54 in interest). All of these amounts shall be paid according to the schedule described below in paragraphs 5 and 6.
2. The Company will also pay \$447.24 to the Training Fund (comprised of \$367.65 in delinquent contributions, \$72.74 in liquidated damages and \$6.85 in interest), \$150.59 to the ISPA Fund (comprised of \$134.53 in delinquent contributions, \$13.45 in liquidated damages and \$2.61 in interest), \$94.13 to the LECET Fund (comprised of \$84.11 in delinquent contributions, \$8.41 in liquidated damages and \$1.61 in interest), \$225.90 to the LDCMC Fund (comprised of \$201.78 in delinquent contributions, \$20.18 in liquidated damages and \$3.94 in interest) and \$1,392.81 in union dues (comprised of \$1,126.59 in delinquent contributions and \$266.22 in liquidated damages). These delinquent amounts shall be paid in their entirety at the time payment under this Note commences, in accordance with the schedule described in paragraph 6.
3. The Company will also pay the Funds or the sum of \$1,010.00 representing attorney fees and costs incurred by the Funds in Case No. 07 C 4464. This amount is split equally between Welfare and Pension as described in paragraph 1 above.
4. The company will also pay the Funds the sum of \$680.00 in audit costs. This amount split equally between Welfare and Pension as described in paragraph 1 above.
5. Simultaneously with the execution of this Note, the Company will pay \$2,406.62 of the total outstanding indebtedness, excluding note interest and the delinquent amounts described above in paragraph 2, or \$1,203.31 to the Health and Welfare Fund and \$1,203.31 to the Pension Fund.
6. For twenty-four (24) consecutive months commencing on January 1, 2008 and ending on December 1, 2009, the Company will pay \$345.78 per month to the Health and Welfare Fund and \$584.74 per month to the Pension Fund.
7. The Company will remit all payments to the Funds' Administrative Offices, which are located at 11465 Cermak Road, Westchester, Illinois 60154.
8. The Company understands and agrees that this Installment Note is based on reports submitted by the Company to the Funds and that the Funds reserve the right to conduct an audit, in accordance with the terms of the collective bargaining agreement and the Funds' respective Agreements and Declarations of Trust, to determine benefit contribution compliance for the time period covered herein and further reserve the right to collect any unpaid contributions, union dues, interest, liquidated damages, and audit costs as shown on said audit.

9. Payments made pursuant to this Installment Note shall be considered "contributions" as defined under the terms of the CBA and the Fund's respective Agreements and Declarations of Trust. If the contributions are not paid by the 10th day following the date on which payment should have been received, the contribution shall be considered delinquent and all charges which apply to the late payment of contributions under the terms of the CBA and the Fund's respective agreements and Declarations of Trust shall apply, including, but not limited to, the assessment of interest and liquidated damages. Further, in the event the Company fails to timely make any payments described in this Note. All amounts described in paragraph 1 herein shall immediately become due on the 10th day following the date on which payment should have been received by the Fund's under the terms of this Note. In such event the Company further agrees to pay all attorney fees and costs incurred by the Funds in any action to enforce any part or all of this note.
10. This Installment Note is conditioned on the Company's staying current on its obligations to the Funds under the terms of the collective bargaining agreement and the Funds' respective Agreements and Declarations of Trust. In the event that the Company fails to maintain its obligations under the terms of the collective bargaining agreement and the Funds' respective Agreements and Declarations of Trust, including, but no limited to, its obligations to submit timely contribution reports and to make timely contribution payments by the tenth day following the month in which laborers' work was performed, then the Funds shall have the right to accelerate and collect all amounts due under this Installment Note, plus payment of all attorneys' fees and costs incurred by the Funds in any action to accelerate this Installment Note.
11. The Company further agrees to obtain and maintain a surety bond to insure the payment of wages and benefit contributions as required under the terms of the CBA.
12. The Company shall have the right to prepay the entire amount due under the Note prior to the date upon which payment is due without penalty and without payment of any precalculated Note interest that has not accrued as of the date full payment has been made.

The Parties hereby agree to these terms by their execution hereof on the _____ day of the _____, 2007.

Alpine Asphalt Paving, Inc.

By: _____

Title: _____

Laborers' Pension Fund

By: _____

Laborers' Welfare Fund of the Health and Welfare Department of the Construction and General Laborers' District Council of Chicago and Vicinity.

By: _____

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ALPINE ASPHALT

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10th day following the date on which payment should have been received, the contribution shall be considered delinquent and all charges which apply to the late payment of contributions under the terms of the CBA and the Fund's respective agreements and Declarations of Trust shall apply, including, but not limited to, the assessment of interest and liquidated damages. Further, in the event the Company fails to timely make any payments described in this Note, an amount described in paragraph 1 hereina shall immediately become due on the 10th day following the date on which payment should have been received by the Fund's under the terms of this Note. In such event the Company further agrees to pay all attorney fees and costs incurred by the Funds in any action to enforce any part or all of this note.

- 10. This Installment Note is conditioned on the Company's staying current on its obligations to the Funds under the terms of the collective bargaining agreement and the Funds' respective Agreements and Declarations of Trust. In the event that the Company fails to maintain its obligations under the terms of the collective bargaining agreement and the Funds' respective Agreements and Declarations of Trust, including, but not limited to, its obligations to submit timely contribution reports and to make timely contribution payments by the tenth day following the month in which laborers' work was performed, then the Funds shall have the right to accelerate and collect all amounts due under this Installment Note, plus payment of all attorneys' fees and costs incurred by the Funds in any action to accelerate this Installment Note.
- 11. The Company further agrees to obtain and maintain a surety bond to insure the payment of wages and benefit contributions as required under the terms of the CBA.
- 12. The Company shall have the right to prepay the entire amount due under the Note prior to the date upon which payment is due without penalty and without payment of any precalculated Note interest that has not accrued as of the date full payment has been made.

The Parties hereby agree to these terms by their execution hereof on this 18th day of the December, 2007.

Alpine Asphalt Paving, Inc.

Alpine Asphalt Paving, Inc

By: Roger Peterson

Title: President

Laborers' Pension Fund

By: _____

Laborers' Welfare Fund of the Health and Welfare Department of the Construction and General Laborers' District Council of Chicago and Vicinity.

By: _____