

THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

LOCAL 25 S.E.I.U. WELFARE FUND,)
LOCAL 25 S.E.I.U. & PARTICIPATING)
EMPLOYERS PENSION TRUST,)
)
Plaintiffs,)

v.)

McCOY SECURITY, INC., an Illinois)
Corporation,)
)
Defendant.)

NO. 07C 6607

Judge Gottschall

Mag. Judge Keys

SETTLEMENT AGREEMENT

IT IS HEREBY STIPULATED AND AGREED by and between the Plaintiffs and Defendant, as follows:

1. That in the interest of settling the legal action filed by Plaintiffs against the Defendant, McCOY SECURITY, INC., an Illinois Corporation, and without any admission herein of liability of the Defendant the parties have agreed to settlement of the pending action.

2. That Defendant hereby agrees to pay to the Plaintiffs the amount of \$253,674.24, which shall be paid \$9,000.00 on April 15, 2008, and \$9,000.00 on the fifteenth day of each month thereafter, through and including September 15, 2009. Interest at 7% shall be charged monthly on the unpaid balance. As of September 15, 2009, a balloon payment of \$106,397.88 or the remaining balance, if additional payments are made, shall be due and owing, and the parties will negotiate regarding terms of payment for the outstanding balance.

3. This Agreement releases all delinquencies claimed due and owing through the work period ending on January 31, 2008, including all accrued interest, liquidated damages, costs and attorneys' fees. (It is agreed that McCoy Security, Inc., has not been audited, and this Settlement is based on the accuracy of the reports submitted by Security to the Funds, and in the event McCoy Security, Inc., is audited,

EXHIBIT "B"

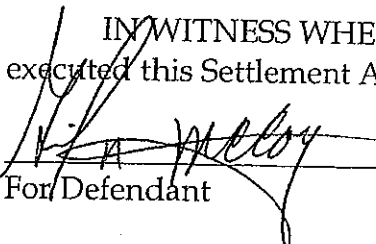
and discrepancies are found by the Fund Auditors, this Settlement Agreement shall not bar the Funds from seeking recovery for such delinquencies.)

4. That McCoy Security, Inc., hereby agrees to execute a current collective bargaining agreement with Local 1, SEIU, on or before April 1, 2008.

5. That the Court shall retain jurisdiction for the purpose of enforcement of the terms and provisions of the parties' Settlement Agreement.

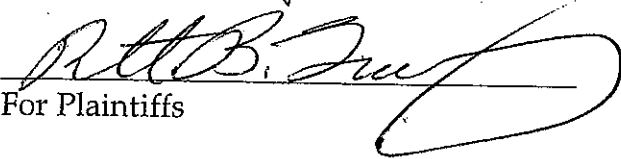
6. (a) The above-entitled cause be and the same shall be dismissed without prejudice, subject to reinstatement only as set forth below and Plaintiffs and anyone claiming through them agree not to sue and further agree to release and forever discharge Defendant and each of its past, present and future owners, directors, officers, agents, employees and the predecessors, successors and assigns of each of them, from any and all claims that were asserted in the above entitled lawsuit.
- (b) If Defendant fails to make any installment payment due hereunder, or any current contributions for work now being performed, the Defendant shall be considered in default.
- (c) Upon twenty (20) days' written notice to Defendant of said default, and upon Defendant's failure to cure said default within the 20 day period, the Order of Dismissal entered in this cause shall be vacated and set aside and the above-captioned cause reinstated.
- (d) Upon Order of Dismissal having been vacated and set aside, upon this cause being reinstated, upon Motion of the Plaintiffs, and subject to the Court's approval, judgment shall be immediately entered thereafter in the amount remaining due and owing, and any additional amounts for current payments which accrue hereinafter.

IN WITNESS WHEREOF, the parties or their duly authorized agents, have duly executed this Settlement Agreement as of the day and year provided below.



For Defendant

Dated: 3-24-08



For Plaintiffs

Dated: 3-25-2008

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