

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF KENTUCKY
AT LOUISVILLE**

B. L.,)	
)	
Plaintiff,)	
)	
VS.)	Civil Action No. 3:18-cv-151-RGJ
)	Hon. Rebecca Grady Jennings
)	
BRADLEY SCHUHMAN, ET AL.)	
)	
)	
Defendant.)	

CONFIDENTIAL MASTER SETTLEMENT AGREEMENT

This Confidential Master Settlement Agreement is effective as of the 29th day of October, 2021 by and among Tad Thomas of Thomas Law Offices, PLLC, (hereinafter COUNSEL FOR PLAINTIFFS) on behalf of the seven PLAINTIFFS, who are (1) [REDACTED]; (2) [REDACTED]; (3) [REDACTED]; (4) [REDACTED]; (5) [REDACTED]; (6) [REDACTED] and (7) [REDACTED] (collectively "PLAINTIFFS") on the one hand and LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (hereinafter "LOUISVILLE METRO"), OLD REPUBLIC INSURANCE COMPANY and OLD REPUBLIC RISK MANAGEMENT, INC. (hereinafter "OLD REPUBLIC" or "ORIC"); CURTIS FLAHERTY; JULIE SCHMIDT; PAUL BRANDON PARIS; KENNETH BETTS; BRANDON WOOD; MATTHEW GEHLHAUSEN; BRAD LEE SCHUHMAN; and CASEY SCOTT (hereinafter collectively these individuals and LOUISVILLE METRO and OLD REPUBLIC are referred to as "NON-BSA DEFENDANTS") on the other hand. The PLAINTIFFS and the NON-BSA DEFENDANTS are collectively called "THE PARTIES."

SECTION ONE - PURPOSE

This Confidential Master Settlement Agreement is made as a compromise between THE PARTIES for the settlement of any claims or potential claims and/or causes of action, including but not limited to any contractual, statutory, regulatory, derivative, equitable, and/or common law claims that PLAINTIFFS, individually or in a representative capacity, may have against the NON-BSA DEFENDANTS, and the BOY SCOUTS OF AMERICA, LINCOLN HERITAGE COUNCIL, and LEARNING FOR LIFE, INC. and LEARNING FOR LIFE LINCOLN CHAPTER (hereinafter collectively the “BOY SCOUTS DEFENDANTS”), the Louisville Area Government Self Insurance Trust (“LAGIT”), and/or any of their current or former officers, directors, employees, subsidiaries, agents, attorneys, affiliates, sister companies, parent companies, insurers, reinsurers, advisors, assigns, predecessors-in-interest, successors-in-interest, joint venturers, contractors, and/or affiliated persons or entities, arising out of and/or related to, either directly or indirectly, the matters set forth in civil action no. 3:18-cv-151 (W.D.Ky.), civil action no. 3:18-cv-152 (W.D.Ky.), civil action no. 3:18-cv-153 (W.D.Ky.), civil action no. 3:18-cv-157 (W.D.Ky.), civil action no 3:18-cv-158 (W.D.Ky.), civil action no. 3:18-cv-176 (W.D.Ky.), and civil action no. 3:18-cv-306 (W.D.Ky.), Jefferson Circuit case numbers 18-CI-958, 18-CI-1027, 17-CI-5658, 17-CI-6066, 17-CI-1213, 18-CI-11, and 17-CI-4585, and/or events arising out of and/or related to, either directly or indirectly, the LMPD Explorer Program (hereafter the “events giving rise to this dispute”).

SECTION TWO - TERMS OF SETTLEMENT

In consideration of the mutual covenants set forth, THE PARTIES agree as follows:

1. PLAINTIFFS will voluntarily abandon, release, waive, and/or give up any and all claims that have, or could have, been made against the BOY SCOUTS DEFENDANTS and NON-BSA DEFENDANTS concerning the events giving rise to this dispute. PLAINTIFFS will dismiss with prejudice the civil actions mentioned above and LOUISVILLE METRO will dismiss with prejudice its third-party complaint against ORIC in civil action No. 3:18-cv-151-RGJ-CHL. PLAINTIFFS will withdraw their proofs of claim in the BSA bankruptcy case. Toward that effort, PLAINTIFFS agree to execute a Confidential Settlement Agreement and Release which conforms to the terms of this Master Settlement Agreement in which the PLAINTIFFS agree, promise, and covenant that neither they nor any person, organization or any other entity acting on their behalf, will file, charge, claim, sue, or cause or permit to be filed, charged or claimed, any action for damages or other relief (including injunctive, declaratory, monetary or other) against the BOY SCOUTS DEFENDANTS and the NON-BSA DEFENDANTS and/or the entities and persons identified in Section One above, concerning the events giving rise to this dispute, any matter occurring in the past up to the date of this Agreement concerning PLAINTIFFS' involvement with, participation in and/or connection to the LMPD Explorer Program, or concerning or based upon any claims, demands, causes of action, obligations, damages or liabilities which are the subject of this Agreement, including all claims of any nature which PLAINTIFFS have or which have accrued against the BOY SCOUTS DEFENDANTS and the NON-BSA DEFENDANTS, whether or not PLAINTIFFS know about them, up to the date of this Agreement. PLAINTIFFS further understand that this Agreement does not limit their ability to communicate with any Government Agency or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, except as prohibited

by this Agreement. Electronic signatures will be accepted from each Plaintiff on their respective releases.

2. The NON-BSA DEFENDANTS will pay PLAINTIFFS the total sum of Three Million Six Hundred and Fifty Thousand Dollars (\$3,650,000) which will include payment in full of the remaining Old Republic insurance primary policy limits applicable to the events giving rise to this dispute, in order to settle, resolve, and extinguish all claims and causes of action advanced against the BOY SCOUT DEFENDANTS and the NON-BSA DEFENDANTS and/or that could have been advanced against them and/or the entities and persons identified in Section One above. Payment shall be made by wire transfer directly to the IOLTA Trust Account of The Thomas Firm, PLLC d/b/a Thomas Law Offices, PLLC within 30 days of receipt by counsel for the NON-BSA DEFENDANTS of a signed and Notarized Confidential Settlement Agreement and Release from each PLAINTIFF.

3. COUNSEL FOR PLAINTIFFS will retain an independent third-party as a Settlement Arbiter to allocate the total sum set forth above between the seven PLAINTIFFS mentioned above as he/she deems appropriate based on the facts and circumstances of each claim. NON-BSA DEFENDANTS will take no position on the allocation between PLAINTIFFS.

4. COUNSEL FOR PLAINTIFFS represents that he has sought an opinion from the Kentucky Bar Association hotline regarding whether or not prior counsel, DAVID YATES, may be paid any part of the attorneys fee in this matter. If it is determined by ethics counsel that YATES is entitled to an attorney's fee, the THOMAS LAW OFFICES will hold in escrow the amount of any such fee and expenses until it is determined by further order of the United States District Court whether or not YATES is entitled to an attorney fee. If the Court chooses not to make a ruling on the issue or defers, the parties agree to arbitrate pursuant to SCR 3.815. Nothing in this section

shall preclude YATES being reimbursed costs and expenses incurred furthering the matter for PLAINTIFFS. Moreover, PLAINTIFFS and the THOMAS LAW OFFICES agree to defend, indemnify and hold harmless the BOY SCOUTS DEFENDANTS and the NON-BSA DEFENDANTS from any claim made by YATES against one, some or all of the persons and entities identified in this CONFIDENTIAL MASTER SETTLEMENT AGREEMENT.

SECTION THREE - NON-ADMISSION/DISCLAIMER OF LIABILITY

No act taken in connection with this settlement of the dispute or the execution of this Confidential Master Settlement Agreement shall be deemed or construed or asserted to be an admission of fault or liability of any party in connection with any matter. The NON-BSA DEFENDANTS expressly deny any fault or liability for the matters referenced in this Confidential Master Settlement Agreement. This Confidential Master Settlement Agreement is entered into as a good faith compromise of disputed claims.

SECTION FOUR - REPRESENTATION OF COUNSEL FOR PLAINTIFFS

COUNSEL FOR PLAINTIFFS warrants that he has obtained written permission from each of the seven PLAINTIFFS listed herein and has authority to enter into this written agreement. Counsel further warrants that PLAINTIFFS are aware that their counsel is providing common representation of multiple clients in this matter and PLAINTIFFS are aware of, and accept, the material terms of this aggregate settlement, including the amount of attorneys' fees as governed by their individual contracts.

SECTION FIVE - CONSIDERATION

It is expressly understood and agreed that the consideration recited herein is the only consideration to accompany this Confidential Master Settlement Agreement and related Releases, and the

Confidential Master Settlement Agreement and related Releases recite all of the term and conditions of the PARTIES' agreement.

SECTION SIX – SEVERABILITY

All the terms and conditions of this Confidential Master Settlement Agreement and related Releases are severable. Therefore, PLAINTIFFS specifically agree that to the extent any provision, term, or condition is deemed invalid or inapplicable, then it shall not affect the validity of the rest of this Confidential Master Settlement Agreement.

SECTION SEVEN – TAXES

PLAINTIFFS remain solely liable for payment of any and all taxes related to this Confidential Master Settlement Agreement and each related Release.

SECTION EIGHT – CONFIDENTIALITY

It is the agreement of THE PARTIES, to the extent permitted by law, to not release the name of any PLAINTIFF as a settling party. Notwithstanding the foregoing, THE PARTIES and their attorneys may disclose the existence and terms of this Confidential Master Settlement Agreement and related Releases only as follows:

(a) As required by compulsory order issued by a court of competent jurisdiction, including, but not limited to, orders of the United States Bankruptcy Court for the District of Delaware in the Boy Scouts of America Bankruptcy Case;

(b) To attorneys, accountants, and tax advisors, who may need to know such information to properly advise THE PARTIES.

(c) As part of an Open Records Request, subsequent or ongoing or active investigations, public reports concerning and claim actions against any of the BOY SCOUTS DEFENDANTS or NON-BSA DEFENDANTS, subject, again, to the

aforementioned agreement not to release the name of any PLAINTIFF as a settling party. To the extent permitted by law, the PLAINTIFFS shall be referred to by their acronym as used in the court record. The PARTIES agree that no money has been paid by the NON-BSA DEFENDANTS for this confidentiality clause.

If the NON-BSA DEFENDANTS become parties to any legal action, or open records request attempting to discover the names of any individual PLAINTIFF, the NON-BSA DEFENDANTS agree to notify the undersigned counsel for PLAINTIFFS as soon as reasonably possible in order to allow the PLAINTIFFS to be represented in such an action.

SECTION NINE – ATTORNEYS’ FEES AND COSTS

PLAINTIFFS and their Counsel warrant and agree to abandon, release, waive, and give up any and all claims to attorneys’ fees and costs under 42 U.S.C. § 1988 or under any other legal theory against all the BOY SCOUTS DEFENDANTS and NON-BSA DEFENDANTS and/or the entities and persons identified in Section One above.

SECTION TEN – ENFORCEMENT OF CONFIDENTIAL MASTER SETTLEMENT AGREEMENT AND RELATED RELEASES

This Confidential Master Settlement Agreement and related Releases shall be enforceable in the United States District Court for the Western District of Kentucky, in the same manner as if entered therein as a consent decree.

SECTION ELEVEN – BRANDON PARIS

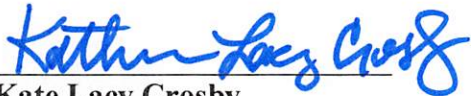
Nothing contained in this CONFIDENTIAL MASTER SETTLEMENT AGREEMENT waives or dismisses any claims that Brandon Paris has against Louisville Metro and the PARTIES expressly acknowledge that resolution of the events giving rise to this litigation in no way affects Jefferson Circuit Case Number 21-CI-4809.

For the Plaintiffs:




Tad Thomas
Thomas Law Offices, PLLC

For the Old Republic:



Kate Lacy Crosby
Tachau Meek PLC

For Louisville Metro:



Peter Ervin
Jefferson County Attorney's Office