

State of Alabama)
)
County of Shelby)

**SETTLEMENT AGREEMENT AND
MUTUAL RELEASE OF CLAIMS**

This Settlement Agreement and Mutual Release of Claims (hereinafter referred to as "Agreement") is hereby made and entered into by and among plaintiffs **JANICE K. NEWHOFF and MIKE KERACHER**, defendants **TEC SPECIALTY PRODUCTS, INC., and H.B. FULLER COMPANY**, defendant **GENERAL COATINGS, INC.**, defendant **BIRMINGHAM DRYWALL, INC.**, defendant **RIME CONSTRUCTION CO., INC.** and their insurers and assigns, hereinafter sometimes collectively referred to as the "Parties."

WITNESSETH

WHEREAS, Janice Newhoff and Mike Keracher instituted an action in the Circuit Court of Shelby County, Alabama entitled *Janice Newhoff and Mike Keracher v. TEC Specialty Products f/n/a TEC, Inc., an H.B. Fuller Company; Birmingham Drywall, Inc.; General Coatings, Inc.; and Rime Construction Co., Inc.*, Civil Action Number CV-02-1199, arising out of alleged defects in the construction of Ms. Newhoff's personal residence located at 925 Cove Circle, Hoover, Alabama 35243, according to the survey:

Lot 29, according to the survey of South Lake Cove, a residential subdivision, as recorded in Map Book 12, Page 98, in the Probate Office of Shelby County, Alabama.

(hereinafter referred to as the "Relevant Property"); and

WHEREAS the parties to this lawsuit desire to settle and finally resolve all matters in controversy between and among them in the above-referenced civil action relating to Janice Newhoff and Mike Keracher's personal residence;

NOW, THEREFORE, in consideration of the covenants and promises set forth herein, the payment of and other good and valuable consideration described below, the receipt and sufficiency of which are hereby acknowledged, the Parties to this Agreement do hereby agree as follows:

1. Upon execution of this Agreement by Janice Newhoff and Mike Keracher, Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc. and TEC Specialty Products,

Inc. shall pay and deliver to Janice Newhoff the total sum of Six Thousand and No/100 (\$6,000.00) Dollars (the "Settlement Amount") made payable to H. Arthur Edge, III and W. Brian Collins, in trust for Janice Newhoff.

2. For and in consideration of the payment of the Settlement Amount, Janice Newhoff and Mike Keracher, on behalf of themselves, their heirs, administrators, executors, successors, and assigns do hereby release, remise, acquit and forever discharge Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty Products, Inc.. and H.B. Fuller Company, their employees, officers, shareholders, agents, servants, successors, heirs, administrators, executors, insurers, attorneys, and assigns, and do further release all other persons and entities, specifically including any alleged tortfeasors, known and unknown, from any and all claims, demands, actions, or causes of action or suits of law or in equity of whatever kind or nature, whether based upon alleged tort or alleged contract, vicarious liability, or any other legal or equitable theory of recovery, including but not limited to allegations of fraud, known or unknown, past, present or future, suspected to exist or not suspected to exist, anticipated or not anticipated, which have arisen or are now arising or hereafter may arise, in connection with the construction of the Relevant Property and/or the EIFS cladding applied to the Relevant Property. The effect of this paragraph of the Agreement is intended to be a general release of all claims or causes of action of any kind or nature for property damage, including but not limited to claims related to the manufacture, marketing, distribution, sale, purchase, or installation of EIFS cladding, or claims that Janice Newhoff and/or Mike Keracher may have against any person or entity in connection with the construction of, materials used in the construction of, repairs made to, their term of residency in, or of any future sale of the Relevant Property and/or real property upon which the house at 925 Cove Circle, Hoover, Alabama 35243 is situated. Furthermore, the effect of this paragraph of the Agreement is intended to be a general release of all claims for personal injury that are in any way related to the EIFS cladding. All claims for personal injury not related to the EIFS cladding are not released herein and are expressly reserved.

3. In consideration of their respective contributions to the settlement amount, the payment, receipt and sufficiency of which is hereby acknowledged, Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty Products, Inc. and H.B. Fuller Company do hereby fully release, remise, acquit and forever discharge one another, and all of their employees, officers, shareholders, respective agents, servants, successors, heirs, administrators, executors, insurers and assigns, from any and all claims, demands, actions, or causes of action or suits of law or in equity of whatever kind or nature, whether based upon alleged tort or alleged contract, vicarious liability, or any other legal or equitable theory of recovery, including but not limited to allegations of fraud, known or unknown, past, present or future, suspected to exist or not suspected to exist, anticipated or not anticipated, which have arisen or are now arising or hereafter may arise, in connection with the construction of the Relevant Property and/or the EIFS cladding applied to the Relevant Property. The releases contained in this paragraph of the Agreement are specific to Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty Products, Inc. and H.B. Fuller Company, and in no way limit the rights of Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty Products, Inc. and H.B. Fuller Company or their respective insurers with respect to claims against any other entities.

4. Janice Newhoff and Mike Keracher agree that upon execution of this Agreement, they shall file a voluntary Dismissal with Prejudice, dismissing Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty Products, Inc. and H.B. Fuller Company from the above-referenced civil action currently pending in the Circuit Court of Shelby County, Alabama. All parties agree that they will bear their own costs, attorney's fees, disbursements and expenses of any kind incurred in prosecuting and/or defending the above-referenced civil action. The parties further agree to execute any other documents necessary to effectuate fully the terms of this Agreement.

5. Janice Newhoff and Mike Keracher agree and understand that it is the objective of Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty

Products, Inc. and H.B. Fuller Company, and the purpose of this Agreement, that Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty Products, Inc., H.B. Fuller Company, and their insurers, successors and assigns, be released from any and all liability arising out of or relating to the construction of the Relevant Property and/or the EIFS cladding applied to the Relevant Property, including claims related to the defense, investigation, settlement or adjustment of such liability, and from any and all suits or claims by Janice Newhoff and Mike Keracher, subsequent purchasers, or anyone claiming rights by or through Janice Newhoff and/or Mike Keracher, which have been or may be asserted against Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty Products, Inc., H.B. Fuller Company and/or their insurers, successors and assigns, arising out of or relating to the construction of the Relevant Property or the EIFS cladding applied to the Relevant Property.

Therefore, Janice Newhoff and Mike Keracher further agree to release and hold harmless Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty Products, Inc. and H.B. Fuller Company in any civil action subsequently filed against them for matters released herein arising out of or relating to the construction of the Relevant Property or the EIFS cladding applied to the Relevant Property.

6. The Parties hereby acknowledge and agree that payment of the Settlement Amount, or any portion of the Settlement Amount, is not an admission of liability on the part of Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty Products, Inc. and/or H.B. Fuller Company or their insurers, but is made solely in order to compromise the disputed claims for the purpose of avoiding further litigation regarding the construction of the Relevant Property and/or the EIFS cladding applied to the Relevant Property.

7. It is expressly understood and agreed that this is a full, final and complete settlement and release as to Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty Products, Inc. and H.B. Fuller Company and their insurers, relating to the construction of

the Relevant Property and/or the EIFS cladding applied to the Relevant Property, and that the terms of this Agreement may not be amended orally.

8. If any paragraph or part of this Agreement is found void or unenforceable, the remainder of this Agreement shall not be affected by such a finding.

9. This Agreement shall be binding on the Parties' employees, officers, agents, shareholders, successors in interest, heirs, executors, administrators and assigns.

10. The undersigned have read this Agreement, and acknowledge that they have had the advice of counsel and that no promise or representation of any kind, other than as contained herein, has been made by the Parties hereby released or anyone acting for them. The Parties to this Agreement have relied fully and completely on their own judgment and the advice of their attorneys in executing this Agreement.

11. This Agreement shall be construed in accordance with the laws of the State of Alabama.

12. Defendants Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty Products, Inc. and H.B. Fuller Company represent and agree that their attorneys may sign this Agreement for them.

13. This Agreement may be executed in original counterparts, each of which shall be deemed an original and all of which shall constitute the same instrument.

14. This release is taken and the consideration stated above is paid by the liability insurance carriers for Rime Construction Co., Inc., General Coatings, Inc., Birmingham Drywall, Inc., TEC Specialty Products, Inc. and H.B. Fuller Company, and the insurance carriers are acting as independent contractors and not as agents of any party released hereby.

15. The parties and their counsel hereby agree and stipulate that the terms of this Agreement shall be kept fully confidential, and shall not be published, released, displayed, or disseminated in any form or fashion, other than between and among the parties to this Agreement and prospective purchasers of the Relevant Property and their agents, except by specific written

agreement of the Parties or upon order of a Court of competent jurisdiction. However, it shall not be a violation of the Agreement for Janice Newhoff and Mike Keracher to disclose that the case has been resolved in a manner satisfactory to them.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals this 22 day of July __, 2003.

Janice Newhoff
Janice Newhoff

Sworn to and subscribed before me
this 22 day of July, 2003.

[Signature]
NOTARY PUBLIC
My Commission Expires MY COMMISSION EXPIRES OCTOBER 17, 2005

Mike Keracher
Mike Keracher

Sworn to and subscribed before me
this 22 day of July, 2003.

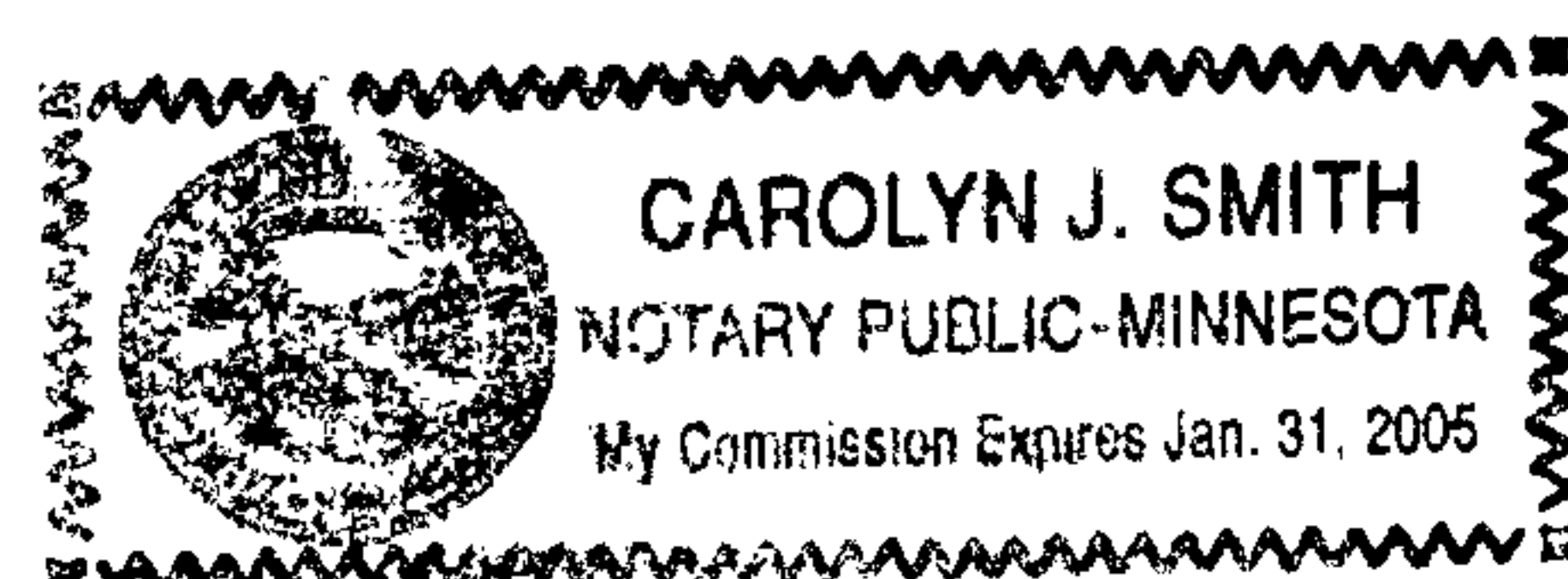
[Signature]
NOTARY PUBLIC
My Commission Expires MY COMMISSION EXPIRES OCTOBER 17, 2005

**TEC SPECIALTY PRODUCTS, INC. and H.B. FULLER
COMPANY**

By: [Signature]
Name: Scott B. Paxton
Title: Attorney

Sworn to and subscribed before me
this 30th day of June, 2003.

Carolyn J. Smith
NOTARY PUBLIC
My Commission Expires 1-31-05



GENERAL COATINGS, INC.

By: Teresa D. Dargatzis
Name: Teresa D. Dargatzis
Title: Attorney

Sworn to and subscribed before me
this 11 day of Aug., 2003.

Barbara C. Sweett
NOTARY PUBLIC
My Commission Expires 9/15/05

BIRMINGHAM DRYWALL, INC.

By: Teresa D. Dargatzis
Name: Teresa D. Dargatzis
Title: Attorney

Sworn to and subscribed before me
this 11 day of Aug., 2003.

Barbara C. Sweett
NOTARY PUBLIC
My Commission Expires 9/15/05

RIME CONSTRUCTION CO., INC.

By: Jim Moss
Name: Jim Moss
Title: ATTORNEY

Sworn to and subscribed before me
this 11 day of Aug., 2003.

Jane L. Sartan
NOTARY PUBLIC
My Commission Expires 4/1/06