

Presentment Date: November 23, 2020 at 12:00 p.m. (Prevailing Eastern Time)
Objection Deadline: November 23, 2020 at 11:00 a.m. (Prevailing Eastern Time)

TOGUT, SEGAL & SEGAL LLP
One Penn Plaza, Suite 3335
New York, New York 10119
Telephone: (212) 594-5000
Fax: (212) 967-4258
Albert Togut
Frank A. Oswald
Kyle J. Ortiz
Amy M. Oden

Counsel for Plan Administration Trustee

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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|-------------------------------------|---------------------------|
| ----- | X |
| <i>In re</i> | : Chapter 11 |
| | : |
| JCK LEGACY COMPANY, <i>et al.</i> , | : Case No. 20-10418 (MEW) |
| | : |
| Wind-Down Debtors. ¹ | : (Jointly Administered) |
| | : |
| ----- | X |

**NOTICE OF PRESENTMENT OF STIPULATION AND AGREED ORDER
(I) RESOLVING THE MOTION OF JOANNA CULLEY,
GUARDIAN OF THE ESTATE OF DENNIS LEROY WILLIAMS,
DISABLED FOR RELIEF FROM THE AUTOMATIC STAY, AND
(II) APPROVING THE SETTLEMENT AGREEMENT BETWEEN THE PARTIES**

PLEASE TAKE NOTICE that Sean M. Harding, a Senior Managing Director with FTI Consulting, Inc. and the Plan Administration Trustee (the “**Plan Administration Trustee**”) for JKC Legacy Company and certain of its affiliates in the above-captioned cases (collectively, the “**Debtors**”), by his undersigned counsel, will present for signature to the Honorable Michael E. Wiles, United States Bankruptcy Judge, in his Chambers, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York,

¹ The Wind-Down Debtors in these chapter 11 cases and the last four characters of each Wind-Down Debtor’s tax identification number are: JCK Legacy Company (0478) and Herald Custom Publishing of Mexico, S. de R.L. de C.V. (5UZ1). The location of the Wind-Down Debtors’ service address, c/o FTI Consulting, Inc., for purposes of these chapter 11 cases is: 1201 W. Peachtree Street, NW, Suite 500, Atlanta, Georgia 30309.



New York 10004-1408, at **12:00 p.m. (Prevailing Eastern Time) on November 23, 2020**

(the “**Presentment Date**”), the proposed *Stipulation and Agreed Order (I) Resolving the Motion of JoAnna Culley, Guardian of the Estate of Dennis Leroy Williams, Disabled, for Relief from the Automatic Stay, and (II) Approving the Settlement Agreement Between the Parties* (the “**Stipulation and Agreed Order**”), together with a redacted copy of a settlement agreement annexed hereto.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Stipulation and Agreed Order must be made in writing and (a) filed with the Bankruptcy Court no later than **11:00 a.m. (Prevailing Eastern Time) on the Presentment Date** (the “**Objection Deadline**”) and (b) served so as to be actually received by the following parties by the Objection Deadline:

(i) the Debtors, JCK Legacy Company, c/o FTI Consulting, Inc., 1201 W. Peachtree Street, NW, Suite 500, Atlanta, Georgia 30309, Attn.: Sean M. Harding (sean.harding@fticonsulting.com);

(ii) counsel for the Plan Administration Trustee, Skadden, Arps, Slate, Meagher & Flom LLP, One Manhattan West, New York, New York 10001, Attn.: Shana A. Elberg (shana.elberg@skadden.com) and Bram A. Strohlic (bram.strohlic@skadden.com), 300 South Grand Avenue, Suite 3400, Los Angeles, California 90071, Attn.: Van C. Durrer, II (van.durrer@skadden.com), and Destiny N. Almogue (destiny.almogue@skadden.com) and 525 University Avenue, Palo Alto, California 94301 Attn.: Jennifer Madden (jennifer.madden@skadden.com);

(iii) co-counsel for the Plan Administration Trustee, Togut, Segal & Segal LLP, One Penn Plaza, Suite 3335, New York, New York 10119, Attn.: Albert Togut (altogut@teamtogut.com) and Kyle J. Ortiz (kortiz@teamtogut.com);

(iv) the Office of the United States Trustee, U.S. Federal Office Building, 201 Varick Street, Room 1006, New York, New York 10014, Attn.: Benjamin J. Higgins and Brian S. Masumoto;

(v) counsel to Chatham Asset Management, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn.: Andrew N. Rosenberg (arosenberg@paulweiss.com) and Elizabeth R. McColm (emccolm@paulweiss.com) and John T. Weber (jweber@paulweiss.com);

(vi) any party that has requested notice pursuant to Bankruptcy Rule 2002;

(vii) counsel to the Williams Estate, Goldenberg Heller & Antognoli, P.C., 2227 South State Route 157, Edwardsville, Illinois 62025, Attn.: Joel A. Kunin (jkunin@ghalaw.com), and Thomas Lech (tlech@ghalaw.com);

(viii) Continental Casualty Company, 801 Warrenville Road, 7th Floor, Lisle, Illinois 60532, Attn.: Eileen N. Miller; and

(ix) Travelers Property Casualty Company of America, P.O. Box 430, Buffalo, New York 14240, Attn.: David J. Donnelly.

PLEASE TAKE FURTHER NOTICE that if no timely, written objections are filed and received in accordance with the foregoing, the Stipulation and Agreed Order may be entered by the Court.

PLEASE TAKE FURTHER NOTICE that a copy of this filing can be obtained through the Bankruptcy Court's electronic case filing system at www.nysb.uscourts.gov using a PACER password (to obtain a PACER password, go to the PACER website, www.pacer.gov) or the website maintained by the Debtors' noticing agent, Kurtzman Carson Consultants LLC, at www.kcellc.net/McClatchy.

[concludes on following page]

Dated: New York, New York
November 13, 2020

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
Shana A. Elberg
Bram A. Storchlic
One Manhattan West
New York, New York 10001
Telephone: (212) 735-3000
Fax: (212) 735-2000

– and –

Van C. Durrer, II
Destiny N. Almogue (admitted *pro hac vice*)
300 S. Grand Avenue, Suite 3400
Los Angeles, California 90071-3144
Telephone: (213) 687-5000
Fax: (213) 687-5600

– and –

Jennifer Madden (admitted *pro hac vice*)
525 University Avenue
Palo Alto, California 94301
Telephone: (650) 470-4500
Fax: (650) 470-4570

– and –

TOGUT, SEGAL & SEGAL LLP

/s/ Frank A. Oswald

Albert Togut
Frank A. Oswald
Kyle J. Ortiz
Amy Oden
One Penn Plaza, Suite 3335
New York, New York 10119
Telephone: (212) 594-5000
Fax: (212) 967-4258

Counsel for Plan Administration Trustee

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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| Wind-Down Debtors. ¹ | : | (Jointly Administered) |
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**STIPULATION AND AGREED ORDER
(I) RESOLVING THE MOTION OF JOANNA CULLEY,
GUARDIAN OF THE ESTATE OF DENNIS LEROY WILLIAMS,
DISABLED FOR RELIEF FROM THE AUTOMATIC STAY, AND
(II) APPROVING THE SETTLEMENT AGREEMENT BETWEEN THE PARTIES**

This Stipulation and Agreed Order (this “Stipulation”), dated as of November 12, 2020, is entered into by and among (i) the Plan Administration Trust, formed under the chapter 11 plan² for JCK Legacy Company (f/k/a The McClatchy Company) and its affiliate debtors, as successor in interest to Cypress Media, Inc. and Cypress Media, LLC, doing business as The Belleville News-Democrat (collectively, “Cypress Media”),³ (ii) Joanna Culley, Guardian of the Estate of Dennis Leroy Williams, disabled (the “Williams Estate”), (iii) Travelers Property Casualty Company of America (“Travelers”), and (iv) Continental Casualty Company (“CNA,” and together with Travelers, the “Insurers”). All parties to this Stipulation are collectively referred to herein as the “Parties” and each may be referred to individually as a “Party.”

¹ The Wind-Down Debtors in these chapter 11 cases and the last four characters of each Wind-Down Debtor’s tax identification number are: JCK Legacy Company (0478) and Herald Custom Publishing of Mexico, S. de R.L. de C.V. (5UZ1). The location of the Wind-Down Debtors’ service address, c/o FTI Consulting, Inc., for purposes of these chapter 11 cases is: 1201 W Peachtree Street, NW, Suite 500, Atlanta, Georgia 30309.

² *First Amended Joint Chapter 11 Plan of Distribution of JCK Legacy Company and its Affiliated Debtors and Debtors in Possession*, dated September 21, 2020 [ECF No. 867] (as amended, modified, or supplemented from time to time, the “Plan”). The Plan was confirmed on September 25, 2020 and became effective on September 30, 2020 (the “Effective Date”).

³ Cypress Media, Inc. and Cypress Media, LLC are each wind-down Debtors (as hereinafter defined) in the above-captioned cases.

RECITALS

I. The Chapter 11 Cases

WHEREAS, on February 13, 2020 (the “Petition Date”),⁴ each of the above-captioned wind-down debtors (collectively, the “Debtors”) commenced a case by filing a petition for relief under chapter 11 of the Bankruptcy Code (collectively, the “Chapter 11 Cases”) in the United States Bankruptcy Court for the Southern District of New York (the “Court”). The Chapter 11 Cases are jointly administered.

WHEREAS, on February 26, 2020, the Office of the U.S. Trustee for the Southern District of New York appointed a creditors’ committee in these Chapter 11 Cases (the “Creditors’ Committee”) [Docket No. 114]. Pursuant to the Plan, the Creditors’ Committee was dissolved on the Effective Date.

II. The Prepetition State Court Action

WHEREAS, prior to the Petition Date, on November 7, 2014, the Williams Estate filed a complaint (the “Complaint”) for personal injury against, among other defendants, Debtors Cypress Media, Inc. and Cypress Media, LLC, in the Circuit Court, Twentieth Judicial Circuit, St. Clair County, Illinois (the “State Court”), in the case styled *Joanna Culley, Guardian of the Estate of Dennis Leroy Williams, Disabled, Plaintiff vs. Cypress Media, LLC., et al.*, Defendants, Case No. 14-L-737 (the “Civil Suit,” and the claims asserted therein, the “Williams Claims”).

WHEREAS, the Civil Suit stems from a motor vehicle accident that occurred on or about November 17, 2012 in St. Clair County, Illinois. The Complaint sets forth that Mr.

⁴ On March 24, 2020 (the “Additional Petition Date”), Debtor Oak Street Redevelopment Corporation (“Oak Street”) also commenced a case by filing a chapter 11 petition. As used herein, the term “Petition Date” encompasses the Additional Petition Date, and the term “Chapter 11 Cases” includes the Oak Street chapter 11 case, which is being jointly administered with the Debtors’ chapter 11 cases commenced on February 13, 2020. *See Order (I) Directing Joint Administration of Cases and (II) Waiving Requirements of Bankruptcy Code Section 342(c)(1) and Bankruptcy Rules 1005 and 2002(n)* [Docket No. 265].

Dennis Leroy Williams was injured while walking on North 22nd Street in East St. Louis, IL, when he was hit by a vehicle driven by Randy McCray who was delivering newspapers for Cypress Media, LLC.

WHEREAS, the Civil Suit is filed against multiple parties, including Cypress Media, and was pending jury trial at the time of the Petition Date.

WHEREAS, the Civil Suit was and is stayed pursuant to, at first, section 362(a) of the Bankruptcy Code (the “Automatic Stay”) and, subsequently, the injunctions established pursuant to Article X of the Plan.

WHEREAS, the Debtors are covered by general liability insurance policies providing coverage for defense and liability expenses under a policy with Travelers (the “Travelers Policy”), and additional coverage under an umbrella policy with CNA (the “CNA Policy,” and together with the Travelers Policy, the “Insurance Policies”).

WHEREAS, on April 1, 2020, the Williams Estate filed a motion [Docket No. 261] (the “Lift Stay Motion”) in the Chapter 11 Cases, seeking that the Automatic Stay be modified to allow the Williams Estate to prosecute the Civil Suit to recover any judgment against the Debtors solely to the limits of liability of the Insurance Policies.

WHEREAS, the Debtors have an obligation pursuant to the Travelers Policy to reimburse Travelers (the “Travelers Deductible”) (the “Deductible Reimbursement Claim”).

WHEREAS, while the Williams Claims are general unsecured claims, the Deductible Reimbursement Claim may need to be paid by the Debtors to Travelers at one hundred cents on the dollar.

WHEREAS, in the absence of a settlement that will obviate the need for the Debtors to pay the Deductible Reimbursement Claim, the Debtors were not amenable to consenting to the Lift Stay Motion.

WHEREAS, in the interests of achieving a global settlement, counsel to the Debtors proposed to the Parties that a settlement of the Williams Claims and the Civil Suit might be achieved sooner and more efficiently in the Chapter 11 Cases provided that the Williams Estate waive any right to recover the deductible portion from any proceeds that the Williams Estate receives on account of such settlement from the Insurance Policies, or otherwise take actions that obviate the need for the Debtors to reimburse Travelers for the Deductible Reimbursement Claim.

WHEREAS, counsel to the Debtors proposed that, consistent with the terms of the Travelers insurance program, Travelers pay the Travelers Amount (defined below), including the deductible portion of the Travelers Amount, to the Williams Estate, at which point the Williams Estate would immediately pay the Travelers Deductible to the Debtors, who will in turn pay the Travelers Deductible to Travelers. Using this framework, the Parties negotiated towards a global settlement that, subject to approval by the Bankruptcy Court and the State Court, would liquidate and fully resolve the Williams Claims.

WHEREAS, the Parties reached a settlement of the Williams Claims and the Civil Suit and will enter into the *Confidential Settlement Agreement and Release*, substantially in the form annexed hereto as Exhibit 1 and incorporated by reference herein (the “Settlement Agreement”).

WHEREAS, the Settlement Agreement is in the best interest of all Parties because, *inter alia*, it (i) will not require the Debtors to use out-of-pocket funds to satisfy the

Deductible Reimbursement Claim to Travelers, (ii) allows the Parties to settle the Civil Suit and the Williams Claims on mutually satisfactory terms and allows the Williams Estate to obtain payment from the Insurance Policies rather than through a distribution in these Chapter 11 Cases, and (iii) allows the Parties to expeditiously resolve this matter with minimal litigation or expense and no claims against the Debtors or their estates.

NOW, THEREFORE, after good faith, arms'-length negotiations, the Parties agree as follows:

1. This Stipulation may be deemed a request pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure, to approve the settlement of the Civil Suit and the Williams Claims pursuant to the terms of the Settlement Agreement, which is hereby approved in its entirety. Subject to approval of the Settlement Agreement by the State Court, the Debtors or the Plan Administration Trust, as applicable, are authorized to take any and all actions that may be reasonably necessary or appropriate to consummate the settlement described therein.

2. The Automatic Stay is modified solely for the purpose of allowing the Parties to obtain approval of the Settlement Agreement by the State Court and to consummate the settlement set forth therein.

3. The Lift Stay Motion is deemed resolved and withdrawn with prejudice.

4. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Stipulation.

[Signature Pages Follow]

THE WILLIAMS ESTATE

By Joanna Culley, Guardian of the Estate of
Dennis Leroy Williams, disabled

By her Counsel:

GOLDENBERG HELLER & ANTOGNOLI,
P.C.

/s/ Joel A. Kunin

Joel A. Kunin

Thomas Lech

2227 South State Route 157

Edwardsville, Illinois 62025

Telephone: (618) 656-5150

Fax: (618) 656-6230

**PLAN ADMINISTRATION TRUST, ON
BEHALF OF CYPRESS MEDIA, INC. et al.,**

By Their Co-Counsel

TOGUT, SEGAL & SEGAL LLP

By:

/s/ Frank A. Oswald

Frank A. Oswald

Kyle J. Ortiz

Katharine E. Scott

One Penn Plaza, Suite 3335

New York, New York 10019

Telephone: (212) 594-5000

Fax: (212) 967-4258

CONTINENTAL CASUALTY COMPANY

By:

Eileen N. Miller

Eileen Miller

801 Warrenville Road, 7th Floor

Lisle, Illinois 60532

Telephone: (630) 719-3251

**TRAVELERS PROPERTY CASUALTY
COMPANY OF AMERICA**

By:

/s/ David J. Donnelly

David J. Donnelly

P.O. Box 430

Buffalo, New York 14240

Telephone: (860) 277-1901

Fax: (860) 297-3442

So Ordered this ____ day of _____, 2020

HONORABLE MICHAEL E. WILES
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Settlement Agreement (Redacted Version)

CONFIDENTIAL SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (hereinafter “Agreement”) is entered into by and between (i) the Plan Administration Trust, formed under the chapter 11 plan¹ for JDK Legacy Company (f/k/a The McClatchy Company) and its affiliate debtors, as successor in interest to Cypress Media, Inc. and Cypress Media, LLC, doing business as The Belleville News-Democrat (hereinafter collectively “CYPRESS MEDIA”), on the one hand, and (ii) Joanna Culley, Trustee of the Dennis L. Williams Supplemental Needs Trust (hereinafter “the WILLIAMS ESTATE”) on the other hand. All parties to this Agreement are collectively referred to herein as the “Parties” and each may be referred to individually as a “Party.”

1. **Payment:** CYPRESS MEDIA, exclusively by way of available insurance proceeds, agrees to pay to the WILLIAMS ESTATE cash and future periodic payments (structured settlement) as outlined herein having a cost of [REDACTED] (hereinafter the “Settlement Payment”) with a portion of such payment subject to reimbursement as such portion represents CYPRESS MEDIA’S deductible obligation pursuant to an insurance policy, as further set forth in Paragraph 4 below. The cash portion of the payment shall be made by check or draft payable to “Joanna Culley, Trustee of the Dennis Williams Special Needs Trust and Goldenberg, Heller and Antognoli, P.C.” subject to the conditions set forth below.

2. **Bankruptcy Proceedings:** The WILLIAMS ESTATE acknowledges and understands CYPRESS MEDIA and certain of their affiliates (hereinafter “the Debtors”) commenced voluntary cases under chapter 11 of title 11 of the United States Code (hereinafter the “Bankruptcy Code”), and those cases are jointly administered under the chapter 11 case *In re The McClatchy Company, et al.*, Case No. 20-10418(MEW) (Bankr. S.D.N.Y. 2020) (hereinafter “the McClatchy Bankruptcy”), which is pending in the Bankruptcy Court for the Southern District of New York (hereinafter “the Bankruptcy Court”). As such, the Litigation, as defined in Paragraph 5 herein, was and is stayed pursuant to, at first, section 362(a) of the Bankruptcy Code and, subsequently, the injunctions established pursuant to Article X of the Plan.

By motion, dated April 1, 2020 (hereinafter the “Lift Stay Motion”), the WILLIAMS ESTATE sought to modify the automatic stay to continue the litigation and the Debtors are amendable to doing so provided the WILLIAMS ESTATE waives any right to recover any amount, including but not limited to any deductible or deficiency, from CYPRESS MEDIA, The McClatchy Company, their parents, subsidiaries, affiliates, predecessors, successors, assigns, estates, administrators, agents, insurers, and/or employees, all as more fully set forth in paragraph 6 herein. The WILLIAMS ESTATE understands and agrees this Agreement is subject to Bankruptcy Court approval pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure.

¹ *First Amended Joint Chapter 11 Plan of Distribution of JCK Legacy Company and its Affiliated Debtors and Debtors in Possession*, dated September 21, 2020 [ECF No. 867] (as amended, modified, or supplemented from time to time, the “Plan”). The Plan was confirmed on September 25, 2020 and became effective on September 30, 2020.

3. **Means of Payment:** With respect to the total amount of payment referenced in Paragraph 1, Travelers Property Casualty Company of America (hereinafter “Travelers”), an insurer of CYPRESS MEDIA, will pay a portion of such amount – specifically, [REDACTED] (hereinafter “the Travelers Payment”) from Travelers’ claim #E1E9365 (hereinafter “the Claim”). Continental Casualty Company, an excess insurer of CYPRESS MEDIA, will pay the remaining portion of the total amount of payment referenced in Paragraph 1 – specifically, [REDACTED], in the form of upfront cash and future periodic payments as outlined below in this Section 3 below.

Upon receipt of the Travelers Payment by the WILLIAMS ESTATE or counsel for the WILLIAMS ESTATE, whichever occurs first, this Release and all terms herein shall become effective as to Travelers and shall not cease to be effective due to any non-payment by Continental Casualty Company or life insurance company providing structure. With respect to the first payment by Continental Casualty Company or life insurance company providing structure, upon receipt of such payment by the WILLIAMS ESTATE or counsel for the WILLIAMS ESTATE, whichever occurs first, this Release and all terms herein shall become effective as to Continental Casualty Company and shall not cease to be effective due to any non-payment by Travelers.

In the event of non-payment by Travelers for any reason whatsoever, the right of recovery by THE WILLIAMS ESTATE, if any, shall lie with Travelers and no other entity. In the event of non-payment by Continental Casualty Company or life insurance company providing structure, the right of recovery by THE WILLIAMS ESTATE, if any, shall lie with such entities and no other entities.

3.1 Periodic Payments

In consideration of the release set forth herein, Continental Casualty Company, on behalf of CYPRESS MEDIA agrees to pay to the individual(s) named below (the “Payee(s)”) the sums outlined in this section 2 below:

Periodic payments (the “Periodic Payments”) made or caused to be made by Continental Casualty Company according to the schedule as follows (the “Periodic Payments”):

Payee:

Arcadia will insert structure payments when known

All sums set forth herein constitute damages on account of personal physical injuries or sickness, within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1986, as amended.

3.2 Payee's Rights of Payments

The WILLIAMS ESTATE acknowledges that the Periodic Payments cannot be accelerated, deferred, increased or decreased by the WILLIAMS ESTATE or any Payee; nor shall the WILLIAMS ESTATE or Payee(s) have the power to sell, mortgage, encumber, or anticipate the Periodic Payments, or any part thereof, by assignment or otherwise.

3.3 Payee's Beneficiary

Any payments to be made after the death of any Payee(s) pursuant to the terms of this Settlement Agreement shall be made to such person or entity as shall be designated in writing by Payee to the Insurer or the Insurer's Assignee. If no person or entity is so designated by Payee, or if the person designated is not living at the time of the Payee's death, such payments shall be made to the estate of the Payee. No such designation, nor any revocation thereof, shall be effective unless it is in writing and delivered to the Insurer or the Insurer's Assignee. The Designation must be in a form acceptable to the Insurer or the Insurer's Assignee before such payments are made, but in no event shall the request of the payee be unreasonably withheld or denied. The beneficiary designation at this time is _____.

3.4 Consent to Qualified Assignment

3.41 The WILLIAMS ESTATE acknowledges and agrees that CYPRESS MEDIA and/or Continental Casualty Company may make a "qualified assignment", within the meaning of Section 130(c) of the Internal Revenue Code of 1986, as amended, of CYPRESS MEDIA'S or Continental Casualty Company's liability to make the Periodic Payments set forth in Section 3.22 to _____ ("The Assignee"). The Assignee's obligation for payment of the Periodic Payments shall be no greater than that of CYPRESS MEDIA and/or Continental Casualty Company (whether by judgment or agreement) immediately preceding the assignment of the Periodic Payments obligation.

3.42 Any such assignment, if made, shall be accepted by the WILLIAMS ESTATE without right of rejection and shall completely release and discharge CYPRESS MEDIA and Continental Casualty Company from the Periodic Payments obligation assigned to the Assignee. The WILLIAMS ESTATE recognizes that, in the event of such an assignment, the Assignee shall be the sole obligor with respect to the Periodic Payments obligation, and that all other releases with respect to the Periodic Payments obligation that pertain to the liability of CYPRESS MEDIA and Continental Casualty Company shall thereupon become final, irrevocable and absolute.

3.5 Right to Purchase an Annuity

CYPRESS MEDIA or Continental Casualty Company, itself or through _____ ("Assignee") reserves the right to fund the liability to make the Periodic Payments outlined in Section 3.22 through the purchase of an annuity policy from _____ ("Annuity Issuer"). CYPRESS MEDIA, Continental Casualty Company or the Assignee shall be the sole owner of the annuity policy and shall have all rights

of ownership. CYPRESS MEDIA, Continental Casualty Company, or the Assignee may have Annuity Issuer mail payments directly to the Payee(s). The WILLIAMS ESTATE shall be responsible for maintaining a current mailing address for the Payee (s) with the assignee.

3.6 Discharge of Obligation

The obligation assumed by the Assignee to make each Periodic Payment shall be fully discharged upon the mailing of a valid check or electronic funds transfer in the amount of such payment on or before the due date to the last address on record for the Payee or Beneficiary with the Annuity Issuer. If the Payee or Beneficiary notifies the Assignee that any check or electronic funds transfer was not received, the Assignee shall direct the Annuity Issuer to initiate a stop payment action and, upon confirmation that such check was not previously negotiated or electronic funds transfer deposited, shall have the Annuity Issuer process a replacement payment.

4. Reimbursement of Deductible: Within seven (7) days of receipt of the Travelers Payment, the WILLIAMS ESTATE shall remit payment of [REDACTED] (the "Williams Estate Payment"), without any deduction whatsoever, to the payment processing agent for Plan Administration Trust, The McClatchy Company, LLC, by wire transfer pursuant to payment instructions to be provided by The McClatchy Company, LLC. The WILLIAMS ESTATE and its counsel agree that such amount will be maintained in an attorney trust account at all times and will not be distributed to the WILLIAMS ESTATE under any circumstance. The Williams Estate Payment, after having been received by The McClatchy Company, LLC, will thereafter be promptly remitted to Travelers in the ordinary course of The McClatchy Company, LLC's billing and payment obligations, in full satisfaction of CYPRESS MEDIA'S deductible reimbursement obligation arising from the attendant Travelers insurance policy that responds to the Claim. To be clear, this payment does not satisfy all deductible obligations under the policy; it only satisfies the deductible obligations for this one claim under the policy. Travelers and Continental Casualty Company shall thereafter have no further rights to seek any recovery against the Debtor Parties (as hereinafter defined) nor The McClatchy Company, LLC, directly or indirectly (including, but not limited to, from any letter of credit issued by any of the Debtors for the benefit of Travelers), for any amounts relating to the deductible obligation arising from or related to the Claim. The Parties acknowledge that the Plan Administration Trust, The McClatchy Company, LLC and the Debtors are acting solely as a conduit regarding the Williams Estate Payment, as such funds do not, and shall not, constitute property of their estates.

5. Court Approval of Settlement: The WILLIAMS ESTATE acknowledges and agrees to prepare and file all necessary pleadings, motions, and/or documents to secure court approval of this Agreement in the litigation captioned *Joanna Culley, Guardian of the Estate of Dennis Leroy Williams, Disabled v. Cypress Media, LLC, Cypress Media, Inc., The Belleville News-Democrat, The McClatchy Company, and Randy McCray.*, Twentieth Judicial Circuit, St. Clair County, Illinois (hereinafter the "State Court"), Case No. 14-L-737 (hereinafter "the Litigation"), including but not limited to a petition to approve settlement, a petition to approve distribution of settlement funds, a petition to establish a special needs trust, and/or any petition to adjudicate liens. Should CYPRESS MEDIA file any motion to secure a finding of good faith relating to the Agreement, The WILLIAMS ESTATE shall not oppose same. The Debtors agree to promptly prepare and file a motion with the Bankruptcy Court for an Order approving this

Agreement, which Order shall include a modification of the automatic stay to permit Travelers and Continental Casualty to administer and pay the Claim and for Travelers to bill the deductible reimbursement obligation and collect payment from the Debtors. For the avoidance of doubt, the parties acknowledge and agree this Agreement is subject to and conditioned upon approval by both the Bankruptcy Court and the State Court.

6. **Release:** Upon the WILLIAMS ESTATE'S receipt of the Travelers Payment provided for in Paragraph 3 hereof, the WILLIAMS ESTATE, for itself and for its assigns, executors, heirs, successors, attorneys, agents, predecessors, successors, assigns, creditors, executors, affiliates, insurers, reinsurers, officers, directors, administrators, shareholders, principals, employees, and any and all persons acting under their direction or control or on their behalf (hereinafter "the Williams Estate Parties"), hereby now and forever fully and completely release and discharge CYPRESS MEDIA, The McClatchy Company, the Plan Administration Trust, and each of their direct and indirect parents and subsidiaries, predecessors, successors, assigns, estates, creditors, executors, affiliates, insurers, excess insurers, reinsurers, officers, directors, administrators, shareholders, principals, attorneys, agents, employees, and any and all persons acting under their direction or control or on their behalf (hereinafter "the Debtor Parties"), of and from any and all actions, suits, claims, duties, causes of action, demands, obligations, liabilities, rights, damages (including punitive or exemplary damages), or liability of any nature whatsoever, of any kind, whether known or unknown, asserted or unasserted, whether at law or in equity, which they now have, or ever had, or may have in the future arising out of, based upon or attributable to, in whole or in part, or relating in any manner to the Litigation, the Claim, and the facts and circumstances alleged in the complaint filed in such Litigation. The foregoing release expressly includes, but is in no way limited to, any claims or causes of action for negligence, vicarious liability, *respondeat superior*, negligent hiring, negligent retention, attorneys' fees, punitive damages, exemplary damages, and/or extracontractual damages of any type. The Williams Estate Parties shall not receive any distribution in any of the McClatchy Bankruptcy Cases. Any and all proofs of claim filed by the Williams Estate Parties in the McClatchy Bankruptcy Cases shall be deemed automatically withdrawn. The Williams Estate Parties shall not file any further proofs of claim, irrespective of whether such right of payment relates to the subject matter that is being settled pursuant to this Agreement. The Lift Stay Motion shall be deemed resolved by granting modification of the stay and approving this settlement, after which such Motion shall be marked off the Bankruptcy Court's docket.

7. **Dismissal:** If necessary, upon the WILLIAMS ESTATE'S receipt of the payments provided for in Paragraph 3 hereof, the WILLIAMS ESTATE will cause to be filed in the Litigation a Stipulation of Dismissal with prejudice, each Party to bear its own costs and with all rights of appeal being waived. For purposes of this paragraph, "payment" shall include the payment and funding of annuity as provided for in Paragraph 3. In the event that one but not both of the parties required to make payments pursuant to this agreement do so and at defense counsel's request, counsel for Plaintiff will provide a Stipulation of Dismissal which defense counsel shall hold in escrow until such time as both parties have made all required payments.

8. **Authority:** The WILLIAMS ESTATE warrants and represents the undersigning representative has full and complete authority to execute this Agreement and bind the WILLIAMS ESTATE to the terms hereof and that she has taken all necessary actions to duly

approve the making and performance of this Agreement and that no further estate approval, corporate approval, or other approval is necessary. CYPRESS MEDIA, Travelers, and Continental Casualty Company warrant and represent the undersigned representatives have the full and complete authority to execute this agreement and bind each of them to the terms hereof.

9. **No Admission:** This Agreement is intended to be and is a compromise among the Parties hereto and shall not be construed as an admission of liability or as a waiver, modification or retraction of any position taken by the Parties.

10. **Liens and Indemnification Thereof:** The WILLIAMS ESTATE expressly warrants no other person or entity has asserted or is about to assert any lien, claim, or entitlement to any portion of the consideration recited above which has not been satisfied, or will not be satisfied immediately out of the above recited consideration being paid for this Agreement. The WILLIAMS ESTATE further expressly agrees to indemnify and hold harmless the Debtor Parties, from any lien, claim or entitlement to any portion of the consideration recited above being paid for this Agreement which may be asserted at any time by any person or entity other than those expressly provided for herein.

In addition, the WILLIAMS ESTATE hereby expressly stipulates and agrees to satisfy any known and valid medical liens, healthcare liens, and/or any liens existing by virtue of health insurance, and/or liens by the Department of Veterans Affairs, CMS/Medicare, Medicaid, and/or the Illinois Department of Public Aid for any liens that were existing or may be filed resulting from any treatment or the like related to the incident that has resulted in this settlement, including any actions that may be brought in order to recover said liens if they are not satisfied as agreed. The WILLIAMS ESTATE further agrees to indemnify and hold harmless CYPRESS MEDIA, the McClatchy Company, their parents, subsidiaries, affiliates, insurers, agents, and/or employees from any liens, costs, attorneys' fees, and the like incurred or that may be incurred as to any unsatisfied lien that may be asserted.

Pursuant to 735 ILCS 5/2-2301(c), the WILLIAMS ESTATE and its attorneys, agree to segregate the full amount of liens for medical care which have been filed in this case from all other funds paid as consideration for this Agreement and to deposit said funds in its IOLTA account, pending resolution of said liens.

In further consideration of the foregoing amount paid, the attorneys for the WILLIAMS ESTATE release all claims for attorneys' liens against CYPRESS MEDIA, the McClatchy Company, and each of their respective parents, subsidiaries, affiliates, insurers, agents, and/or employees in connection with the foregoing settlement. The undersigned counsel for the WILLIAMS ESTATE represents and certifies no other person or entity is entitled to any sum for attorneys' fees in connection with the aforementioned claims, except for those whom the undersigned will provide lien waivers contemporaneous to the execution of this agreement, and agrees to defend, indemnify and to save harmless CYPRESS MEDIA, the McClatchy Company, and each of their respective parents, subsidiaries, affiliates,

insurers, agents, and/or employees if any person or entity shall assert any claim for attorneys' fees in connection with the matters released herein.

11. **Timing of Payments.** The payment and funding of annuity as provided for in Paragraph 3 shall be made no later than 30 days from the time that the application for annuity referenced in paragraph 3 is in good order and the rate is locked and confirmed by the brokers handling the annuity in this matter. Under no circumstance will this 30 day period begin to run prior to both the lifting of the stay in the *McClatchy* bankruptcy proceedings and the final approval of the Circuit Court of St. Clair County, Illinois. To the extent that this paragraph is inconsistent with 735 ILCS 5/2- 2301 the WILLIAMS ESTATE Expressly waives 735 ILCS 5/2-2301

12. **Confidentiality.** Except as required by law or as necessary to receive tax or other financial planning advice, the WILLIAMS ESTATE, its counsel, representatives, and agents each agree to keep confidential the terms and contents of this Agreement and the contents of the negotiations and discussions resulting in this Agreement. One Thousand Dollars (\$1,000) of the Settlement Payment set forth in Paragraph 1 shall act as consideration for such confidentiality, and the WILLIAMS ESTATE understands and acknowledges that consideration for such confidentiality has been provided. The WILLIAMS ESTATE further agrees and acknowledges this confidentiality agreement is enforceable by any court of competent jurisdiction. The remedies for breach shall include but not be limited to injunction, actual damages, and such other reasonable costs incurred by CYPRESS MEDIA in enforcing the agreement. In the event an action is brought to enforce this confidentiality agreement, the prevailing party shall be awarded their attorneys' fees from the non-prevailing party. Action initiated to enforce this confidentiality agreement shall not affect other settlement terms described herein. It is understood this confidentiality agreement does not prevent the disclosure of information reasonably required by law, by any federal, state or local governmental agency or any court, or otherwise by written authorization by an authorized representative of CYPRESS MEDIA. It is further understood that the WILLIAMS ESTATE's only affirmative obligation with regard to the confidentiality of this agreement other than advising tax and financial advisers and representatives of the confidential nature of the settlement is to seek an order from the Court allowing submission of the terms of this settlement under seal and submitting the terms to the Court consistent with such order.

13. **Non-Disparagement.** In consideration of the payment referenced in Paragraph 1, the WILLIAMS ESTATE, representatives, and agents each agree not to disparage CYPRESS MEDIA, their parents, subsidiaries, affiliates, insurers, agents, and/or employees and further agree and acknowledge this non-disparagement agreement is enforceable by any court of competent jurisdiction. Similarly, CYPRESS MEDIA and its representatives and agents each agree to not disparage the WILLIAMS ESTATE, its representatives, agents, and/or employees and further agree and acknowledge this non-disparagement agreement is enforceable by any court of competent jurisdiction. The remedies for breach shall include but not be limited to injunction, actual damages, and such other reasonable costs incurred in enforcing the agreement. In the event an action is brought to enforce this non-disparagement agreement, the prevailing party shall be awarded their attorneys' fees from the non-prevailing party. Action initiated to enforce this non-disparagement agreement shall not affect other settlement terms described herein. It is understood this non-disparagement agreement does not prevent the disclosure of

information reasonably required by law, by any federal, state or local governmental agency or any court, or otherwise by written authorization by an authorized representative of CYPRESS MEDIA.

14. **Severability:** Any provision of this Agreement held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Agreement and the effect thereof shall be confined to the provision held unenforceable. The Parties expressly agree that the terms and provisions of this Agreement are contractual in nature and not merely recitals.

15. **No Waiver:** The provisions of this Agreement may not be changed, discharged, terminated, altered or waived orally, but only by an instrument in writing signed by the Parties hereto. The failure by any Party to enforce its rights under this Agreement on any occasion shall not operate as or be deemed to be a waiver of any future enforcement or exercise of such rights.

16. **Construction of Agreement:** No provision of this Agreement shall be construed against or interpreted to the disadvantage of any Party by any court or other governmental or judicial authority by reason of such Party's having or being deemed to have drafted, prepared or imposed such provision.

17. **Entire Agreement.** This Agreement shall constitute the entire agreement among the Parties with respect to the subject of this Agreement and shall supersede and replace any previous agreements and understandings between the Parties, whether written or oral, with respect to the subject matter of this Agreement.

18. **Recitals.** The foregoing Recitals are incorporated herein by reference as integral parts of this Agreement.

19. **Enforcement.** Notwithstanding any of the foregoing releases contained in this Agreement, nothing in this Agreement is intended to prevent, waive, or release any Party to this Agreement from seeking enforcement of any of the terms, conditions or other provisions of this Agreement.

20. **Governing Law and Forum Selection.** This Agreement is to be governed and construed in accordance with the laws of the State of Illinois applied without regard to its law applicable to choice of law. The Parties agree that the Bankruptcy Court and the state and federal courts in and for the State of Illinois shall have exclusive jurisdiction over all disputes arising between the Parties in relation to this Agreement including, without limitation, proceedings to enforce the terms hereof and disputes relating in any way to the Parties' obligations set forth herein.

[Signature Pages Follow]

By signing below I certify that I have fully read, understand and agree to the above terms of the Confidential Settlement Agreement and Release.

EXECUTED THIS _____ DAY OF _____, 2020.

By: _____
JOANNA CULLEY

STATE OF ILLINOIS)
) SS
COUNTY OF _____)

I, the undersigned, a notary public, in and for said county and state, do hereby certify that JOANNA CULLEY, personally known to me to be the person signing the above and foregoing instrument, appeared before me this day and acknowledge that JOANNA CULLEY signed, sealed, and delivered said instrument as her free and voluntary act and deed as the uses and purposes therein set forth.

GIVEN under my hand and notarial seal on this _____ day of _____ 2020.

NOTARY PUBLIC

By signing below I certify that I have fully read, understand and agree to the above terms of the Confidential Settlement Agreement and Release.

EXECUTED THIS _____ DAY OF _____, 2020.

By: _____
ON BEHALF OF TRAVELERS PROPERTY
CASUALTY COMPANY OF AMERICA

By signing below I certify that I have fully read, understand and agree to the above terms of the Confidential Settlement Agreement and Release.

EXECUTED THIS _____ DAY OF _____, 2020.

By: _____
ON BEHALF OF CONTINENTAL CASUALTY
COMPANY

By signing below I certify that I have fully read, understand and agree to the above terms of the Confidential Settlement Agreement and Release.

EXECUTED THIS _____ DAY OF _____, 2020.

By: _____
ON BEHALF OF THE PLAN ADMINISTRATION
TRUST, AS SUCCESSOR IN INTEREST TO CYPRESS
MEDIA, INC.

STATEMENT OF ATTORNEY

The undersigned attorney does hereby certify the foregoing Release has been read and approved by him and that he has explained its purpose and legal effect to JOANNA CULLEY, who has executed it as her free and voluntary act and that she and the WILLIAMS ESTATE agree to be bound by same.

Thomas J. Lech, Esq.
Goldenberg Heller & Antognoli, P.C.

STATEMENT OF ATTORNEY

The undersigned attorney does hereby certify the foregoing Release has been read and approved by him and that he has explained its purpose and legal effect to CYPRESS MEDIA, Travelers, and Continental Casualty Company, each of which has executed the Release as their free and voluntary act and agree to be bound by same.

Kyle Christopher Oehmke, Esq.
Hinshaw & Culbertson, LLP