SETTLEMENT AGREEMENT & RELEASE

This *Settlement Agreement and Release* ("*Agreement*" or "*Settlement*") is made and entered into this 28th day of October 2025 ("*Effective Date*"), between and among each of: Sheena Marandino, Sean Marandino, Nancy Carrigan, Claire Freda, Kelley Freda, Alice Hart, Robert F. Hart, Torre Mastroianni and Congregation Beth Israel Of Worcester (collectively, "*Plaintiffs*"), on behalf of themselves and on behalf of all others similarly situated (collectively, as defined below, the "*Class*"); Peterson's Oil Service, Inc. d/b/a Peterson Oil, Cleghorn Oil, and/or Cape Discount Fuel, Howard Wood Peterson, Jr., Individually, Sharon Peterson, Individually, and Kristen Peterson Halus, Individually (collectively, "*Peterson Oil*"); United States Fire Insurance Company ("*US Fire*"); The North River Insurance Company ("*North River*"); and Federated Mutual Insurance Company ("*Federated*"). For ease of reference, each of the *Plaintiffs*, the *Class*, *Peterson Oil*, *US Fire*, *North River* and *Federated* are each individually a "*Party*" to this *Agreement*, and are sometimes collectively referred to as the "*Parties*."

RECITALS

WHEREAS, *Plaintiffs* were customers of *Peterson Oil* at various times between January 1, 2012 and the present.

WHEREAS, on March 11 2019, *Plaintiffs* filed claims against *Peterson Oil* in the Trial Court of the Commonwealth of Massachusetts – Superior Court Department, styled *Sheena Marandino, Sean Marandino, Nancy Carrigan, Claire Freda, Kelley Freda, Alice Hart, Robert F. Hart, Torre Mastroianni, and Congregation Beth Israel of Worcester, on behalf of themselves and other similarly situated individuals v. Peterson's Oil Service, Inc. d/b/a Cleghorn Oil by Peterson and d/b/a Peterson Oil, et al.*, Suffolk County Docket No. 1984-CV-0782 BLS2 (the "*Underlying Litigation*").

WHEREAS, the Massachusetts Superior Court certified a class in the *Underlying Litigation*.

WHEREAS, *Plaintiffs* amended the complaint in the *Underlying Litigation* multiple times, and the currently-operative complaint is the Sixth Amended Complaint (the "*Complaint*"), with the exception of the fraud count having been dismissed with prejudice.

WHEREAS, among other things, the *Complaint* alleges that *Peterson Oil* sold home heating oil that had been blended with high concentrations of biodiesel to the *Plaintiffs* and the *Class*, without disclosing that the fuel was anything other than traditional No. 2 heating oil.

WHEREAS, the *Complaint*, as amended, alleges that customers of *Peterson Oil* experienced damage to their oil storage tanks, heating systems, and other associated heating equipment.

WHEREAS, the *Complaint*, as amended, also alleges that the fuel *Peterson Oil* delivered caused economic harm to customers in that it was worth less than what customers paid and that customers had to buy more of the fuel to generate the same amount of heat.

WHEREAS, at times: Howard Wood Peterson Jr. ("Howard Peterson") was the President of Peterson's Oil Service, Inc. (the "*Company*"); Kristen Peterson Halus ("Kristen Halus") was the Vice President of the *Company*; and Sharon Peterson ("Sharon Peterson") served as a director of the *Company* and provided services to the *Company*, for which the *Company* classified her as an independent contractor.

WHEREAS, the *Complaint* as amended alleges that *Howard Peterson*, *Kristen Halus* and *Sharon Peterson* are each individually liable for the *Company's* conduct based on their alleged active participation therein.

WHEREAS, *Peterson Oil* denies the allegations in the *Underlying Litigation* and denies that it committed any wrongdoing.

WHEREAS, the *Underlying Litigation* was vigorously litigated for more than six years, including the exchange of extensive discovery between the parties to that *Underlying Litigation*, and scheduled for a jury trial to begin on September 30, 2025.

WHEREAS, *US Fire* and *North River* issued general commercial liability and umbrella/excess insurance policies to *Peterson Oil* between July 5, 2011 and July 5, 2016 and *Federated* issued general commercial liability and umbrella insurance policies to *Peterson Oil* between July 5, 2019 and July 5, 2023.

WHEREAS, *US Fire* and *North River* filed a declaratory judgment action against *Peterson Oil* (and in which *Plaintiffs* intervened), seeking a declaration that they did not owe *Peterson Oil* a duty to defend or indemnify. That declaratory judgment action is currently pending in the United States District Court for the District Court of Massachusetts, styled *United States Fire Insurance Company, et. al., v. Peterson Oil Service, Inc., et. al.*, D. Mass. Civil Action No. 4:22-cv-40044 (the "*US Fire/North River Coverage Litigation*").

WHEREAS, *Peterson Oil* and *Plaintiffs* deny all the allegations in the *US Fire/North River Coverage Litigation* and contend that *US Fire* and *North River* owe *Peterson Oil* a duty to defend and indemnify *Peterson Oil* for the claims in the *Underlying Litigation*.

WHEREAS, *Federated* filed a declaratory judgment action against *Peterson Oil* and *Plaintiffs*, seeking a declaration that it did not owe *Peterson Oil* a duty to defend or indemnify and did not owe *Plaintiffs* and the *Class* a duty to indemnify. That declaratory judgment action is currently pending in the United States District Court for the District Court of Massachusetts, styled *Federated Mutual Insurance Company v. Peterson's Oil Service, Inc., et. al.*, D. Mass. Civil Action No. 4:22-cv-10517 (the "*Federated Coverage Litigation*").

WHEREAS, *Peterson Oil* and *Plaintiffs* deny all the allegations in the *Federated Coverage Litigation* and contend that *Federated* owes *Peterson Oil* a duty to defend and indemnify *Peterson Oil* for the claims in the *Underlying Litigation*.

WHEREAS *Plaintiffs* made multiple demands that *US Fire* and *North River* settle the *Plaintiffs'* and the *Class's* claims against *Peterson Oil* in the *Underlying Litigation* on grounds that liability was reasonably clear, within the meaning of G.L. c. 176D § 3(9)(f); and commenced an action styled *Sheena Marandino, et. al., v. United States Fire Insurance Company, et. al.*, D. Mass. Civil Action No. 4:22-cv-40044 (the "*US Fire/North River 176D Litigation*") in which they asserted that *U.S. Fire* and *North River* violated M.G.L. c. 93A and 176D by failing to effectuate a prompt and reasonable settlement.

WHEREAS, *North River* and *US Fire* dispute all allegations in the *US Fire/North River 176D Litigation* and dispute that they breached any obligations to *Plaintiffs* or the *Class* under M.G.L. c. 93A or c. 176D.

WHEREAS *Plaintiffs* made multiple demands that *Federated* settle the *Plaintiffs'* and the *Class's* claims against *Peterson Oil* in the *Underlying Litigation* on grounds that liability was reasonably clear, within the meaning of G.L. c. 176D § 3(9)(f); and filed counterclaims in the *Federated Coverage Action*, in which they asserted that *Federated* violated M.G.L. c. 93A and c. 176D by failing to effectuate a prompt and reasonable settlement.

WHEREAS, *Federated* disputes all *Plaintiffs'* counterclaims in the *Federated Coverage Litigation* and disputes that it breached any obligations to *Plaintiffs* or the *Class* under M.G.L. c. 93A or c. 176D.

WHEREAS, the *Parties* all participated in a full day, in-person mediation of the *Underlying Litigation* on September 19, 2025, with mediator Lawrence Pollack, Esq., of JAMS in New York City. Following the full day of mediation on September 19, 2025, the *Parties* (through counsel) continued settlement discussions through mediator Pollack.

WHEREAS, the *Parties'* mediation and follow up negotiations resulted in the execution of a Confidential Settlement Term Sheet by all *Parties* (through counsel) on October 6, 2025 (the "*Confidential Settlement Term Sheet*") that contains the principal and material terms and conditions of a settlement on a class-wide basis.

WHEREAS, after consideration of the extensive factual record established in the *Underlying Litigation*, the attendant risks of trial, the risks of collecting on any judgment, and the benefits of the terms and conditions set forth herein, the *Plaintiffs* and *Class Counsel* (defined below) have concluded that such terms and conditions are fair, reasonable, and adequate, and that it is in the best interests of the *Plaintiffs* and the *Releasing Class Members* (defined below) to settle the *Underlying Litigation* and *Coverage Litigation* (which term is defined below), as set forth below;

WHEREAS *Peterson Oil* denies any and all liability and any and all claims for damages asserted by the *Plaintiffs* in or arising out of the *Underlying Litigation* and *US Fire*, *North River*, and *Federated* deny any and all liability and any and all claims for damages asserted in or arising out of the *Coverage Litigation*, including, but not limited to, any and all claims under G.L. c. 93A or c. 176D or similar provisions, but *Peterson Oil*, *US Fire*, *North River*, and *Federated* are

entering into this *Agreement* to buy peace from further dispute and controversy by and between the *Parties*, without any admission of liability.

WITNESSETH:

Now, therefore, in consideration of the mutual promises contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which the *Parties* acknowledge, the *Parties* agree as follows:

1. Definitions. In addition to other terms defined throughout the *Agreement*, the following terms have the corresponding meanings:

(a) "*Class*" means all customers of *Peterson Oil* who received fuel from *Peterson Oil* containing more than five percent (5%) biodiesel at any point since January 1, 2012, [1] and all persons who own heating equipment that came in contact with, stored, or used said fuel, including all successors in interest thereto (such as, for example, (i) a homeowner who was not a customer of *Peterson Oil*, but purchased a home that received such oil during such period; or (ii) a landlord who owned heating equipment, but rented to a customer of *Peterson Oil* who received such oil during such period), assigns, subrogees, or any other person who may claim an interest in this matter through a *Class Member*. Each person within the *Class* is a "*Class Member*".

(b) "*Approval Date*" means the thirty-first (31st) calendar day following the date an Order Granting Final Approval of this *Settlement* ("*Order of Approval*") is entered by the Court, provided no notice of appeal is filed; or, if a notice of appeal is filed, ten (10) business days after final disposition of such appeal (including any motions or petitions for rehearing or further appellate review) in a manner that has the effect of affirming the *Order of Approval*.

(c) "*Class Counsel*" means Jeffrey S. Strom, Esq., John Regan, Esq., and James D. Livingstone, of Regan Strom, P.C., along with Christopher L. DeMayo, Esq., counsel to the *Plaintiffs* and *Class* in the *Underlying Litigation*.

(d) "*Coverage Litigation*" refers, collectively, to the *Federated Coverage Litigation*, the *US Fire/North River Coverage Litigation*, and/or the *US Fire/North River 176D Litigation*.

(e) "*Releasing Class Member*" means all *Class Members* who either received fuel from *Peterson Oil* containing more than five percent (5%) biodiesel at any point between January 1, 2012, and the day before *Notices*, defined below, are sent out/published in accordance with Section 4(b) below, or whose heating equipment came in contact with, stored, or used such fuel

[1] The definition of the class originally certified by the Massachusetts Superior Court.

between January 1, 2012, and the day before *Notices* are sent out/published in accordance with Section 4(b) below, including any successors in interest thereto.

(f) "*Release Period*" means all days from January 1, 2012 until the *Order of Approval* is entered by the Court, inclusive.

(g) "*Settling Defendants*" refers, collectively, to Peterson's Oil Service, Inc. d/b/a Peterson Oil, Cleghorn Oil, and/or Cape Discount Fuel, Howard Wood Peterson, Jr., Individually, Sharon Peterson, Individually, and Kristen Peterson Halus, Individually, United States Fire Insurance Company, The North River Insurance Company, and Federated Mutual Insurance Company.

2. <u>Settlement Payment</u>. The *Parties* agree to the following financial consideration for this *Agreement*, which shall be paid in accordance with the following provisions:

(a) The *Plaintiffs* propose to submit this class-action settlement of the *Underlying Litigation* to the Court for approval, pursuant to Mass. R. Civ. P. 23(c). The *Parties* agree to reasonably cooperate as necessary to obtain timely approval of this *Agreement*, so that all required payments can be made as soon as practicable, consistent with the requirements of Mass. R. Civ. P. 23. The *Parties* further agree that if the Court does not approve this *Agreement*, then for a reasonable period of not less than thirty (30) calendar days after the Court's denial, they shall in good faith attempt to negotiate a substitute agreement with terms that conform as closely to this *Agreement* as possible but that are otherwise acceptable to the *Parties* and the Court, and consistent with the *Confidential Settlement Term Sheet*.

(b) Should this *Agreement* be approved by the Court, and should an order granting such approval become final and non-appealable, the *Settling Defendants* will pay consideration of fourteen million dollars ($14,000,000.00) (the "*Gross Settlement Amount*"), allocated as follows:

(i) *US Fire* and *North River* – $8,300,000.00;
(ii) *Federated* – $4,500,000.00; and
(iii) *Peterson Oil* -- $1,200,000.00.

(c) The *Gross Settlement Amount* shall be held in escrow by the *Settlement Administrator* (as defined and described further below in Section 6) and disbursed in accordance with the terms set forth below in Section 6. Payment of the *Gross Settlement Amount* shall be final and not subject to any claims for reimbursement by any *Settling Defendant*, and will be made on a non-recourse basis (that is, no *Settling Defendant* will seek to recoup and will not recoup the payment, or any portion thereof, and no unspent funds will revert back to any of them).

(d) The *Gross Settlement Amount* shall be paid by one or more wire transfer(s) to the *Settlement Administrator*, for the benefit of the *Releasing Class Members* and *Class Counsel*, and delivered to the *Settlement Administrator*, as advised in writing by *Class Counsel*, within fourteen (14) calendar days following the *Approval Date*, whereupon the releases stated below in Section 3 shall become final and irrevocable. Neither the *Settlement Administrator*, the *Releasing Class Members*, the *Class*, the *Plaintiffs*, nor *Class Counsel* shall have any further recourse against *Peterson Oil*, *North River*, *US Fire*, or *Federated* once that *Party's* share of the *Gross Settlement Amount* has been paid.

(e) If this *Agreement* is, for any reason, not approved, and if the *Parties* are unable within thirty (30) calendar days to negotiate a substitute agreement as described in subparagraph (a) above, then: (i) this *Agreement* shall be null and void; (ii) the *Settling Defendants* shall not be obligated to pay the *Gross Settlement Amount*; and (iii) the *Parties* shall be restored to their respective several positions as they existed immediately prior to the date of this *Agreement*, without prejudice to any of their rights or defenses.

3. Releases & Covenants Not to Sue. In further consideration of the promises given in this *Agreement*, upon satisfaction of the *Settling Defendants'* obligations specified in Section 2 above, the *Parties* further give the following releases:

(a) The *Releasing Class Members*, for themselves and for each of their respective successors, directors, officers, employees, agents, legal representatives, spouses, heirs, and assigns, in consideration of all of the promises given herein and performance of the obligations specified in this *Agreement*, do hereby irrevocably remise, release, acquit, forever discharge, and covenant not to sue *Peterson Oil* and each of their related entities and each of their respective past, present, and future directors, officers (whether acting in such capacity or individually), shareholders, owners, partners, joint venturers, principals, trustees, creditors, attorneys, representatives, employees, members, managers, insurers, reinsurers, parents, subsidiaries, divisions, subdivisions, departments, affiliates, predecessors, successors, and assigns, as well as any agent acting or purporting to act for them or on their behalf (the "*Peterson Oil Releasees*"), from and against any and all claims, counterclaims, actions, causes of action, suits, set-offs, costs, losses, expenses (including attorneys' fees and costs actually incurred), sums of money, accounts, reckonings, debts, charges, complaints, controversies, disputes, damages, judgments, executions, promises, covenants, omissions, duties, agreements, rights, and any and all demands, obligations, and liabilities, of whatever kind and character, whether direct or indirect, whether suspected or unsuspected, whether known or unknown or capable of being known, arising at law or in equity, arising by right of action or otherwise, that were or could have been raised in the *Underlying Litigation* (including but not limited to any claims of ongoing harm or injury) or the

Coverage Litigation and arising out of *Peterson Oil's* operations during the *Release Period*, whether in tort, contract, fraud and any other legal basis, and excepting only any proceedings that may be necessary to enforce the terms of this *Agreement*.

As of the *Approval Date*, the *Plaintiffs*, as the designated representatives of the *Releasing Class Members*, on behalf of themselves and the *Releasing Class Members*, shall have, and by operation of the *Order of Approval* shall be deemed to have, completely, voluntarily, knowingly, unconditionally, and forever released, acquitted, and discharged the *Peterson Oil Releasees* from the foregoing claims.

(b) The *Releasing Class Members*, for themselves and for each of their respective successors, directors, officers, employees, agents, legal representatives, spouses, heirs, and assigns, in consideration of all of the promises given herein and performance of the obligations specified in this *Agreement*, do hereby irrevocably remise, release, acquit, forever discharge, and covenant not to sue *US Fire*, *North River*, *Federated* and each of their related entities and each of their respective past, present, and future directors, officers (whether acting in such capacity or individually), shareholders, owners, partners, joint venturers, principals, trustees, creditors, attorneys, representatives, employees, members, managers, insurers, reinsurers, retrocessionaires, claims administrators, parents, subsidiaries, divisions, subdivisions, departments, affiliates, predecessors, successors, and assigns, as well as any agent acting or purporting to act for them or on their behalf (the "*Insurer Releasees*"), from and against any and all claims, counterclaims, actions, causes of action, suits, set-offs, costs, losses, expenses (including attorneys' fees and costs actually incurred), sums of money, accounts, reckonings, debts, charges, complaints, controversies, disputes, damages, judgments, executions, promises, covenants, omissions, duties, agreements, rights, and any and all demands, obligations, and liabilities, of whatever kind and character, whether direct or indirect, whether suspected or unsuspected, whether known or unknown or capable of being known, arising at law or in equity, arising by right of action or otherwise, arising during the *Release Period* and arising out of or in any way relating to: (i) the facts and circumstances alleged in the *Underlying Litigation*, including without limitation any claims arising under or relating to any alleged breaches of G.L. c. 93A or c. 176D or similar provisions under any applicable law; and/or (ii) anything that was or could have been raised in the *Coverage Litigation*; (iii) but excepting only any proceedings that may be necessary to enforce the terms of this *Agreement*.

As of the *Approval Date*, the *Plaintiffs*, as the designated representatives of the *Releasing Class Members,* on behalf of themselves and the *Releasing Class Members*, shall have, and by operation of the *Order of Approval* shall

be deemed to have, completely, voluntarily, knowingly, unconditionally, and forever released, acquitted, and discharged the *Insurer Releasees* from the foregoing claims.

(c) For the avoidance of any doubt, the release of the foregoing claims by the *Releasing Class Members* as of the *Approval Date* is inclusive of any and all claims, counterclaims, actions, causes of action, suits, set-offs, costs, losses, expenses (including attorneys' fees and costs actually incurred), sums of money, accounts, reckonings, debts, charges, complaints, controversies, disputes, damages, judgments, executions, promises, covenants, omissions, duties, agreements, rights, and any and all demands, obligations, and liabilities, of whatever kind and character, whether direct or indirect, whether suspected or unsuspected, whether known or unknown or capable of being known, arising at law or in equity, arising by right of action or otherwise, that were or could have been carved out of the *PIIC Settlement* (defined below), including, but not limited to, those economic loss damages stated in footnote 2 of the *Complaint*.

4. Conduct of the *Underlying Litigation*; Dismissal of the *Coverage Litigation*. The *Parties* make the following agreements with respect to the further conduct of the *Underlying Litigation* and of the *Coverage Litigation*:

(a) Preliminary Approval Process. *Class Counsel* shall prepare a draft motion seeking preliminary approval of this Agreement and of the proposed *Notices* (defined below) to be sent to the *Releasing Class Members*. The motion for preliminary approval will seek the setting of dates: (a) to provide objections to this *Agreement*, which date will be at least forty-five (45) calendar days from the mailing of the *Notices*, defined below, to the *Releasing Class Members*, no later than seventy five (75) calendar days from the preliminary approval order, and at least fifteen calendar days before the *Fairness Hearing for Final Approval*, defined below; and (b) for a fairness hearing for final approval of the terms and conditions of this *Agreement* before the Court (the "*Fairness Hearing for Final Approval*") at the earliest practicable date, suggested to the Court to be ninety (90) calendar days from the preliminary approval order.

The *Settling Defendants* will not unreasonably withhold their assent and/or non-objection to the preliminary approval motion. *Plaintiffs* will, thereafter, file the preliminary approval papers with the Court by October 28, 2025.

(b) Notice Process.

Plaintiffs shall submit for the Court's approval: (i) a short form of notice to *Releasing Class Members*, in the form attached hereto as Addendum A; (ii) a long form of notice to *Releasing Class Members*, in the form attached hereto as Addendum B; (iii) a short form of notice to certain current owners (described below) of any address to which *Peterson Oil* delivered fuel

during the *Release Period*, in the form attached hereto as Addendum C; and (iv) a long form of notice to such current owners, in the form attached hereto as Addendum D (collectively, the "*Notices*").

The *Parties* agree, however, that the Court may modify the *Notices* as part of the *Preliminary Approval* process and that the Court will have final say over the information contained in the *Notices* provided that they are not materially inconsistent with the following, which is a material term of this *Agreement* and which will void this *Agreement* should the Court deny its inclusion and/or the inclusion of materially similar language:

"If the Settlement becomes final, You will not be able to sue or be part of any other lawsuit against the Defendants for the claims asserted or which could have been asserted in this action. Indeed, You should consider this notice that the claims that were made against the Defendants in the Class Action, include but are not limited to claims that biofuel is allegedly less efficient in home heating systems, allegedly contains fewer BTUs (heat production) than No. 2 fuel oil, allegedly requires adjustments to burners, and allegedly causes damage to home heating equipment. You should also consider this notice that, if the Settlement becomes final, all such claims against the Defendants will be released by You and You may will not be able to assert them in the future."

Within three (3) business days of the Court's issuance of a *Preliminary Approval Order*, *Peterson Oil* will send, based on the information within its possession, a complete list of all *Releasing Class Members* as of that date, along with delivery history for all such *Releasing Class Members*, to the *Settlement Administrator* (as defined and described further below in Section 6). On the thirteenth (13th) calendar day following the Court's issuance of a *Preliminary Approval Order*, *Peterson Oil* shall supplement the *Releasing Class Member* list (and delivery history) with a list of (and delivery history for) any *Releasing Class Members* who first became *Peterson Oil* customers after *Peterson Oil* sends the initial list.

On the fourteenth (14th) calendar day following the Court's issuance of a *Preliminary Approval Order*, the *Settlement Administrator* shall: (i) send, by first class mail, the approved short-form notice to customers to all *Releasing Class Members*; (ii) make the approved long form of notice to *Releasing Class Members* available on a website dedicated to this settlement; (iii) send, by first class mail, the approved short-form notice to certain "current owners" (detailed, below) of addresses to which *Peterson Oil* delivered fuel during the *Release Period*; and (iv) make the approved long form of notice to those "current owners" available on a website dedicated to this settlement. The *Settlement Administrator* will ascertain *Releasing Class Members*' identities and addresses (as well as the addresses to which *Peterson Oil* delivered fuel) from the lists provided by *Peterson*

Oil in accordance with this Section. Before mailing the short form *Notices*, the *Settlement Administrator* will perform customary database searches or skip traces to locate the current address for all persons/entities who purchased fuel from *Peterson Oil* during the *Release Period* (based on *Peterson Oil's* records). If those searches reveal that person/entity that purchased fuel from *Peterson Oil* during the *Release Period* does not receive mail at the delivery address, the *Settlement Administrator* will mail a notice to both: (i) the person/entity who purchased the fuel at the updated address; and (ii) the "current owner" of the delivery address. Otherwise, the *Settlement Administrator* will mail one notice to the delivery address and addressed to the person/entity who purchased the fuel.

Unless a short form notice is returned to the *Settlement Administrator* by the U.S. Postal Service as undeliverable, each such notice shall be deemed received by the *Releasing Class Member* to whom it was sent five (5) business days after it was mailed. With regard to any notice that is returned to the *Settlement Administrator* as undeliverable, the *Settlement Administrator* will search any customary databases available to it that were not previously searched to locate a current address and, if a current address is located, shall promptly re-mail the notice. The *Settlement Administrator* shall also promptly re-mail, fax and/or email the *Notices* to a member of the *Releasing Class* upon request by that individual or by *Class Counsel* (with provision of updated address, fax number, and/or email address information).

(c) Objections to Settlement.

(i) *Releasing Class Members* who wish to object to the *Settlement* must do so in writing. To be considered, a written objection must be mailed to the *Settlement Administrator* via First-Class United States Mail, postage prepaid, and be received by the *Settlement Administrator* by a date certain at least forty-five (45) calendar days from the mailing of the *Notice* to the *Releasing Class Member*. The written objection must include the words, "I object to the settlement in the Peterson Oil Class Action Settlement," or something similar as well as all reasons for the objection. The written objection must also include the name, address and telephone number(s) of the *Releasing Class Member*. The *Settlement Administrator* will stamp the date received on the original and send copies of each objection to *Class Counsel* and the S*ettling Defendants'* Counsel by email and overnight delivery no later than three (3) business days after receipt thereof. The *Settlement Administrator* will also file the date-stamped originals of any and all objections with the Court at least five (5) business days before the *Fairness Hearing for Final Approval*.

(ii) A *Releasing Class Member* who files objections to the *Settlement* ("*Objector*") also has the right to appear at the *Fairness Hearing for*

Final Approval either in person or through counsel hired by the *Objector*, at the *Objector's* sole cost and expense. An *Objector* who wishes to appear or speak at the *Fairness Hearing for Final Approval* must state his or her intention to do so in writing on his or her written objections at the time he or she submits his or her written objections by including the words, "I intend to appear and speak at the fairness hearing," or something similar. An *Objector* may withdraw his or her objections at any time. Except as otherwise permitted by the Court, no *Releasing Class Member* may be heard at the *Fairness Hearing for Final Approval* unless he or she has filed a timely objection that complies with all procedures provided in this paragraph and the previous paragraph. Except as otherwise permitted by the Court, no *Releasing Class Member* may present an objection at the *Fairness Hearing for Final Approval* based on a reason not stated in his or her written objections.

(iii) The *Parties* may file with the Court written responses to any filed objections no later than three (3) business days before the *Fairness Hearing for Final Approval*.

(d) Final Approval. Following whatever notice and objection process the Court approves, *Plaintiffs* shall draft and file a motion for final approval of the settlement agreement. *Plaintiffs* shall submit the draft final approval motion to the *Settling Defendants* for their review and input at least ten (10) business days prior to the filing deadline established by the Court. The *Settling Defendants* shall have five (5) business days from receipt thereof to provide any comments. The *Settling Defendants* will not unreasonably withhold their assent and/or non-objection to the preliminary approval motion.

(e) Dismissal of *Underlying Litigation*. Within fourteen (14) business days after the receipt and clearance of the *Gross Settlement Amount* by the *Settlement Administrator*, the *Plaintiffs* shall file a stipulation of dismissal with prejudice in the *Underlying Litigation*. Such dismissal shall be without costs or fees to any *Party*.

(f) Dismissal of *Coverage Litigation*. Within fourteen (14) business days after the receipt and clearance of the *Gross Settlement Amount* by the *Settlement Administrator*: (i) the *Plaintiffs* shall file a stipulation of dismissal with prejudice in the *US Fire/North River 176D Litigation*; (ii) *Plaintiffs* and *Peterson Oil* shall file a stipulation of dismissal with prejudice in the *Federated Coverage Litigation*; and (iii) *Peterson Oil* shall file a stipulation of dismissal with prejudice in the *US Fire/North River Coverage Litigation*.

All of the foregoing dismissals shall be without costs or fees to any *Party*.[2].

5. Administration of the Settlement and Distribution of Settlement Funds. The *Parties* agree that the *Plaintiffs* will propose (and *Settling Defendants* will not contest) that this Settlement shall be administered, and the *Gross Settlement Amount* shall be distributed, as follows:

(a) Third Party Administrator. *Plaintiffs* will propose that Optime Administration, LLC be appointed to administer this *Settlement*. Whatever party is appointed by the Court to administer the *Settlement* will be referred to herein as the "*Settlement Administrator*." *Class Counsel* shall retain the *Settlement Administrator*, which will be responsible for, among other things, sending and publishing the *Notices*, researching changed addresses, determining the validity of claims forms, calculating *Releasing Class Member* settlement shares, issuing payments, and any associated responsibilities, all pursuant to this *Agreement* and as further directed by any Court order. Aside from *Peterson Oil's* obligations to produce the *Releasing Class List* and delivery data, the *Settling Defendants* shall not owe any duties whatsoever to the *Settlement Administrator*, and the *Settlement Administrator* shall have no recourse whatsoever against the *Settling Defendants*.

(b) Qualified Settlement Fund: The *Gross Settlement Amount* will be paid into a qualified settlement fund, to be opened and managed by the *Settlement Administrator* in such a manner as to qualify and maintain the qualification as a "Qualified Settlement Fund" under Section 468B of the Internal Revenue Code and Treas. Reg. § 1.468B-1. The *Settlement Administrator* shall distribute the *Gross Settlement Amount* in the manner approved by the Court.

(c) Allocation of *Gross Settlement Amount*. The *Plaintiffs* will propose the following allocation of the *Gross Settlement Amount* in their motions for preliminary and final for approval to be filed with the Court:

(i) Incentive payments of fifteen thousand dollars ($15,000.00) to each Plaintiff;

(ii) Four million, six hundred and sixty-six thousand, six-hundred and sixty-six dollars and sixty-seven cents ($4,666,666.67) as attorneys' fees for *Class Counsel*, representing one-third (1/3) of the *Gross Settlement Amount*;

[2] *Peterson Oil*, *US Fire*, *North River*, and *Federated* will agree to the terms of a separate settlement agreement and release, consistent with the terms of the *Confidential Settlement Term Sheet*, in connection with the *US Fire/North River Coverage Litigation*, and the *Federated Coverage Litigation*. Notwithstanding the foregoing, *US Fire*, *North River*, and *Federated* will continue to pay for all defense costs related to the *Underlying Litigation*, including but not limited to attorneys' fees, expert costs, and vendor costs through the conclusion of this matter and any claims arising therefrom are explicitly reserved and not released by *Peterson Oil*.

(iii) Up to five hundred and fifty thousand dollars ($550,000.00) in reimbursement for reasonable litigation costs incurred by or to be incurred by *Class Counsel* in connection with the *Underlying Litigation* and with the administration of this *Agreement*;

(iv) Fees paid to the *Settlement Administrator* not to exceed three hundred and sixty-five thousand dollars ($365,000.00);

(v) A set-off fund of up to fifty thousand dollars ($50,000.00), which shall be used to resolve any disputes about late-filed claims or other unanticipated issues (the "*Dispute Fund*"). All such disputes shall be resolved by the *Settlement Administrator* and *Class Counsel* in their discretion, but subject to review by the Court if requested by any aggrieved party; and

(vi) All remaining *Gross Settlement Amounts*, in an amount of at least eight million, two hundred and thirty-three thousand, three hundred and thirty-three dollars and thirty-three cents ($8,233,333.33) (referred to here as the "*Class Fund*"), to be paid to eligible members of the *Releasing Class*, as set forth in subsection (d), immediately below.

(d) *Class Member* Settlement Payments. *Plaintiffs* will propose that the *Class Fund* be divided into two parts, as follows: (i) 17.33% of the *Class Fund*, which will amount to at least $1,426,836.67 to compensate *Releasing Class Members* for out-of-pocket expenses and inconvenience associated with lost heat episodes between January 1, 2012 and July 4, 2016 and July 6, 2019 and the date the *Order of Approval* is entered (the "*Heat Loss Fund*"); and (ii) 82.67% of the *Class Fund*, which will amount to at least $6,806,496.66, to compensate *Releasing Class Members* for the remaining alleged damages (the "*Pro Rata Fund*").

(i) *Heat Loss Fund Payments*. *Plaintiffs* will propose that *Releasing Class Members* whose heating equipment shut down between January 1, 2012 and July 4, 2016 and July 6, 2019 and the date the *Order of Approval* is entered (the "*Heat Loss Period"*) will be eligible for payments from the *Heat Loss Fund* if their heating equipment shut down under one of the following circumstances: (a) the repair to restore their heating equipment was replacing a nozzle and/or filter within twelve (12) months of having their nozzle and/or filter replaced previously; (b) the repair to restore their heating equipment was an adjustment to air/fuel ratios and/or cad-cell replacement, without other changes; and/or (c) a technician advised the *Releasing Class Member* that their heating equipment shutdown was due to *Peterson Oil*'s fuel.

Releasing Class Members who experienced a shutdown under one of the foregoing circumstances will be invited to submit a claim for reimbursement by signing an attestation, under penalty of perjury, listing

the dates of any/all heat loss episodes they experienced that met the foregoing criteria. Each *Releasing Class Member* who submits such an attestation will be entitled to a maximum payment of $180 per heating equipment shutdown to compensate them for both their out-of-pocket repair costs and the inconvenience of losing heat. Provided, however, that any *Releasing Class Member* who incurred over $500 in out-of-pocket losses due to a single heat loss episode may submit a claim, with supporting documentation, for their actual out-of-pocket losses and those out-of-pocket losses will be their maximum payment from the Heat Loss Fund.

The *Settlement Administrator* shall determine the validity of *Releasing Class Members*' claims for shares of the *Heat Loss Fund*, in its discretion and (when necessary) in consultation with *Class Counsel*, but subject to review by the Court if requested by any aggrieved party. Each *Releasing Class Member* with a valid claim for a share of the *Heat Loss Fund* is referred to as a "*Heat Loss Claimant*."

If the sum of the maximum payments to all *Heat Loss Claimants* does not exceed 17.33% of the *Class Fund*, then: (a) each *Heat Loss Claimant's* share of the *Heat Loss Fund* will equal the maximum amount for their claim; and (b) any excess in the *Heat Loss Fund* (above the sum of maximum payments to all *Heat Loss Claimants*) will revert to the *Pro Rata Fund*.

If the sum of the maximum payments to all *Heat Loss Claimants* does exceed 17.33% of the *Class Fund*, then each *Heat Loss Claimant's* share of the *Heat Loss Fund* will be calculated on a pro rata basis: each *Heat Loss Claimant* will receive a percentage of the *Heat Loss Fund* equal to the maximum amount of their claim divided by the sum of the maximum payments to all *Heat Loss Claimants*.

(ii) *Pro Rata Fund Payments*. *Plaintiffs* will propose that each *Releasing Class Member's* share of the *Pro Rata Fund* will be calculated on a pro rata basis, as follows:

First, for share calculation purposes only, $2,838,336.67 will be added to the amount set aside for the *Pro Rata Fund*, which will amount to at least $1,426,836.67, as set forth above. The amount set aside for the *Pro Rata Fund* in this *Agreement* plus $2,838,366.67 is referred to as the "*Pro Rata Payment Base*." The $2,838,336.67 represents the total amount of payments previously made to *Releasing Class Members* who received deliveries between July 5, 2016 and July 5, 2019 ("*PIIC Period Releasing Class Members*") from the so-called "*corrosion fund*" in the Settlement Agreement & Mutual Release between Plaintiffs and Philadelphia Indemnity Insurance Company (the "*PIIC Settlement*").

Second, the *Settlement Administrator* will calculate each *Releasing Class Member's* share of the *Pro Rata Payment Base*, which shall be a percentage of the *Pro Rata Payment Base* equal to their total gallons of fuel purchased from *Peterson Oil* (or delivered to their property by *Peterson Oil*) during the *Release Period* divided by the combined total gallons of fuel purchased from *Peterson Oil* by all *Releasing Class Members*. This amount will be the share of the *Pro Rata Fund* for all *Releasing Class Members* who were <u>not</u> *PIIC Period Releasing Class Members*. By way of example, if *Releasing Class Member* A is not a *PIIC Releasing Class Member* and purchased 10,000 gallons during the *Release Period*, and all *Releasing Class Members* combined to purchase 1,000,000 gallons, then that *Releasing Class Member* A's share of the *Pro Rata Fund* would be 1% of the *Pro Rata Payment Base*.

Third, for all *PIIC Period Releasing Class Members*, the *Settlement Administrator* will subtract their allocated share of the so-called "*corrosion fund*" in the *PIIC Settlement* from their share of the *Pro Rata Payment Base*. That difference will represent each *PIIC Period Releasing Class Members'* share of the *Pro Rata Fund*. By way of example, if a *Releasing Class Member* B's share of the *Pro Rata Payment Base* is $250 and *Releasing Class Member* B was allocated $125 from the *PIIC Settlement's* so-called "*corrosion fund*," then *Releasing Class Member* B's share of the *Pro Rata Fund* will be $125.

The *Settlement Administrator* will make the foregoing calculations based on delivery data provided by *Peterson Oil* in accordance with Section 4(b) and the final distribution calculations from the *PIIC Settlement*.

(e) <u>Claims and Payment Process</u>:

(i) *Submitting Claims for Heat Loss Fund Payments*. Only *Releasing Class Members* who timely submit a valid Claim Form and supporting documentation (for *Releasing Class Members* seeking over $500 in out-of-pocket losses) are eligible to receive a share of the *Heat Loss Fund*. The *Settlement Administrator* will make a claim form available to all *Releasing Class Members* on which they can submit claims for a share of the *Heat Loss Fund* (the "*Heat Loss Fund Claim Form*"). Such claims forms will be made available on a website dedicated to this *Settlement* and in hard copy upon request and the *Notices* will advise *Releasing Class Members* how to access the claims forms.

Fifty-five (55) calendar days after the *Notices* are mailed and made available online, the *Settlement Administrator* will mail reminder postcards to any *Releasing Class Members* who have not yet submitted a claim for a share of the *Heat Loss Fund*. Members of the *Releasing*

Class will have ninety (90) calendar days from the date the *Notices* are mailed and made available online by the *Settlement Administrator* to return their completed *Heat Loss Fund Claim Form* and, for any *Heat Loss Claimants* seeking over $500 in out-of-pocket losses, supporting documentation (the "*Claim Deadline*.") In order to be valid and effective, a *Heat Loss Fund Claim Form* must be unaltered, signed, dated, and postmarked or otherwise returned to the *Settlement Administrator* on or before the *Claim Deadline*. Upon receipt of an unsigned, untimely, incomplete, altered or not properly supported *Heat Loss Fund Claim Form*, the *Settlement Administrator* shall apprise the individual who returned the form of its deficiency and provide such individual with a substitute form that the individual may use to cure the deficiency within seven (7) calendar days or before the *Claim Deadline*, whichever time period is longer. A *Heat Loss Fund Claim Form* that remains unsigned, untimely, incomplete or altered after the time period set forth herein shall be void, absent a showing of good cause made more than seven (7) calendar days prior to the date of distributions. The *Settlement Administrator*, in consultation with *Class Counsel* when necessary, shall have the right to resolve any challenges regarding the validity of any *Heat Loss Fund Claim Form* made pursuant to this Section and to make a final and binding determination on all issues presented by any such challenges without hearing or right of appeal.

(ii) *Claims by Owners of Heating Equipment That Received Deliveries, Who Were Not Peterson Oil Customers*. As noted above, the *Notices* will be mailed and made available online to certain "current owners" of properties to which *Peterson Oil* delivered fuel during the *Release Period*. The *Notice* will explain, moreover, that owners of heating equipment that received *Peterson Oil's* fuel during the *Release Period* may have suffered property damage, even if the current owners were not customers of *Peterson Oil's* fuel during the *Release Period*, as in the case, for example, of: (a) landlords who owned a property's heating equipment, but whose tenants were *Peterson Oil* customers; and/or (b) persons who purchased a property (along with its heating equipment) from a former *Peterson Oil* customer.

The *Settlement Administrator* will make available a claim form that provides current owners of heating equipment the opportunity to submit a claim for payments from the *Heat Loss Fund* and/or *Pro Rata Fund* (the "*Current Owner Claim Form*"). Such claims forms will be made available on a website dedicated to this *Settlement* and in hard copy upon request and the *Notices* will advise current owners how to access the claims forms. Current owners will have until the *Claim Deadline* to return their completed *Current Owner Claim Form*.

In order to be valid and effective, a *Current Owner Claim Form* must be unaltered, signed, dated, and postmarked or otherwise returned to the *Settlement Administrator* on or before the *Claim Deadline*. Upon receipt of an unsigned, untimely, incomplete, or altered *Current Owner Claim Form*, the *Settlement Administrator* shall apprise the individual who returned the form of its deficiency and provide such individual with a substitute form that the individual may use to cure the deficiency within seven (7) calendar days or before the *Claim Deadline*, whichever time period is longer. A *Current Owner Claim Form* that remains unsigned, untimely, incomplete or altered after the time period set forth herein shall be void, absent a showing of good cause made more than seven (7) calendar days prior to the date of distributions. The *Settlement Administrator* shall have the right to resolve any challenges regarding the validity of any *Current Owner Claim Form* made pursuant to this Section and to make a final and binding determination on all issues presented by any such challenges without hearing or right of appeal.

Within three (3) business days of receipt of a valid *Current Owner Claim Form*, the *Settlement Administrator* will mail copies of such *Current Owner Claim Form* to: (1) *Class Counsel*; and (2) the *Releasing Class Member* who purchased the fuel delivered to the address in question (the "*Effected Property*"). The *Releasing Class Member* who purchased the fuel delivered to the *Effected Property* will have thirty (30) calendar days to dispute that the person claiming ownership of the heating equipment is entitled to payments from the *Heat Loss* and/or *Pro Rata Funds*. *Notice* of any such dispute must be provided to the *Settlement Administrator* in writing and must explain the basis of the dispute.

Within three (3) business days of receipt of notice of any such dispute, the *Settlement Administrator* will notify *Class Counsel*. The *Settlement Administrator* will also promptly contact both *Releasing Class Members* involved in any such dispute and advise them that they have three options: (i) split the amount(s) in dispute equally; (ii) agree among themselves to an alternate sharing arrangements for the amount(s) in dispute; and/or (iii) submit their dispute to the Court and/or a special master for resolution. If the *Releasing Class Members* agree to a sharing arrangement, they shall notify the *Settlement Administrator* of that agreement in writing and the *Settlement Administrator* shall distribute the funds in accordance with that agreement. If the *Releasing Class Members* desire to submit their dispute to the Court, they shall notify the *Settlement Administrator* of that in writing and the *Settlement Administrator* shall notify *Class Counsel*, who will notify the Court.

If the *Settlement Administrator* does not receive notice of such a dispute within thirty-five (35) calendar days of mailing a *Current Owner Claim*

Form to the *Releasing Class Member* who purchased fuel for the *Effected Property*, the share of the *Heat Loss* and/or *Pro Rata Funds* attributable to the *Effected Property* will be paid to the individual submitting the *Current Owner Claim Form* and not the *Releasing Class Member* who purchased the fuel.

If the time for a *Releasing Class Member* to submit a dispute has not passed and/or any dispute has not been resolved prior to the time for *Releasing Class Member Distributions* (described in subparagraph (iii), below), the *Settlement Administrator* will withhold payment for the share of the *Heat Loss* and/or *Pro Rata Funds* attributable to the *Effected Property* until such time as the dispute is resolved. Provided, however, that the foregoing will not in any way effect the timing of payments to other *Releasing Class Members*.

(iii) *Releasing Class Member Distributions*.

(a) Within ten (10) business days of receiving the *Gross Settlement Payment*, the *Settlement Administrator* will mail each *Releasing Class Member* their full share of the *Class Fund* and issue all other payments approved by the Court as set forth herein (such as attorneys' fees and costs to *Class Counsel* and incentive payments to *Plaintiffs*).

(b) All checks issued by the *Settlement Administrator* shall expire one hundred and twenty (120) calendar days after they are issued and shall bear a legend stating same. Eighty-five (85) calendar days after mailing the settlement checks, the *Settlement Administrator* shall mail a reminder post card to any *Releasing Class Member* who has not cashed her/his check as of that date. At the close of the 120-day period, the *Settlement Administrator* shall issue a stop payment order on all uncashed or returned checks.

The *Parties* and their counsel shall have no liability for lost or stolen settlement checks, for forged signatures on settlement checks, or for unauthorized negotiation of settlement checks. Without limiting the foregoing, in the event a *Releasing Class Member* reports a lost or destroyed check within the 120-day period, the *Settlement Administrator* shall issue a stop order on the original check and issue a new check. If a check is reported as lost or stolen during the final fifteen (15) calendar days of the 120-day period, the *Releasing Class Member* making such report will receive an additional 15-calendar-day grace period to cash a replacement check, but in no event will a check issued remain valid beyond one hundred and thirty-five (135) calendar days after the date the original check was issued.

(c) After the steps detailed in subparagraphs (a) through (b) immediately above are complete, the *Settlement Administrator* shall calculate the total value of funds not claimed by *Releasing Class Members* through checks that were not cashed (the "*Unclaimed Funds*"). In the event the *Unclaimed Funds* equal or exceed twenty-five thousand dollars ($25,000.00), the *Settlement Administrator* shall, within fourteen (14) calendar days of determining that the *Unclaimed Funds* exceed twenty-five thousand dollars ($25,000.00), re-distribute those funds to the *Releasing Class Members* who did cash their checks (the "*Recouping Releasing Class Member*"). Each *Recouping Releasing Class Member* shall receive an amount that is pro rata to his/her initial distribution from the *Pro Rata Fund*. The *Settlement Administrator* will send checks representing such amounts via First Class regular U.S. mail, with a cover letter (approved by *Class Counsel*) explaining the reason for the additional distribution. Each *Recouping Releasing Class Member* will have one hundred and twenty (120) calendar days from the date on which these checks are issued to negotiate his/her check, and each check shall bear a legend stating that the check shall be void after one hundred and twenty (120) calendar days. If any settlement check is not negotiated in that period of time, that settlement check shall be void. The *Parties* and their counsel shall have no liability for lost or stolen settlement checks, for forged signatures on settlement checks, or for unauthorized negotiation of settlement checks.

(d) If any settlement check and/or reminder post card is returned as undeliverable, the *Settlement Administrator* will perform a customary skip-trace in an effort to obtain updated address information, and a new check and/or reminder post card will be sent promptly to any updated address.

(e) Any amount remaining from checks that are not cashed by one hundred and twenty (120) calendar days after the final distribution will be added to the *Dispute Fund*. For purposes of this subparagraph and the next subparagraph, the initial distribution shall be the "final distribution" if *Unclaimed Funds* are less than twenty-five thousand dollars ($25,000.00). The second distribution (re-distributing any *Unclaimed Funds*) will be the final distribution if *Unclaimed Funds* from the initial distribution equal or exceed twenty-five thousand dollars ($25,000.00).

(f) Any amount remaining in the *Dispute Fund* following the final distribution shall be held in an interest-bearing escrow account by the *Settlement Administrator* for three years. The *Settlement Administrator* will donate any amounts remaining after those three years in a *cy pres* award to the Massachusetts IOLTA Committee to support activities and programs that promote access to the civil justice system for low-income

residents of the Commonwealth of Massachusetts, consistent with Mass. R. Civ. P. 23(e)(2).

(f) For the avoidance of doubt, and to reaffirm the foregoing, aside from the *Gross Settlement Amount*, the *Parties* agree that none of the *Settling Defendants* shall have any liability whatsoever to the *Settlement Administrator* or to any *Releasing Class Member* for: matters arising out of the retention or compensation of the *Settlement Administrator*; the accuracy of the list of all *Releasing Class Members* or any information therein (such as contact information, mailing addresses, and delivery histories), unless the inaccuracy is the result of grossly negligent, reckless, willful, fraudulent or similar conduct; or for matters pertaining to the administration of the *Settlement*, including (without limitation) any determinations made by the *Settlement Administrator*, in the exercise of its discretion or the powers granted to it above, about the validity of claims or the sums to be paid thereunder. Excepting only the *Gross Settlement Amount*, the *Settling Defendants* shall have no financial obligations to the *Releasing Class Members*, to *Class Counsel*, or to the *Settlement Administrator*, whatsoever.

6. **Claims Not Assigned**. The *Plaintiffs* each represent and warrant that they are the sole owners of any and all rights in and to their claims released in Section 3 herein, and that they have not assigned, transferred, or conveyed those claims. *Plaintiffs* represent, moreover, that they are not currently aware of any *Releasing Class Member* having assigned, transferred or conveyed any claims being released in Section 3 herein. This *Agreement* is entered into solely for the benefit of the *Parties*, including the *Releasing Class Members*; it is not intended to, and does not, give or create any rights to or in anyone other than the *Parties* or their respective heirs, executors, successors, or assigns. Any *Releasing Class Member* that receives funds from this *Settlement* does, thereby, represent and affirm he, she, or it has not assigned, transferred, or conveyed their claims, and will otherwise hold the *Parties* harmless from any such assignee.

7. **Return/Destruction of Confidential Information**. Following entry of the *Order of Approval* and payment of the *Gross Settlement Amount* as called for by Section 2 herein, *Plaintiffs* and *Class Counsel* shall destroy all confidential and attorneys' eyes-only documents that they have received in the course of the *Underlying Litigation* and/or *Coverage Litigation*, to the extent such information is not already part of the record or required to be retained by applicable law or ethical rules, including, but not limited to, Mass. R. Prof. Conduct 1.15A. *Plaintiffs* and *Class Counsel* shall ensure that any copies thereof retained by outside entities working on their behalf, are also permanently destroyed.

8. ***Agreement* Effective Notwithstanding Subsequently Discovered Facts**. The *Parties* acknowledge that they may later discover facts different from those now known or believed to be true. The *Parties* agree that this *Agreement* and the releases given above shall remain in full force and effect notwithstanding any existence of such different or additional facts.

9. **No Admission of Liability**. This *Agreement* is a compromise of disputed claims among the *Parties* which, are denied by each of them. Accordingly, the *Parties* expressly

acknowledge and agree that the execution of this *Agreement* does not constitute, and cannot be construed as, an admission of liability or wrongdoing, or lack thereof, or an acceptance of any claim or defense on the part of any *Party*. No *Party* shall claim to be the prevailing *Party* in the *Underlying Litigation* and/or *Coverage Litigation*.

10. **Successors and Assigns**. Notwithstanding anything to the contrary in Section 6 above, this *Agreement* shall be binding upon and be deemed to obligate, extend to and inure to the benefit of the *Parties*, their legal representatives, successors and assigns, including successors-in-interest to any heating equipment that came in contact with, stored, or used and of the fuel that is the subject of this *Agreement*, transferees, administrators, trustees, indemnitors, insurers, reinsurers, retrocessionaires, and all parents, subsidiaries, and affiliates of the *Parties* and their officers, directors, agents, managers, members, general partners, limited partners, principals, employees, and other designees.

11. **Choice of Law**. This *Agreement* shall be governed by and interpreted in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to its choice- or conflict-of-law principles or provisions.

12. **Authority to Sign**. The *Parties* each represent and warrant that the persons whose signatures appear below have full authority to act on behalf of the *Party* for whom they sign this *Agreement*.

13. **Joint Preparation**. This *Agreement* shall be entered into as if the *Parties* had jointly drafted it, and any ambiguity or uncertainty herein shall not be interpreted against any *Party*. The *Parties* agree that this *Agreement* is the product of an arm's-length negotiation in which each *Party* was represented by counsel. Each *Party* represents that it has read and fully understands the terms of this *Agreement*, that it has reviewed this *Agreement* with counsel of its choosing, and that it knowingly and voluntarily agrees to be bound hereby.

14. **Headings**. The *Parties* agree that the section headings used in this *Agreement* are for their convenience only, and are not intended to be used in construing or interpreting the terms of this *Agreement*.

15. **Tax Consequences**. Each *Party* agrees to be responsible for its own tax obligations arising out of this *Agreement*. No *Party* has made any representations or warranties to the other or to any third person(s) about the tax consequences of this *Agreement*, or the deductibility of any payments made hereunder.

16. **Collateral Use**. The *Parties* agree that, except as otherwise provided in this *Agreement*, this *Agreement* may not be used as evidence in any proceeding, except if one of the *Parties* alleges a breach of this *Agreement* or elects to use this *Agreement* as a defense to any claim.

17. **Counterparts**. This *Agreement* may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument, effective upon the signature of the last *Party* to sign. A copy of a signature, the image of a signature reproduced by facsimile or computer scan, or an electronic signature verified

by a reputable service such as DocuSign shall be effective for all purposes, as if it were an original signature.

18. **Breach of the *Agreement***. The *Parties* agree that if any *Party* alleges breach(es) of any provision of the *Agreement*, the prevailing party in any suit for such breach(es) shall be entitled to their legal fees and costs incurred in connection with such suit.

19. **Integration**. This *Agreement*, which consists of twenty-five (25) pages, constitutes the entire agreement among the *Parties* related to the settlement of the matters described herein. This *Agreement* supersedes all prior or contemporaneous negotiations, representations, understandings, term sheets or agreements, whether written or oral, related to the settlement of the *Underlying Litigation* and the *Coverage Litigation*. The terms of this *Agreement* are contractual and are not mere recitals. No supplement, amendment, modification, waiver, termination, cancellation, revocation, or nullification of this *Agreement* shall be binding and enforceable unless executed in writing by the *Parties*, or their respective successors and assigns. No waiver of any provision of this *Agreement* shall be deemed a waiver of any other provision, nor shall such waiver constitute a continuing waiver.

20. **Severability**. If any portion of this *Agreement* shall be declared invalid by a court of competent jurisdiction, the remainder of this *Agreement* (including all of the obligations specified herein) shall continue in full force and effect; and the *Parties* shall use best efforts to negotiate and abide by alternative terms that most fully approximate the spirit and intent of the invalidated provision(s), or such alternative provision(s) as may be supplied by said court.

21. **Notices**. Any notices that may or that are required to be given under this *Agreement* may be sent to the following by electronic or first-class mail, with delivery upon the addressee being deemed to be effective three (3) business days after transmittal thereof:

If to *Plaintiffs*:
Jeffrey S. Strom, Esq.
Regan Strom, P.C.
P.O. Box 916
Boylston, MA 01505
(508) 925-5525 telephone
jstrom@reganstrom.com

If to *Peterson Oil*:
Louis M. Ciavarra, Esq.
PRINCE LOBEL TYE LLP
One Mercantile Street, Suite 220
Worcester, MA 01608
(508) 318-1739 telephone
lciavarra@princelobel.com

-and-

Paul C. Foley, Esq.
Mirick, O'Connell, DeMallie & Lougee, LLP
100 Front Street

Docusign Envelope ID: 6173FC13-C4D4-4DBD-A2C9-3F33FBECC522

Worcester, MA 01608-1477
(508) 929-1628 telephone
pfoley@miricklaw.com

If to *US Fire* and/or *North River*:

Frank M. Falcone, Esq.
KENNEDYS CMK LLP
400 Connell Drive, Suite 700
Berkeley Heights, NJ 07920
908-848-6300 telephone
frank.falcone@kennedyslaw.com

If to *Federated*:

Alexander V. Tibor, Esq.
Meagher & Geer, P.L.L.P.
33 South Sixth Street, Suite 4400
Minneapolis, MN 55402
(612) 347-9171 telephone
atibor@meagher.com

* * *

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as follows:

Date: 10/28/2025

SHEENA MARANDINO
DocuSigned by:
Sheena Marandino
5CDBB78A4477427...

Date: 10/29/2025

SEAN MARANDINO
DocuSigned by:
0BD52C0DA126429...

Date: 10/28/2025

NANCY CARRIGAN
Signed by:
Nancy Carrigan
6645E276BF8D48E...

Date: 10/29/2025

CLAIRE FREDA
DocuSigned by:
260B0F550004405...

Docusign Envelope ID: 6173FC13-C4D4-4DBD-A2C9-3F33FBECC522

Date: 10/28/2025

KELLEY FREDA

DocuSigned by:
Kelley Freda
0A952D668DB1407...

Date: 10/28/2025

ALICE HART

DocuSigned by:
Robert F. Hart
69B8184CC21F4DE...

By Robert F. Hart
As Executor of the Estate of Alice Hart

Date: 10/28/2025

ROBERT F. HART

DocuSigned by:
Robert F. Hart
69B8184CC21F4DE...

Date: 10/28/2025

TORRE MASTROIANNI

DocuSigned by:
79A850BF53CB4A0...

Date: 10/29/2025

CONGREGATION BETH ISRAEL OF WORCESTER

Signed by:
By: Gregory S. Weiner
777F57242BED4EB...

Printed Name: Gregory S. Weiner

Title: President

Date: _____

PETERSON'S OIL SERVICE, INC.

By: _____

Printed Name: _____

Title: _____

Date: _____

HOWARD WOOD PETERSON, JR.

_____

Date: _____

KELLEY FREDA

_____

Date: _____

ALICE HART

_____
By Robert F. Hart
As Executor of the Estate of Alice Hart

Date: _____

ROBERT F. HART

_____

Date: _____

TORRE MASTROIANNI

_____

Date: _____

CONGREGATION BETH ISRAEL OF WORCESTER

By: _____

Printed Name: _____

Title: _____

Date: 10/28/2025

PETERSON'S OIL SERVICE, INC.

By: Howard W Peterson

Printed Name: Howard Peterson

Title: PRESIDENT

Date: 10/28/2025

HOWARD WOOD PETERSON, JR.

Howard W Peterson

Docusign Envelope ID: 161979A7-B30B-402D-8B7C-A7360C3421E8

Date: 10/28/2025

SHARON PETERSON

DocuSigned by:
Sharon Peterson
1A592195C52148C...

Date: _____

KRISTEN PETERSON HALUS

_____

Date: _____

UNITED STATES FIRE INSURANCE COMPANY

By: _____

Printed Name: _____

Title: _____

Date: _____

THE NORTH RIVER INSURANCE COMPANY

By: _____

Printed Name: _____

Title: _____

Date: _____

FEDERATED MUTUAL INSURANCE COMPANY

By: _____

Printed Name: _____

Title: _____

Date: _____

SHARON PETERSON

_____

Date: 10/28/05

KRISTEN PETERSON HALUS

_____

Date: _____

UNITED STATES FIRE INSURANCE COMPANY

By: _____

Printed Name: _____

Title: _____

Date: _____

THE NORTH RIVER INSURANCE COMPANY

By: _____

Printed Name: _____

Title: _____

Date: _____

FEDERATED MUTUAL INSURANCE COMPANY

By: _____

Printed Name: _____

Title: _____

Date: _____

SHARON PETERSON

_____

Date: _____

KRISTEN PETERSON HALUS

_____

Date: 10/29/25

UNITED STATES FIRE INSURANCE COMPANY

By: _____

Printed Name: James Grussing

Title: AVP/Director, Legal Services
RiverStone Claims Mgt LLC
Authorized Representative

Date: 10/29/25

THE NORTH RIVER INSURANCE COMPANY

By: _____

Printed Name: James Grussing

Title: AVP/Director, Legal Services
RiverStone Claims Mgt, LLC
Authorized Representative

Date: _____

FEDERATED MUTUAL INSURANCE COMPANY

By: _____

Printed Name: _____

Title: _____

Date: _____

SHARON PETERSON

_____

Date: _____

KRISTEN PETERSON HALUS

_____

Date: _____

UNITED STATES FIRE INSURANCE COMPANY

By: _____

Printed Name: _____

Title: _____

Date: _____

THE NORTH RIVER INSURANCE COMPANY

By: _____

Printed Name: _____

Title: _____

Date: 10/22/25

FEDERATED MUTUAL INSURANCE COMPANY

By: _____

Printed Name: Brian Sarde

Title: VP Senior Staff Counsel