SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT ("Settlement Agreement") is entered into by and between Cheryl Haynes and Marcellus Garner ("Named Plaintiffs"), individually and on behalf of the Settlement Class and the Plan (collectively, "Plaintiffs"), and AlaTrade Foods Holdings, Inc. and AlaTrade Foods, Inc.; Davis Lee, Beth Lee, and Beth Lee as Trustee of the Davis Lee 2017 Irrevocable Trustee Family Trust (together, the "Selling Shareholders"); and Stephen C. James acting in his capacity as the trustee of the ESOP (the "Trustee")(collectively, "Defendants") (Plaintiffs and Defendants together, the "Parties"). Capitalized terms used and not otherwise defined herein shall have the meanings set forth in Article I below.

RECITALS

WHEREAS, on or about August 15, 2024, Named Plaintiffs, individually and on behalf of the Plan, submitted a claim for benefits to the Plan administrator asserting that Defendants violated the Employee Retirement Income Security Act of 1974 ("ERISA") in connection with the Selling Shareholders' sale of stock to the Plan in June 2021 (the "ESOP Transaction") and the Claims Fiduciary ultimately denied the August 15, 2024 claim for benefits and the Named Plaintiffs' subsequent May 12, 2025 appeal thereof (the "Administrative Claims");

WHEREAS, the Parties engaged in extensive pre-filing investigation of Plaintiffs' claims, during which Plaintiffs were provided the administrative record pertaining to the Administrative Claims and numerous additional documents pertaining to their claims;

WHEREAS, the Parties conducted arm's-length negotiations concerning a possible compromise and settlement of the Class Action, including a full-day mediation with Mediator Maxine Aaronson;

WHEREAS, as a result of their investigation of their claims, Plaintiffs' Counsel has concluded that the terms of this Settlement are fair, reasonable, adequate, and in the best interests of the Named Plaintiffs, the Settlement Class, and the Plan, and have agreed to settle the Class Action on the terms set forth herein after considering: (i) the benefits that the Named Plaintiffs and members of the Settlement Class will receive from the Settlement; (ii) the risks, difficulties, and delays involved with complex litigation, including prosecution through trial and appeals; (iii) the specific risks inherent in complex actions under ERISA, including problems of proof and the variety of defenses potentially available to Defendants; and (iv) the desirability of permitting the Settlement to be consummated as provided herein;

WHEREAS, Defendants, notwithstanding their denial of each and every one of the material allegations in Plaintiffs' Complaint and their position that they acted at all times reasonably, prudently, and loyally with respect to the Plan, the participants and beneficiaries of the Plan, and the Settlement Class, have decided to enter into this Settlement Agreement to avoid the further expense, inconvenience, and burden of protracted litigation;

WHEREAS, the Parties desire promptly and fully to resolve and settle with finality all of the Released Claims against Defendants asserted by the Named Plaintiffs and on behalf of the Settlement Class and the Plan on the terms set forth herein and subject to the approval of the Court;

NOW, THEREFORE, it is agreed by the Parties, without any admission or concession of liability, in consideration of the promises, covenants, and agreements herein described, and for other good and valuable consideration, acknowledged by each of them to be satisfactory and adequate, that the Class Action and the Released Claims be settled, compromised, and dismissed on the merits and with prejudice as to Defendants, on the following terms and conditions, all subject to the approval of the Court:

I. DEFINITIONS

As used in this Settlement Agreement, capitalized terms and phrases, unless otherwise defined, have the meanings provided below:

1.1. "Administrative Expenses" means expenses incurred in the administration of this Settlement Agreement, including (a) all fees, expenses, and costs associated with providing the Class Notice to the Class Members; (b) all expenses related to taxes incurred on the Qualified Settlement Fund as described in Section 10.2.7.; (c) all expenses and costs associated with the distribution of funds under the Plan of Allocation; (d) fifty-percent (50%) of the Independent Fiduciary's fees; and (e) all fees and expenses of the Settlement Administrator. Excluded from Administrative Expenses are the Parties' respective legal fees and litigation expenses. Administrative Expenses shall be approved by the Court and paid or reimbursed from the Qualified Settlement Fund.

1.2. "Agreement Execution Date" shall mean the date on which the last required signature is affixed to this Settlement Agreement and this Settlement Agreement becomes fully executed.

1.3. "CAFA" means the Class Action Fairness Act of 2005, 28 U.S.C. §§ 1711-1715.

1.4. "CAFA Notice" means notice of this proposed Settlement to the appropriate federal and state officials pursuant to CAFA.

1.5. "Cash Settlement Amount" shall have the meaning set forth in Section 10.2.3.

1.6. "Class Action" shall mean the class action captioned *Cheryl Haynes and Marcellus Garner, on behalf of the AlaTrade Foods Holdings, Inc. Employee Stock Ownership Plan, and on behalf of a class of all other persons similarly situated v. AlaTrade Foods Holdings, Inc., AlaTrade Foods, Inc., Davis Lee, Beth Lee, and Beth Lee as Trustee of the Davis Lee 2017 Irrevocable Trustee Family Trust, and Stephen C. James acting in his capacity as the Trustee of the AlaTrade Foods Holdings, Inc. Employee Stock Ownership Plan,* that Named Plaintiffs will file in the in the Middle Division of the United States District Court for the Northern District of Alabama for the purposes of effecting this Settlement.

1.7. "Class Notice" shall mean notice of the Settlement to the Settlement Class in a form agreed to by the parties and to be provided pursuant to the Preliminary Approval Order in the manner and form approved by the Court and in compliance with Rule 23 of the Federal Rules of Civil Procedure.

1.8. "Company" shall mean AlaTrade Foods Holdings, Inc. and AlaTrade Foods, Inc., each of their direct or indirect subsidiaries and affiliates, each of their predecessors and Successors-In-Interest, and all of their present and former owners, officers, directors, employees, agents, fiduciaries, insurers, and representatives.

1.9. "Complaint" shall mean the Complaint filed in the Class Action.

1.10. "Court" shall mean the Middle Division of the United States District Court for the Northern District of Alabama.

1.11. "Defendants" shall mean AlaTrade Foods Holdings, Inc., AlaTrade Foods, Inc., Davis Lee, Beth Lee, Beth Lee as Trustee of the Davis Lee 2017 Irrevocable Trustee Family Trust, Stephen C. James acting in his capacity as the Trustee of the AlaTrade Foods Holdings, Inc. Employee Stock Ownership Plan.

1.12. "Defendants' Counsel" or "Defense Counsel" shall mean counsel for Defendants: Groom Law Group, Chartered, and Holland & Knight LLP.

1.13. "Effective Date of Settlement" shall mean the first date on which the Final Order in the Class Action becomes Final.

1.14. "Fairness Hearing" shall have the meaning set forth in Section 2.2.4.

1.15. "Final" shall mean either (i) the date of the Court's Final Order, if there are no objections to the settlement, or (ii) if there are objections to the settlement, thirty (30) days after the Court enters a Final Order and no person appeals the Final Order, or (iii) in the event a person appeals the Final Order, upon affirmance of the Final Order and exhaustion of any further appellate proceedings.

1.16. "Final Order" shall mean a final judgment and order of dismissal, which is to be entered by the Court finally approving the terms of this Settlement Agreement and dismissing the Class Action with prejudice, in a form agreed to by the Parties.

1.17. "Gross Settlement Amount" shall mean the total value of the Cash Settlement Amount defined in Section 10.2.3 and the Loan Modification described in Section 10.1(ii).

1.18. "Independent Fiduciary" shall have the meaning set forth in Section 5.1

1.19. "Named Plaintiffs" or "Class Representatives" shall mean Cheryl Haynes and Marcellus Garner, and their respective Successors-In-Interest.

1.20. "Net Proceeds" shall have the meaning set forth in Section 12.5

1.21. "Person" shall mean an individual, partnership, corporation, limited liability company, governmental entity, or any other form of legal entity or organization, and all of their Successors-In-Interest.

1.22. "Plaintiffs' Counsel" shall mean Bailey & Glasser LLP.

1.23. "Plan" shall mean the AlaTrade Foods Holdings, Inc. Employee Stock Ownership Plan and any trust created under such Plan.

1.24. "Plan of Allocation" shall mean the Plan of Allocation approved by the Court as contemplated by Section 2.2.4 and described in Section 12.5.

1.25. "Preliminary Approval Order" shall mean the order preliminarily approving the Settlement substantially in a form agreed to by the Parties.

1.26. "Preliminary Approval Motion" shall have the meaning set forth in Section 2.2.1.

1.27. "Qualified Settlement Fund" shall have the meaning set forth in Section 10.2.6.

1.28. "Related Entities" shall mean the Administrative Claims fiduciary, Victor Aspengren, SCJ Consulting Services, LLC d/b/a SCJ Fiduciary Services, and all of Defendants' present or former parent entities, subsidiary entities, affiliated entities, or joint venture entities, benefit plans, benefit plan fiduciaries, investors, successors, directors, officers, shareholders, members, managers, partners, joint venture partners, employees, insurers, reinsurers, consultants, trustees, fiduciaries, administrators, representatives, beneficiaries, agents, attorneys and all successors and assigns of the foregoing.

1.29. "Released Claims" shall have the meaning set forth in Section 6.1

1.30. "Released Parties" shall mean Defendants and their Related Entities.

1.31. "Releasing Parties" shall mean the Named Plaintiffs, each member of the Settlement Class, the Plan, and all of their beneficiaries, heirs, administrators, agents, estates, attorneys, executors, representatives, spouses, dependents, successors, and/or assigns.

1.32. "Settlement" shall mean the Settlement to be consummated under this Settlement Agreement pursuant to the Final Order.

1.33. "Settlement Administrator" shall mean RG/2 Claims Administration, LLC, an independent contractor to be retained by Plaintiffs' Counsel and approved by the Court for purposes of sending the Class Notices to the Settlement Class and establishing the settlement website and telephone support line. As Settlement Administrator, RG/2 Claims Administration, LLC is appointed the "administrator" of the Qualified Settlement Fund under Treas. Reg. § 1.468B-2(k)(3)(ii).

1.34. "Settlement Agreement" shall mean this Settlement Agreement and all of its exhibits, including any properly adopted and agreed modifications and amendments.

1.35. "Settlement Class" shall mean all participants and beneficiaries of the Plan at any time from its inception until December 31, 2025. Excluded from the Class are the shareholders who sold their stock to the Plan, directly or indirectly, and their immediate families, legal representatives, successors, and assigns of any such excluded persons.

1.36. "Settlement Class Members" or "Class Members" shall mean all individuals in the Settlement Class, including the Named Plaintiffs.

1.37. "Successor-In-Interest" shall mean: a Person's estate, legal representatives, heirs, successors or assigns.

II. CONDITIONS TO THE EFFECTIVENESS OF THE SETTLEMENT

The Parties will use reasonable, good faith, best efforts to cause each of the conditions to the Settlement to occur within the times indicated.

2.1. Condition #1: Filing of Complaint. Named Plaintiffs will file the Complaint.

2.2. Condition #2: Court Approval. The Settlement shall have been approved by the Court in the Class Action in accordance with the following steps:

2.2.1. Motion for Preliminary Approval of Settlement and of Notices. The Named Plaintiffs will file a motion ("Preliminary Approval Motion") with the Court for entry of the Preliminary Approval Order within twenty-one (21) days of filing the Complaint. The Named Plaintiffs shall give Defendants at least seven (7) days to review the Preliminary Approval Motion and related submissions before filing. Defendants may, but shall not be required to, submit papers in connection with the Preliminary Approval Motion.

In the Preliminary Approval Motion, the Named Plaintiffs will seek to set the Fairness Hearing for a date at least ninety (90) days after the mailing of the Class Notice to the Settlement Class.

2.2.2. Preliminary Approval Order; Class Notice. The Court will issue the Preliminary Approval Order, substantially in the form agreed to by the Parties and submitted with the Preliminary Approval Motion. Subject to the requirements in the Preliminary Approval Order, Plaintiffs' Counsel will cause the Settlement Administrator to disseminate the Class Notice as provided in Section 4.1.1.

2.2.3. Motion for Final Approval of Settlement. The Named Plaintiffs will file a motion seeking final approval of the Settlement (the "Final Approval Motion") with the Court no later than forty-five (45) days before the Fairness Hearing date set by the Court in the Preliminary Approval Order. Plaintiffs' Counsel will include the report of the Independent Fiduciary as an exhibit to the Final Approval Motion if received by that date, and if not, will provide a copy to the Court when received. Plaintiffs' Counsel shall give Defendants' Counsel at least seven (7) days to review and suggest changes to the Final Approval Motion and related submissions before filing. Defendants may, but shall not be required to, submit papers in connection with the Final Approval Motion.

2.2.4. The Fairness Hearing. The Court will conduct a hearing at which it will consider whether the Settlement should be approved pursuant to Rule 23 of the Federal Rules of Civil Procedure ("Fairness Hearing"). At or after the Fairness Hearing, the Court will determine: (i) whether to enter the Final Order approving the Settlement and dismissing the Class Action; (ii) whether to approve the Plan of Allocation and distribution of settlement payments to Class Members in accordance with it; and (iii) what attorneys' fees and expenses should be granted to Plaintiffs' Counsel.

2.3. Condition #3: No Additional Actions. Prior to the Fairness Hearing, no other party will have filed a separate class action or action on behalf of the Plan that asserts any of the Released Claims against any of the Released Parties.

2.4. Condition #4: Funding of Settlement Amount. The Cash Settlement Amount shall have been deposited into the Settlement Fund Account in accordance with Section 7.2.

2.5. Condition #5: Independent Fiduciary. In accordance with Section 5.1, the Independent Fiduciary shall have issued a written opinion approving the Settlement, agreeing to the release on behalf of the Plan, and concluding that the Settlement is consistent with Prohibited Transaction Exemption 2003-39.

2.6. Condition #6: Finality of Final Order. The Final Order in the Class Action will have become Final.

III. CAFA NOTICES

3.1. Defendants shall prepare and provide the CAFA Notices required by CAFA, as specified by 28 U.S.C. § 1715 within ten (10) days of the Named Plaintiffs filing the Preliminary Approval Motion, attaching the settlement agreement, with the Court.

3.2. Defendants may engage the Settlement Administrator to assist with the CAFA notices, at Defendants' expense.

IV. SETTLEMENT ADMINISTRATION; CLASS DATA

4.1. Settlement Administrator's Responsibilities. The Settlement Administrator will undertake the following tasks to administer this Settlement consistent with the terms of this Settlement Agreement and the Orders of the Court and such other procedures required by the Court or as jointly directed by Plaintiffs' Counsel and Defendants' Counsel:

4.1.1. Within forty-five (45) days of the entry of the Preliminary Approval Order and subject to the requirements of the Preliminary Approval Order, disseminate the Class Notice approved by the Court in the Preliminary Approval Order to the Settlement Class and post the Class Notice on a website for the Settlement Class;

4.1.2. Provide Counsel for the Settling Parties with copies of any objections to the Settlement (to the extent such objections are not filed with the Court);

4.1.3. Respond to questions from Class Members or refer Class Members to Plaintiffs' Counsel for responses;

4.1.4. Maintain and staff a toll-free phone number and a website until at least six (6) months after the date of the Final Order;

4.1.5. File with the Court a declaration confirming compliance with the procedures approved by the Court for providing notice to the Settlement Class should such a declaration be required;

4.1.6. Monitor the Settlement Fund Account (defined below) and file any informational and other tax returns necessary or advisable with respect to the Qualified Settlement Fund (including without limitations the returns described in Treas. Reg. Section 1.468B-2(k)); and

4.1.7. Undertake any other responsibilities set forth in this Settlement Agreement, any other responsibilities agreed to by the Settling Parties related to administration of the Settlement and consistent with the orders of the Court, or any other responsibilities ordered by the Court.

4.2. Class Data. Within twenty-one (21) days of the Preliminary Approval Order, Defendants' Counsel shall provide, or cause to be provided, the names, last known addresses, and number of shares allocated to the Plan account of each member of the Settlement Class to the Settlement Administrator to the extent available with reasonable effort in electronic format, or such other format as the Settlement Administrator may reasonably request.

4.3. Cooperation. The Parties shall use reasonable efforts to respond timely to written requests, including by e-mail, from the Settlement Administrator for any readily accessible data that they have obtained from discovery, the settlement process, or through other reasonable efforts that is reasonably necessary to determine the feasibility of administering the Plan of Allocation or to implement the Plan of Allocation.

4.4. Data Security. The Settlement Administrator must agree to be bound by any non-disclosure or security protocol required by the Parties. At the request of any of the Parties, the Settlement Administrator shall provide a written protocol addressing how the Settlement Administrator will maintain and store information provided to it in order to ensure that reasonable and necessary precautions are taken to safeguard the privacy and security of such information.

4.5. Use of Data. The Settlement Administrator shall use the data acquired in discovery, the settlement process, or through other reasonable efforts, solely for the purpose of meeting its obligations as Settlement Administrator, and for no other purpose.

V. REVIEW AND APPROVAL BY INDEPENDENT FIDUCIARY

5.1. On behalf of the Plan, Defendants shall select and retain an independent fiduciary, approved by Named Plaintiffs whose approval will not be unreasonably withheld ("Independent Fiduciary") to review the Settlement Agreement. The Independent Fiduciary shall have complete and absolute discretion, free from any influence or direction of any type or sort from Plaintiff, Defendants, or their respective counsel, agents, or representatives, and shall have the following responsibilities:

5.1.1. The Independent Fiduciary shall comply with all relevant conditions set forth in Prohibited Transaction Class Exemption 2003-39, "Release of Claims and Extensions of Credit in Connection with Litigation," issued December 31, 2003, by the United States Department of Labor, 68 Fed. Reg. 75,632, as amended ("PTE 2003-39"), in making its determination.

5.1.2. If it deems appropriate, the Independent Fiduciary shall (i) approve the Settlement in writing and agree to a release of the Released Parties in its capacity as a fiduciary of the Plan and for and on behalf of the Plan coextensive with the release from the Plaintiffs and the Settlement Class Members; (ii) authorize the Settlement in accordance with PTE 2003-39; and (iii) find that the Settlement does not constitute a prohibited transaction under ERISA § 406(a) and notify Defendants directly of its determination.

5.1.3. The Independent Fiduciary's determination shall be in writing and delivered to Plaintiffs' Counsel and Defense Counsel no later than thirty-five (35) days before the Fairness Hearing.

5.2. Defendants, counsel for Defendants, Plaintiffs, and Plaintiffs' Counsel shall respond to reasonable requests by the Independent Fiduciary for information so that the Independent Fiduciary can review and evaluate the Settlement Agreement.

5.3. If Defendants conclude that the Independent Fiduciary's determination does not comply with PTE 2003-39 or is otherwise deficient, Defendants shall so inform the Independent Fiduciary within seven (7) days of receipt of the determination.

5.4. If the Independent Fiduciary disapproves or otherwise does not authorize the Settlement or refuses to execute the release on behalf of the Plan, then the Settling Parties may mutually agree, in their respective discretions, to modify the terms of this Settlement Agreement as necessary to facilitate an approval by the Independent Fiduciary and/or the Independent Fiduciary's release on behalf of the Plan. Alternatively, the condition of Independent Fiduciary approval can be waived only upon all Parties' consent, in which case such option is to be exercised in writing within fourteen (14) days after the Settling Parties' receipt of the Independent Fiduciary's written determination, unless otherwise agreed by the Settling Parties.

5.5. The Settling Parties and their Counsel will not have any liability or responsibility whatsoever with respect to the determination of the Independent Fiduciary.

5.6. The cost of retaining the Independent Fiduciary will be split between the Company and the Qualified Settlement Fund, with each paying 50%.

VI. RELEASES

6.1. Released Claims. Subject to Section 6.3 below, the Releasing Parties fully, absolutely, and unconditionally release, waive, relinquish and forever discharge any and all Released Claims against the Released Parties. For purposes of this Settlement Agreement, "Released Claims" means any and all present or past claims, demands, debts, controversies, expenses, rights of action, suits, and causes of action of every kind and nature whatsoever, including those for any and all losses, liabilities, obligations, damages, unjust enrichment, attorneys' fees and expenses, disgorgement of fees, litigation costs, injunctive or declaratory relief or seeking contribution, indemnification, or any other type of legal or equitable relief, whether under ERISA, the Internal Revenue Code, or any other federal, state, local or foreign law, whether based on contract, tort, statute, regulation, ordinance, the common law, or another legal or equitable theory of recovery, whether known or unknown, suspected or unsuspected, existing or claimed to exist, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, in law or equity, that:

(i) arise out of or relate in any way to:

a. the allegations, acts, omissions, representations, facts, events, matters, transactions or occurrences asserted in Plaintiffs' August 15, 2024 claims letter or Plaintiffs' May 12, 2025 claims appeal (the "Administrative Claims");

b. the claims process relating to the Administrative Claims;

c. the 2021 ESOP purchase transaction (the "ESOP Transaction"), including but not limited to the financial projections provided and/or used in determining the purchase price in the ESOP Transaction;

d. the valuation relied upon by the Trustee in the ESOP Transaction; and

e. all other claims arising out of or relating to the facts alleged in the Administrative Claims or that could have been brought in Plaintiffs' Complaint;

(ii) would be barred by principles of *res judicata* had the claims asserted in the Class Action been fully litigated and resulted in a final judgment or order; or

(iii) pertain to any conduct related to the direction to calculate, the calculation of, and/or the method or manner of allocation or distribution of the Settlement Fund.

6.2. Scope of Releases. The Releasing Parties hereby expressly waive any and all rights and benefits respectively conferred upon them by the provisions of Section 1542 of the California Civil Code and all similar provisions of the statutory or common law of any other State, Territory or other jurisdiction. Section 1542 reads in pertinent part:

> A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that, if known by him or her would have materially affected his or her settlement with the debtor or released party.

The Releasing Parties each hereby acknowledge that the foregoing waiver of the provisions of Section 1542 of the California Civil Code and all similar provisions of the statutory or common law of any other State, Territory, or other jurisdiction was separately bargained for, and that no Released Party would enter into this Settlement Agreement unless it included a broad release of the Releasing Parties' claims. The Releasing Parties expressly agree that all release provisions in this Settlement Agreement shall be given full force and effect in accordance with each and all of their express terms and provisions. The Releasing Parties assume for themselves, the risk of his, her, or its, respective subsequent discovery or understanding of any matter, fact, or law, that, if now known or understood, would in any respect have affected his, her, or its entry in this Settlement Agreement.

6.3. Claims Not Released. The Released Claims do not include any rights or duties arising out of this Settlement Agreement, including the express representations, warranties, and covenants in this Settlement Agreement.

VII. COVENANTS

7.1. Covenants Not to Sue. The Releasing Parties covenant and agree not to join in, commence, authorize, or maintain any action, lawsuit, or other legal proceeding in court or before any administrative agency against the Released Parties in any way relating to the Released Claims and agree that they will not engage a third party to do so on their behalf or in any representative capacity. The Releasing Parties waive the right to all remedies in any such action should one be brought.

7.2. Taxation of Settlement Fund. The Named Plaintiffs acknowledge on their own behalf, and on behalf of the Settlement Class and on behalf of the Plan, that the Released Parties have no responsibility for any taxes due on funds once deposited in the Qualified Settlement Fund Account and covenant that they will not make any claim against the Released Parties for any such taxes either due on the Qualified Settlement Fund or on distributions from the Qualified Settlement Fund.

VIII. REPRESENTATIONS AND WARRANTIES

8.1. The Named Plaintiffs' Representations and Warranties. The Named Plaintiffs represent and warrant that they have not assigned or otherwise transferred any interest in any Released Claims against any Released Party, and further covenant that they will not assign or otherwise transfer any interest in any Released Claims.

8.2. Parties' Representations and Warranties. The Parties each represent and warrant that:

8.2.1. They are entering into this Settlement Agreement as a result of arm's-length negotiations among their respective counsel, with the assistance and recommendation of the Mediator, Maxine Aaronson; that in executing this Settlement Agreement they are relying solely upon their own judgment, belief, and knowledge, and the advice and recommendations of their own independently selected counsel, concerning the nature, extent, and duration of their rights, obligations, and claims hereunder and regarding all matters that relate in any way to the subject matter hereof; and that, except as provided herein, they have not been influenced to any extent whatsoever in executing this Settlement Agreement by any representation, statement, or omission pertaining to any of the foregoing matters by any party or by any Person representing any party to this Settlement Agreement. With respect to the Settlement, each of the Parties assumes the risk of mistake as to facts and/or law.

8.2.2. They have read the contents of this Settlement Agreement, and this Settlement Agreement is signed freely by each Person executing this Settlement Agreement on behalf of such Party. The Parties, and each of them, further represent and warrant to each other that he, she, or it has made such investigation of the facts pertaining to the Settlement, this Settlement Agreement, and all of the matters pertaining thereto, as he, she, or it deems necessary or appropriate.

8.2.3. Each individual executing this Settlement Agreement on behalf of any other Person does hereby personally represent and warrant to the other Parties that he or she has the authority to execute this Settlement Agreement on behalf of, and fully bind, each principal whom such individual represents or purports to represent.

IX. USE AND EFFECT OF SETTLEMENT AGREEMENT

9.1. The Parties understand and agree that this Settlement Agreement embodies a compromise settlement of disputed claims, and that nothing in this Settlement Agreement, including the furnishing of consideration for this Settlement Agreement, shall be deemed to constitute any finding of fiduciary status under ERISA, any wrongdoing by Defendants under ERISA or any other statute, regulation, case law, common law doctrine, or other legal authority, or give rise to any inference of fiduciary status under ERISA or wrongdoing or admission of wrongdoing or liability under ERISA or any other statute, regulation, case law, common law doctrine, or other legal authority in this proceeding. This Settlement Agreement and the payments made hereunder are made in compromise of disputed claims and are not admissions of any liability of any kind, whether legal, equitable, or factual, and are not admissions of any damages or losses. Neither the fact nor the terms of this Settlement Agreement shall be offered or received in evidence in any action or proceeding for any purpose, except: (i) in an action or proceeding arising under this Settlement Agreement, or arising out of or relating to the Preliminary Approval Order or the Final Order; or (ii) in an action or proceeding where one or more of the releases provided pursuant to this Settlement Agreement may serve as a bar to prosecution of the action or proceeding or as a bar to recovery.

X. THE SETTLEMENT FUND

10.1. The Settlement. The Parties have agreed to resolve all matters in controversy between them in the Class Action for:

(i) A total cash payment of $875,000 from the Company and/or its insurer; and

(ii) Effective the latter of January 4, 2027, or sixty (60) days after entry of the Final Order, (i) a $3,700,000 reduction in the Refinanced (External) Company Note A, dated as of June 28, 2021, in the original principal amount of $8,000,000; and (ii) a corresponding reduction of the same amount in that certain Refinanced (Internal) ESOP Note, dated as of June 28, 2021, in the original principal amount of $149,655,000 (the "Notes").

10.2. <u>The Settlement Fund</u>.

10.2.1. No later than ten (10) days after the Court issues the Preliminary Approval Order, the Settlement Administrator shall cause to be established an account for the safekeeping of the Qualified Settlement Fund (the "Settlement Fund Account"), which shall be an interest-bearing account. The Settlement Fund Account shall be governed by this Settlement Agreement and orders of the Court.

10.2.2. Plaintiffs' Counsel shall provide to Defendants' Counsel (i) written notification of the date of establishment of the Settlement Fund Account; (ii) written notification of the following information regarding the Settlement Fund Account: bank name, bank address, ABA number, account number, account name, and IRS Form W-9 and taxpayer identification number; and (iii) any additional information needed for Defendants to cause the Cash Settlement Amount to be deposited into the Settlement Fund Account.

10.2.3. Within thirty (30) days after the Court issues the Preliminary Approval Order, the Company or its insurer will cause One Hundred Thousand Dollars ($100,000) to be deposited into the Settlement Fund Account. Thirty (30) days after the Effective Date of Settlement, AlaTrade or its insurer shall cause an additional Seven Hundred Seventy-Five Thousand Dollars ($775,000) to be deposited into the Settlement Fund Account. The two payments described in this Section 10.2.3 collectively comprise the "Cash Settlement Amount."

10.2.4. Within 30 days after full payment of the Cash Settlement Amount, the Settlement Administrator shall provide to Plaintiffs' Counsel and Defense Counsel a statement for the Qualified Settlement Fund showing receipt of the Cash Settlement Amount.

10.2.5. Under no circumstances shall Defendants or their insurers be responsible for any payments, costs, or fees whatsoever under the Settlement beyond the obligations to cause the amount set forth in Section 10.2.3 to be deposited in the Settlement Fund Account as provided in this Article X.

10.2.6. All funds in the Settlement Fund Account (the "Qualified Settlement Fund") shall be considered a common fund created as a result of the Class Action and shall be structured and managed by Plaintiffs' Counsel to qualify as a qualified settlement fund within the meaning of U.S. Department of Treasury Regulation § 1.468B-1 (26 C.F.R. § 1.468B-1). It is intended that the Qualified Settlement Fund be structured and administered to preserve, to the maximum degree possible, the tax benefits associated with ERISA-qualified plans. The Parties shall not take a position in any filing or before any tax authority inconsistent with such treatment.

10.2.7. All taxes on the income of the Qualified Settlement Fund and tax-related expenses incurred in connection with the taxation of the Qualified Settlement Fund shall be paid out of the Qualified Settlement Fund. Defendants take no position, directly or indirectly, with respect to such matters.

10.2.8. The Released Parties shall have no responsibility for or liability whatsoever with respect to (a) any act, omission, or determination of the Settlement Administrator, or any of their respective designees or agents, in connection with the administration of the Qualified Settlement Fund, including the offering of a tax-qualified rollover to Class Members, or otherwise; (b) the design, management, investment, or distribution of the Qualified Settlement Fund; (c) the Plan of Allocation as approved by the Court; (d) the determination, administration, calculation, or payment of any claims asserted against the Qualified Settlement Fund; (e) any losses suffered by, or fluctuations in the value of, the Qualified Settlement Fund; or (f) the payment or withholding of any taxes, expenses, and/or costs incurred by the Qualified Settlement Fund or tax reporting or payments to or tax withholding from payments made to Class Members from the Qualified Settlement Fund, or the filing of any returns.

10.3. Sole Monetary Contribution. The Cash Settlement Amount and the Company's 50% share of the Independent Fiduciary's fee shall be the full and sole monetary contribution made by the Released Parties in connection with the Settlement Agreement. The Loan Modification described in Section 10.1(ii) shall be the full and sole debt forgiveness made by the Released Parties in connection with this Settlement Agreement. Except as otherwise specified in this Settlement Agreement, the Parties shall bear their own expenses (including attorneys' fees) in connection with effectuating the Settlement and securing all necessary court orders and approvals with respect to the same.

XI. ATTORNEYS' FEES AND EXPENSES

11.1. Application for Attorneys' Fees and Expenses. No later than forty-five (45) days prior to the Fairness Hearing, to allow twenty-four (24) days for Class Members to review and submit objections to the Settlement Agreement and to allow responses to these objections be submitted no later than ten (10) days before the Fairness Hearing, Plaintiffs' Counsel may apply to the Court for an award to Plaintiffs' Counsel of attorneys' fees in a total amount not to exceed 15% of the Gross Settlement Amount and for reimbursement of litigation expenses and costs associated with the Class Action, to be paid from the Qualified Settlement Fund. Plaintiffs' Counsel's attorneys' fees may include attorneys' fees and litigation costs and expenses incurred in securing all necessary Court orders and approvals with respect to the Settlement Agreement.

11.2. Disbursement of Attorneys' Fees and Expenses.

11.2.1. Following the Effective Date of Settlement and Court approval of Plaintiffs' Counsel's motion for attorneys' fees and expenses, Plaintiffs' Counsel may instruct the Settlement Administrator in writing to disburse payment of attorneys' fees and expenses from the Qualified Settlement Fund immediately.

11.2.2. If, at the time of any disbursement from the Qualified Settlement Fund there shall be a pending application for attorneys' fees or expenses, there shall be reserved in the Qualified Settlement Fund an amount equal to the amount of the pending application, until such time as the Court shall rule upon such application and such ruling shall become Final.

XII. PAYMENTS FROM THE QUALIFIED SETTLEMENT FUND

12.1. Administration Expenses. Plaintiffs' Counsel may direct the Settlement Administrator in writing, without notice to Defendants or further order of the Court, to disburse from the Qualified Settlement Fund all Administrative Expenses as defined in Section 1.1.

12.2. Attorneys' Fees and Expenses. Plaintiffs' Counsel shall be entitled to payment of Attorneys' Fees and Expenses from the Qualified Settlement Fund only as provided in Section 11.

12.3. Intentionally Omitted.

12.4. Reserve for Future Expenses. Plaintiffs' Counsel may instruct the Settlement Administrator to reserve any portion of the Qualified Settlement Fund for the purpose of satisfying future or contingent expenses or obligations, including expenses of Qualified Settlement Fund administration or any disbursement provided under the terms of this Settlement Agreement.

12.5. Payments to Class Members. After all deposits have been made into the Settlement Fund Account pursuant to Section 10.2.3 and after the amounts payable pursuant to 12.1–12.3 have been determined and disbursed, the net amount remaining in the Qualified Settlement Fund (the "Net Proceeds") shall be calculated and disbursed to the Settlement Class Members by the Settlement Administrator, without notice to Defendants or further order of the Court, pursuant to the Plan of Allocation approved by the Court.

12.6. Responsibility for Taxes.

12.6.1. The Parties acknowledge that any payments to Settlement Class Members may be subject to applicable tax laws. Defense Counsel, Defendants, the Named Plaintiffs, and Plaintiffs' Counsel are not providing tax advice to the Class Members and make no representations regarding the tax consequences of any of the Settlement payments described in this Settlement Agreement. Deductions will be made, and reporting will be performed by the Settlement Administrator, as required by law and the terms of this Settlement Agreement in respect of all payments or distributions made under the Settlement Agreement.

12.6.2. The Settlement Administrator shall have sole responsibility for tax withholding and reporting for the Qualified Settlement Fund and its distributions, and the fulfillment of plan administrative functions related to the distributions, including determining whether the distributions to the Settlement Class Members qualify as eligible rollover distributions within the meaning of Code Section 402 and implementing regulations and, if so, for compliance with same, including responsibility for any notices that may be required for such distributions.

12.6.3. Each Settlement Class Member who receives a payment pursuant to the Settlement Agreement shall be fully and ultimately responsible for payment of any and all federal, state and local taxes resulting from or attributable to the payment received by such person. Each Settlement Class Member shall hold Defendants, Defense Counsel, Released Parties, Plaintiffs' Counsel, and the Settlement Administrator harmless from (a) any tax liability, including without limitation penalties and interest, related in any way to payments or credits under the Settlement Agreement, and (b) the costs (including, without limitation, fees, costs and expenses of attorneys, tax advisors, and experts) of any proceedings (including, without limitation, any investigation, response, and/or suit) related to such tax liability.

12.7. Report of Settlement Payments. Within 30 days after the latest expiration date of any checks issued to Class Members, the Settlement Administrator shall prepare and provide to Defense Counsel and Plaintiffs' Counsel a report listing (i) each person who received a settlement payment; (ii) the form of the settlement payment (i.e., rollover or check); (iii) the gross amount of the settlement payment; (iv) the net amount of the settlement payment after any tax withholdings; (v) the date of issuance of the settlement payment; and (vi) the date the settlement payment cleared, if applicable.

XIII. TERMINATION OF THE SETTLEMENT AGREEMENT

13.1. Termination. Prior to entry of the Final Order, automatic termination of this Settlement Agreement will occur under the following circumstances:

13.1.1. If the Court declines to approve the Settlement, then this Settlement Agreement shall automatically terminate thirty (30) days after such order becomes Final.

13.1.2. If (i) the Court enters an order modifying the economic terms of this Settlement Agreement or materially modifying any term of the Final Order, and (ii) within twenty (20) days after the date of any such ruling or within twenty (20) days after the date of the Court's order following a motion for reconsideration of any such ruling, whichever is later, the Party detrimentally affected by the modification(s) declines to waive its objections to the modifications and the Parties otherwise are not able to reach an agreement in light of the modifications, then this Settlement Agreement shall automatically terminate twenty (20) days after issuance of the order referenced in this Section 13.1.2.

13.1.3. If any or all of the conditions of Article II of this Settlement Agreement are not satisfied in accordance with their terms and substantially in accordance with the timetable set forth in that Article, then this Settlement Agreement shall be terminable by any Party (unless the Party seeking termination caused the failure) thirty (30) days after the applicable deadline set forth in Article II has passed; provided, however, that the Party or Parties that caused the conditions of Article II to not be satisfied shall first be given reasonable notice in writing and an opportunity to cure the deficiency. Notwithstanding anything in this Section 13.1, the Settlement Agreement is not subject to termination solely as a result of a decision or order of the Court concerning an award of attorneys' fees or expenses to Plaintiffs' Counsel.

13.2. Consequences of Termination of the Settlement Agreement. If the Settlement Agreement is terminated for any reason specified in Section 13.1, the following shall occur:

13.2.1. The Settlement Agreement and the Settlement shall be deemed void and of no further force and effect, with the Parties reserving all rights and returning to their respective positions on the day immediately before the Agreement Execution Date. Notwithstanding the foregoing, the following provisions of this Settlement Agreement shall remain in effect and shall survive the termination of the Settlement Agreement: Article IX (Use and Effect of Settlement Agreement); this Article XIII (Termination of the Settlement Agreement); and Article XIV (Miscellaneous Provisions).

13.2.2. The Class Action shall, for all purposes with respect to the Parties, revert to their respective status as of the day immediately before the Agreement Execution Date.

13.2.3. Within fourteen (14) days of the termination of the Settlement, any funds remaining in the Qualified Settlement Fund will be returned to the Company, plus all accrued interest.

XIV. MISCELLANEOUS PROVISIONS

14.1. Governing Law. This Settlement Agreement shall be governed by the laws of the State of Alabama without giving effect to the conflict of laws or choice of law provisions thereof, except to the extent that the law of the United States governs any matter set forth herein, in which case such federal law shall govern.

14.2. Destruction of Materials. Each Party that received material designated "confidential" from an opposing Party or third party in the course of litigating the Class Action shall, within ninety (90) days after the Effective Date of Settlement, destroy such materials. Notwithstanding this provision, the Parties are entitled to retain copies of all pleadings, transcripts, legal memoranda, and papers created and/or submitted in support of this Settlement Agreement.

14.3. Retention of Privilege. Nothing in this Settlement Agreement, or the negotiations relating to it, is intended to or shall be deemed to constitute a waiver of any applicable privilege or immunity, including, without limitation, attorney-client privilege, joint defense privilege, or work product protection.

14.4. Calculation of Deadlines. The deadlines set forth in this Settlement Agreement will be computed following the method in Federal Rule of Civil Procedure 6(a).

14.5. Severability. The material provisions of this Settlement Agreement are not severable.

14.6. Amendment. Before entry of the Final Order, the Settlement Agreement may be modified or amended only by written agreement signed by or on behalf of all Parties. Following entry of the Final Order, the Settlement Agreement may be modified or amended only by written agreement signed by or on behalf of all Parties and approved by the Court.

14.7. Waiver. The provisions of this Settlement Agreement may be waived only by an instrument in writing executed by the waiving party. The waiver by any party of any breach of this Settlement Agreement shall not be deemed to be or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Settlement Agreement.

14.8. Construction. None of the Parties hereto shall be considered to be the drafter of this Settlement Agreement or any provision hereof for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter hereof.

14.9. Principles of Interpretation. The following principles of interpretation apply to this Settlement Agreement.

14.9.1. Headings. The headings of this Settlement Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Settlement Agreement.

14.9.2. Singular and Plural. Definitions apply to the singular and plural forms of each term defined.

14.9.3. Gender. Definitions apply to the masculine, feminine, and neutral genders of each terms defined.

14.9.4. Terms of Inclusion. Whenever the words "include," "includes," or "including" are used in this Settlement Agreement, they shall not be limiting but rather shall be deemed to be followed by the words "without limitation." The connectives "and," "or," and "and/or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of a sentence or clause all subject matter that might otherwise be construed to be outside of its scope. The terms "herein," "hereof," and the like shall be deemed to refer to this Settlement Agreement as a whole.

14.10. Further Assurances. Each of the Parties agrees, without further consideration, and as part of finalizing the Settlement hereunder, that he, she, or it will, in good faith, execute and deliver such other documents and take such other actions as may be necessary to consummate and effectuate the subject matter and purpose of this Settlement Agreement.

14.11. Survival. All representations, warranties, and covenants set forth in this Settlement Agreement (including Articles VII, and VIII hereof) shall be deemed continuing and shall survive the Effective Date of Settlement.

14.12. Communications Regarding the Settlement. The Parties, Plaintiffs' counsel, and Defendants' counsel agree that they will not issue a press release, nor publish a statement on their website, regarding the Plaintiffs' Complaint or this Settlement Agreement, nor will they comment to the press about the Plaintiffs' Complaint or this Settlement Agreement.

This provision shall not limit Plaintiffs' counsel's right, or the Settlement Administrator's ability, to communicate with Class Members regarding the terms of the settlement, nor shall it limit Plaintiffs' counsel's or the Settlement Administrator's ability to maintain a website related to the settlement for purposes of settlement administration.

14.13. Notices. Any notice, demand, or other communication under this Settlement Agreement (other than the Class Notice, or other notices given at the direction of the Court) shall be in writing and shall be deemed duly given upon receipt if it is addressed to each of the intended recipients as set forth below and personally delivered, sent by registered or certified mail (postage prepaid), sent by confirmed facsimile, electronic mail or delivered by reputable express overnight courier:

IF TO NAMED PLAINTIFFS:

Gregory Porter
Bailey & Glasser, LLP
1055 Thomas Jefferson Street, NW, Suite 540
Washington, DC 20007
Tel: (202) 463-2101
GPorter@baileyglasser.com

IF TO ALATRADE:

Andrew D. Salek-Raham
Groom Law Group, Chtd.
1701 Pennsylvania Ave., NW, Suite 1200
Washington, D.C. 20006

IF TO THE SELLING SHAREHOLDERS:

Andrew D. Salek-Raham
Groom Law Group, Chtd.
1701 Pennsylvania Ave., NW, Suite 1200
Washington, D.C. 20006

IF TO THE TRUSTEE:

Andrew D. Salek-Raham
Groom Law Group, Chtd.
1701 Pennsylvania Ave., NW, Suite 1200
Washington, D.C. 20006

Any Party may change the address at which it is to receive notice by written notice delivered to the other Parties in the manner described above.

14.14. Entire Agreement. This Settlement Agreement contains the entire agreement among the Parties relating to the Settlement. It specifically supersedes any settlement terms or settlement agreement relating to Named Plaintiffs and Defendants that were previously agreed orally or in writing by any of the Parties, including the Parties' term sheet.

14.15. Counterparts. This Settlement Agreement may be executed by exchange of faxed or electronically transmitted (.pdf) executed signature pages, and any signature transmitted by facsimile or .pdf for the purpose of executing this Settlement Agreement shall be deemed an original signature for purposes of this Settlement Agreement. This Settlement Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same instrument.

14.16. Binding Effect. This Settlement Agreement binds and inures to the benefit of the Parties hereto, their respective assigns, heirs, administrators, executors, Successors-In-Interest, and Representatives.

[signature pages follow]

FOR PLAINTIFFS:

Gregory Y. Porter

Name: Gregory Y. Porter

Title: Attorney for Plaintiffs, Class Representatives and on behalf of the class

BAILEY AND GLASSER LLP
1055 Thomas Jefferson St. NW
Suite 540
Washington, D.C. 20007
202-548-7790
gporter@baileyglasser.com

FOR DAVIS LEE:

____

Name: Davis Lee

Title: __________________________

FOR BETH LEE:

Beth Lee
____

Name: BETH LEE

Title: _______________________________

FOR BETH LEE, AS TRUSTEE OF THE DAVIS LEE 2017 IRREVOCABLE TRUSTEE FAMILY TRUST:

Beth Lee

Name: BETH LEE

Title: ______________________________

FOR ALATRADE:

Andrea Elrod
____

Name: Andrea Elrod

Title: CFO

FOR STEPHEN C. JAMES:

DocuSigned by:
Stephen C. James
37F3C8875D1B444...

Name: Stephen C. James

Title: Trustee