

SETTLEMENT AGREEMENT AND GENERAL RELEASE OF CLAIMS

This Settlement Agreement and General Release of Claims (herein "Agreement") is made and entered into by and between Bill Hurst and Amy Love (owners of 5587 West Camino Cielo), Mike Grua and Mary Jane Nelson (owners of 5589 West Camino Cielo), Brent Bixler and Nancy Bixler (owners of 5591 and 5594 West Camino Cielo), Craig Jennings and Judy Jennings (owners of 5593 West Camino Cielo), Bob Carmody (owner of 5595 West Camino Cielo), Robert Heilmayr and Joan Dudney (owners of 5597 West Camino Cielo) and Kurt Lusink ("Lusink", owner of 5599 West Camino Cielo) all collectively referred to as the "Parties". All the referenced properties are in Santa Barbara County, California.

RECITALS

This Agreement and Release is entered into with reference to the following facts:

- A. The Parties, either originally or as successors in interest, are all parties to that Declaration of Covenants and Confirmation of Easements Regarding Private Road dated September 20, 1989, and recorded as Instrument Number 89-065373 in the Official Records of the County of Santa Barbara on September 29, 1989 (the "Road Agreement"). The Road Agreement addresses the rights and obligations of the Parties concerning the private road across and/or accessing their respective properties (the "Road Agreement Road"). Certain disputes have arisen between the Road Parties concerning their respective obligations for repairs to portions of Lusink's separate private road (the "Lusink Road") including the causation of any damages to Lusink's Road.
- B. The Parties are also parties to a water agreement (the "Romaldo Water Agreement") as set forth in that Declaration of Restrictions recorded as Instrument Number 80-18403 in the Official Records of the County of Santa Barbara on May 5, 1980, concerning the water rights for their respective properties. The Romaldo Water Agreement is currently in the process of being updated.
- C. The Parties hereto wish to settle all of the differences and disputes now existing between them and clarify certain rights and obligations between themselves.

NOW, THEREFORE, in consideration of the foregoing and in consideration of the promises, covenants, and agreements contained herein, the Parties agree that the above Recitals are incorporated by reference and agree as follows:

TERMS

1. SETTLEMENT

In consideration for the promises made in this Agreement, the Road Parties shall pay Lusink the sum of Twenty-Five Thousand dollars (\$25,000.00; referred to as the "Settlement Payment"). The Settlement Payment shall be made in two payments: one payment of \$10,000.00 upon execution of this agreement; and a second payment of \$15,000.00 within 30 days of the execution of this agreement. The Road Parties, with the exception of Carmody and Lusink (who shall each pay nothing), shall each pay an equal share of the Settlement Payment (which is a one-time exception to the percentages set forth in the Road Agreement). The Settlement Payment shall be made by individual checks made payable to Kurt Lusink. In return, Lusink will promptly repair all damaged portions of the Lusink Road (including extending the enclosed drain that runs from above the Road Agreement Road down and past the Lusink Road) and will release the other Road Parties of all liability for all past and future grading at 5599 West Camino Cielo, regardless of who performed, paid for, or encouraged said grading.

2. WATER RIGHTS AGREEMENT.

The Romaldo Water Agreement is currently in the process of being updated and the Parties all agree to cooperate with the process of memorializing and recording easement rights for all water lines and the well site under the Water Rights Agreement. This cooperation shall include but not be limited to executing easement agreements for such purposes. The final survey and legal description for the easements have not been completed as of the date of this Agreement but shall generally conform to the preliminary survey boundaries for the Well Site as shown on Exhibit A and shall also include a six-foot wide easement extending three feet on either side of all well distribution lines existing as of the date of this Agreement. The final survey and legal descriptions will be included in the pending updated Romaldo Water Agreement.

The Parties agree to include the same terms in the anticipated updated Romaldo Water Agreement (absent an unanimous mutual agreement to similar terms).

The Parties also agree that any water rights under the Romaldo Water Agreement may not be sold separately from the underlying property. To wit, any water rights under the Romaldo Water Agreement must be owned by the same owner of each respective property.

3. RELEASE BY LUSINK

Subject to the performance of the Parties under the terms of this Agreement, and excepting the obligations of the Parties under this Agreement, Lusink, for himself and his employees, officers, directors, shareholders, affiliates, predecessors, successors, assigns, agents, attorneys and representatives, hereby releases and forever discharges the other Parties, and their respective employees, officers, directors, shareholders, affiliates, predecessors, successors, assigns, agents, attorneys and representatives, from any and all past or present allegations, claims, demands, obligations, causes of action, suits, debts, liens, liabilities, damages, losses and expenses of any kind or character, whether known or unknown, including but not limited to claims arising out of the Road Agreement or the disputes reference above. This release is a general release and includes, but is not limited to, all of the claims asserted, or that could have been asserted by Lusink against

the other Road Parties.

4. WAIVER OF CIVIL CODE SECTION 1542.

4.1 Except as provided in this Agreement the foregoing release is a full and complete general release and shall be effective as a bar against Lusink and his employees, officers, directors, shareholders, affiliates, predecessors, successors, assigns, agents, attorneys and representatives as to all actions, fees, damages, losses, claims, liabilities, demands, or debts whatsoever, of any nature or kind, known or unknown, suspected or unsuspected, arising out of the Road Agreement or the disputes referenced above. It is further the intention of Lusink to expressly waive any and all rights and benefits conferred upon him by virtue of section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her, must have materially affected his or her settlement with the debtor.

Lusink acknowledges that he may hereafter discover facts different from, or in addition to, those which he now knows or believes to be true, and he hereby expressly agrees to assume the risk of the possible discovery of additional or different facts, and agrees that this Agreement shall be and remain effective in all respects regardless of such additional or different facts.

4.2 Lusink expressly acknowledges that he has separately bargained for the foregoing waiver of the provisions of section 1542 of the California Civil Code. Lusink expressly consents that this release shall be given full force and effect in accordance with each and all of its express terms and provisions.

5. NO ADMISSION OF LIABILITY.

The execution of this Agreement by the Parties is an agreement of compromise and settlement and shall not be deemed as an admission by any Party of any of the claims made against such Party by the other Party.

6. GOVERNING LAW

This Agreement shall be construed, governed, and enforced in accordance with the laws of the State of California.

7. INTERPRETATION.

No provision of this Agreement is to be interpreted for or against either Party because that Party, or that Party's representative, drafted such provision.

8. INTEGRATION.

This Agreement sets forth the entire agreement between the Parties with regard to the subject matter hereof. All agreements, covenants, representations, or warranties, express or implied, of the Parties with regard to the subject matter hereof are contained in this Agreement. All prior and contemporaneous conversations, negotiations, representations, or agreements and covenants are hereby waived and are merged herein and superseded hereby.

If any named party declines to sign this agreement, the agreement shall be valid and enforceable for and against the parties that sign this agreement.

9. SEVERABILITY.

In the event that any covenant, condition, or other provision of this Agreement is held to be invalid, void, or illegal, then the same shall be deemed severable from the remainder of this Agreement and shall in no way effect, impair, or invalidate any other covenant, condition, or provision hereof.

10. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, representatives, successors, and assigns.

11. ATTORNEYS' FEES.

Each Party shall pay and be responsible for payment of its attorney's fees and costs incurred in the matters settled and resolved by this Agreement. However, the Parties agree that in the event of any action between any of the Parties that is required to enforce or defend this Agreement, the prevailing party as that term is defined by California Civil Code § 1717, shall be entitled to an award of his or her attorneys' fees, costs, and expenses incurred in connection with the enforcement or defense of this Agreement, in addition to any other damages it may suffer as a result of the violation or breach of this Agreement, and other relief to which it may be entitled.

12. REPRESENTATION BY COUNSEL.

Each Party hereto has been represented or been provided the opportunity to be represented by independent counsel of its own choice in the negotiation and preparation of this Agreement and has relied solely on the advice of its own counsel in executing this Agreement.

13. SETTLEMENT PAYMENT RECAPTURE.

The \$25,000 Settlement Payment made by certain of the Road Parties to Lusink is conditioned upon Lusink's full and faithful performance of all of the terms, covenants and conditions of this Agreement. Violations of this Agreement would include, but are not limited to:

- Any refusal to cooperate with the process of memorializing and recording easement rights for all water lines and the well site under the Romaldo Water Agreement
- Any refusal to include the same terms in the anticipated updated Romaldo Water Agreement (absent an unanimous mutual agreement to similar terms).

Upon violation of this settlement agreement by Lusink, the Settlement Payment shall be immediately due and payable by Lusink to the Road Parties that paid the original Settlement Payment.

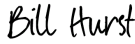



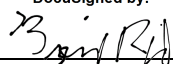
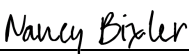
14. ENFORCEMENT.

Any dispute relating to this Agreement shall be resolved in the Santa Barbara County Superior Court, The Parties waive the right to a jury trial. However, prior to commencing any action other than for injunctive relief, the Parties shall first attempt to mediate such dispute with such cost to be shared equally by the Parties


15. COUNTERPART AND WARRANTY OF AUTHORITY.


This Agreement may be executed in several counterparts, each of which will have the same force and effect as an original of this Agreement. Those signing below warrant their authority and capacity to execute this document, either individually or on behalf of any trust that holds title to the referenced property, and to enter into and fulfill the terms of this Agreement.

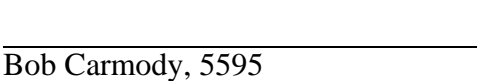
IT IS SO AGREED:

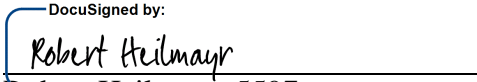
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Dated:	12/19/2023	DocuSigned by:  <hr/> <small>0C75DAEAB4A82C1</small> Amy Love, 5587
Dated:	12/12/2023	DocuSigned by:  <hr/> <small>119EA208EEF7AB40K00</small> Mike Orta, 5589
Dated:	12/12/2023	DocuSigned by:  <hr/> <small>E5B5A29BC484466</small> Mary Jane Nelson, 5589
Dated:	12/13/2023	DocuSigned by:  <hr/> <small>59F149E27E14</small> Brent Bixler, 5591 & 5594
Dated:	12/25/2023	DocuSigned by:  <hr/> <small>N1E5691F5D14671A9</small> Nancy Bixler, 5591 & 5594

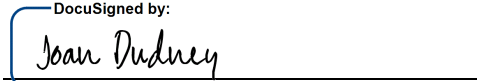
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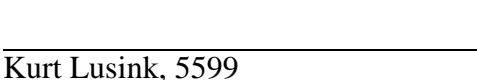
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Judy Jennings, 5593
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Bob Carmody, 5595

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Joan Dudney, 5597
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Kurt Lusink, 5599

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