

SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

RECITALS

This Settlement Agreement and Release of All Claims (“Agreement”) is entered into by and between OLD REPUBLIC INSURANCE COMPANY (“Old Republic”), DOYLE HERNANDEZ MILLAM (“DHM”), ARIZONA MUNICIPAL RISK RETENTION POOL (“AMRRP”) and TOWN OF PARADISE VALLEY (“Town”) (collectively, “the Parties”).

The City of Pheonix filed a lawsuit against Defendants Town and SDB, Inc., as more particularly identified as Cause No. CV2023-007361, pending in Superior Court of Arizona, Maricopa County (“Lawsuit”) arising out of the alleged negligence, gross negligence, interference with the City’s property rights, and vicarious liability in connection with a June 1, 2022, water main break, as more particularly described therein (“Incident”).

The Parties desire to fully and finally resolve all past, present, and potential claims or liability relating to legal fees and expenses incurred by the Town, AMRRP and the DHM in connection with the defense of the Town in the Lawsuit.

For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

AGREEMENT

1. Incorporation of Recitals

The foregoing recitals are incorporated herein by reference as agreements of the Parties.

2. Payment

Old Republic shall make a single lump-sum payment of Fifty-Six Thousand Dollars and No/100 (\$56,000.00) to Arizona Municipal Risk Retention Pool within thirty (30) days of execution of this Agreement. This payment represents full and final settlement of all legal fees and expenses owed by Old Republic to AMRRP, the Town and/or DHM under the applicable policy(ies) of insurance Old Republic issued to SDB, Inc.

3. General Release

In consideration of the payment described above, AMRRP, the Town and DHM hereby RELEASE, ACQUIT, AND FOREVER DISCHARGE Old Republic from any and all claims, demands, obligations, actions, causes of action, costs, expenses, and liabilities of any kind, whether known or unknown, arising out of or related to legal fees and expenses incurred in connection with the defense of the Town in the Lawsuit.

Old Republic likewise releases the AMRRP, the Town and DHM from any and all claims related to such fees and expenses.

4. No Admission of Liability

This settlement is a compromise of disputed claims and shall not be construed as an admission of liability by any Party.

5. Entire Agreement

This Agreement constitutes the entire understanding between the Parties and supersedes all prior negotiations or agreements regarding the subject matter herein.

6. Governing Law

This Agreement shall be governed by and construed under the laws of the State of Arizona.

7. Counterparts

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

SIGNATURES

OLD REPUBLIC INSURANCE COMPANY

By: _____

Its: _____

Date: _____

State of _____)

)SS.

County of _____)

On this the _____ day of _____, 20____, before me personally appeared _____ whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged that he/she executed the same.

Notary Public: _____

My Commission Expires: _____

DOYLE HERNANDEZ MILLAM

By: _____

Its: _____

Date: _____

State of _____)

)SS.

County of _____)

On this the _____ day of _____, 20____, before me personally appeared _____ whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged that he/she executed the same.

Notary Public: _____

My Commission Expires: _____

TOWN OF PARADISE VALLEY

By: _____

Its: _____

Date: _____

State of _____)

)SS.

County of _____)

On this the _____ day of _____, 20____, before me personally appeared _____ whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged that he/she executed the same.

Notary Public: _____

My Commission Expires: _____

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ARIZONA MUNICIPAL RISK RETENTION POOL

By: _____

Its: _____

Date: _____

State of _____)

)SS.

County of _____)

On this the _____ day of _____, 20____, before me personally appeared _____ whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged that he/she executed the same.

Notary Public: _____

My Commission Expires: _____