

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Agreement") is entered into by and between the City of Redlands ("Redlands") and James Leon Gaudreault ("Gaudreault"). Redlands and Gaudreault shall be collectively referred to as the "Agreeing Parties."

RECITATIONS

(A) On or about April 24, 1992, Redlands received from Gaudreault a claim for damages for false arrest and false imprisonment, arising out of the incident on January 4 and 5, 1992, at 1327 West Colton Avenue, Redlands, California ("Claim").

(B) Except as provided in this Agreement, Gaudreault would like to discharge and release all claims, liabilities, causes of action and damages against Redlands which are alleged in the Claim, are related in any way to the allegations in the Claim or arise from the existence of the Claim.

(C) This Agreement is a compromise of those claims, liabilities, causes of action and damages, and shall never be treated as an admission of liability by any of the Agreeing Parties for any purpose.

(D) The Agreeing Parties wish to reduce to writing the full terms of their settlement agreement.

AGREEMENT AND RELEASE

NOW, THEREFORE, in consideration of the following respective provisions and covenants, the Agreeing Parties agree and release each other as follows:

1. Except as provided in this Agreement, Gaudreault and his predecessors, successors, assigns, officers, directors, employees, agents, representatives, attorneys, witnesses, and any other person, firm or corporation now, previously or hereafter affiliated in any manner with any of the above, and each of them, release and forever discharge Redlands, and its predecessors, successors, assigns, officers, directors, employees, agents, representatives, attorneys, witnesses, and any other person, firm or corporation now, previously or hereafter affiliated in any manner with any of the above, and each of them, from any and all claims, liabilities, causes of action and damages which are alleged in the Claim, are related in any way to the allegations in the Claim or arise from the existence of the Claim

2. The Agreeing Parties acknowledge that they have been advised by their attorneys concerning, and are familiar with the provisions of California Civil Code section 1542, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him, must have

materially affected his settlement with the debtor."

The Agreeing Parties acknowledge that they may have sustained damages, losses, costs or expenses that are presently unknown, or unsuspected, and such damages, losses, costs or expenses as may have been sustained may give rise to additional damages, losses, costs or expenses in the future. Nevertheless, the Agreeing Parties acknowledge that this Agreement has been negotiated and agreed upon in light of their situation, and hereby expressly waive any and all rights which they may have under California Civil Code section 1542, or under any other state or federal statutes, or common law principles or similar affect.

3. Immediately after the execution of the Agreement, Redlands shall pay Gaudreault the total sum of Five Thousand Dollars (\$5,000). Payment is to be made by check payable to John A. Henley, Esq. and James Leon Gaudreault.

4. The Agreeing Parties represent and warrant that in agreeing to the terms of this Agreement they have read the Agreement, they are aware of the content and legal effect of this Agreement, and they are acting on the advice of counsel of their choice.

5. The Agreeing Parties shall bear their own respective costs and attorneys' fees related to the Claim.

6. This Agreement shall be binding upon and for the benefit of the Agreeing Parties and their respective successors, devisees, affiliates, representatives, assigns, officers, directors, agents and employees wherever the context requires or admits.

7. This Agreement constitutes the entire agreement and understanding concerning the subject matter of this Agreement and supersedes and replaces any prior negotiations and agreements between the Agreeing Parties. It is expressly understood and agreed that this Agreement may not be altered, amended, modified or otherwise changed in any respect or particular whatsoever except by a writing duly executed by authorized representatives of the Agreeing Parties.

8. Unless hereafter changed with written notice to all parties, the respective attorneys of record for each of the Agreeing Parties shall be those listed below.

9. Each of the undersigned signing on behalf of an Agreeing Party warrants that he or she is authorized to sign for and bind such party.

10. This Agreement shall be construed under the laws of the State of California.

11. If suit, action or proceeding is commenced by any Agreeing Party or to enforce any term or provision of this

Agreement or otherwise concerning the rights, duties, or obligations of any party under this Agreement, the prevailing party in such suit shall be entitled to reasonable attorney's fees and costs incurred in connection with that action.

12. The Agreeing Parties may execute duplicate originals of this Agreement or any documents they are required to sign or furnish pursuant to this Agreement.

Dated: 5/25/92

JAMES LEON GAUDREULT

James Leon Gaudreault

READ AND APPROVED AS TO LEGAL
FORM AND ADEQUACY:

Dated: 5/28/92

LAW OFFICES OF JOHN A. HENLEY

By: *John A. Henley*
John A. Henley
Attorney for Claimant
James Leon Gaudreault

Dated: June 25, 1992

CITY OF REDLANDS
A Municipal Corporation

ATTEST: *Lorrie Poyzer*
Lorrie Poyzer
City Clerk

By: *Charles G. DeMirjyn*
Charles G. DeMirjyn
Mayor of the City of
Redlands

READ AND APPROVED AS TO LEGAL
FORM AND ADEQUACY:

Dated: 12 May 92

BEST, BEST & KRIEGER

By: *Dallas Holmes*
Dallas Holmes
Attorneys for City of
Redlands