

## STANDSTILL AGREEMENT

This Standstill Agreement ("Agreement") is made this first day of February, 1995 by and between the City of Redlands, a municipal corporation (the "City") and the Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter Day Saints (the "Church").

### RECITALS

Whereas, on October 27, 1992, the City issued the Church a conditional use permit ("CUP No. 577") for the construction of a facility located at 1021 East Pioneer in the City of Redlands, California ("the Property"); and

Whereas, in the exercise of its police powers and in accordance with California statutory law, the City imposed certain conditions for the payment of fees on the Church's CUP No. 577 to pay for the costs of construction of certain improvements.

Whereas, the Church now disputes the fees imposed by the City for the construction of the improvements on the basis that such fees are unconstitutional and contrary to Federal and State law; and

Whereas, the City and Church disagree over the appropriate statute of limitations, if any, which affect the Church's challenge of the fees imposed by the City; and

Whereas, the City and Church desire a standstill period to allow them to discuss settlement of their dispute over the fees while protecting all potential claims and defenses relating to or arising out of the dispute; and

Whereas, the City and Church believe that their on-going efforts to reach agreement on, and cooperatively proceed with, negotiations regarding the imposition of the fees would be hindered if the City and Church were required to initiate or become actively involved in litigation;

Now, therefore, in consideration of the mutual covenants contained herein, and for such other good and valuable consideration, the receipt of which is hereby acknowledged, the City and Church hereby agree as follows:

### AGREEMENT

1. Any and all statutes of limitation applicable to any claims, causes of action, rights, demands for arbitration or reference, actions, and proceedings, either Church or City may have against the other party arising out of or relating to the facts and circumstances of the dispute over the imposition of fees for Conditional Use Permit No. 577 including unknown and contingent claims (collectively "Claims") are deemed tolled as of January 1, 1995, and shall remain tolled until April 30, 1995 or thirty (30) days after written notice is given by either the City or Church to the other

of its termination of this Agreement.

2. Any defenses which the City or Church may have, including those based on laches or related equitable doctrines, shall not be based upon or supported in any way by the postponement of the assertion of any claim or defense during the standstill period.

3. This Agreement in no way constitutes an admission by the City or Church of any fault or liability, or lack thereof, on the part of either party, in relation to any potential or existing lawsuit, claim, action or matter.

4. This Agreement constitutes the complete understanding of the City and Church and to the matters contained herein, and may not be modified except by a writing signed by each of the parties hereto.

5. This Agreement may be executed in counterparts.

6. This Agreement, and the provisions contained herein, shall be construed and enforced in accordance with, and governed by, the laws of the State of California.

7. The terms, conditions, covenants and agreements as set forth in this Agreement shall apply to and bind the heirs, executors, administrators, successors and assigns of the parties hereto.

8. The undersigned acknowledge and represent that they have read this Agreement and consulted with their respective attorneys concerning its contents and consequences, that this Agreement is being executed solely on reliance on their respective judgment, belief, and knowledge of the matters set forth herein and on the advice of their attorneys, and that this Agreement contains the entire agreement between the parties (except for specific related agreements contemplated by this agreement or mutually executed written amendments to this agreement). This Agreement, negotiated by the parties and their counsel, integrates all the subject terms and conditions and supersedes all negotiations of previous agreements between the parties concerning this specific subject matter of this Agreement.

9. The signatories on behalf of the City and Church by their signatures represent and covenant that they have the power and authority to execute this Agreement on behalf of that party.

10. In the event any action is commenced to enforce or interpret the terms or conditions of this Agreement, the prevailing party shall, in addition to any costs or other relief be entitled to the recovery of its reasonable attorney's fees.

In witness whereof, the parties have executed this agreement as of the date set forth below.

Corporation of the Presiding Bishop of the  
Church of Jesus Christ of Latter Day Saints

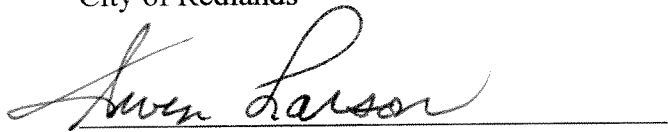
Attest:

  
\_\_\_\_\_  
Authorized Agent

  
\_\_\_\_\_

City of Redlands

Attest:

  
\_\_\_\_\_  
Mayor of the City of Redlands

  
\_\_\_\_\_  
City Clerk

February 7, 1995  
Date

February 7, 1995  
Date