

SECOND
TOLLING AGREEMENT

This tolling agreement ("Second Tolling Agreement") is made and entered into this 21st day of January, 2014, by and between Amelia (Amy) Hamilton, as Trustee of the Survivor's Trust Created under the Cardinal Family Trust of 1990 ("Hamilton"), and the City of Redlands ("City"). City and Hamilton are sometimes individually referred to herein as a "Party" and, together, as the "Parties." In consideration of the mutual promises contained herein, the Parties agree as follows:

RECITALS

WHEREAS, Hamilton represents it has a legal or equitable interest in certain real property located in the City of Redlands and as further referenced in Hamilton's Complaint, which is identified in the below recitals (the "Property"); and

WHEREAS, on May 29, 2013, Hamilton filed a claim against City for damages allegedly caused by City's wrongfully occupying, and denying Hamilton access to, the Property; and

WHEREAS, on November 30, 2013, Hamilton filed an action against City in the San Bernardino Superior Court, designated as Case No. CIVDS 1212381, alleging damages and requesting an injunction for: (1) Quiet Title, (2) Ejectment, (3) Trespass, and (4) Declaratory Relief (the "Complaint"); and

WHEREAS, City staff apprised the Redlands City Council of the facts and circumstances of the Complaint during closed session meetings of the City Council, and the City Council directed staff to discuss settlement of the Complaint with Hamilton; and

WHEREAS, City and Hamilton subsequently entered into a tolling agreement, a copy of which is attached hereto, to permit such settlement discussions; and

WHEREAS, to further facilitate settlement discussions, Hamilton dismissed the Complaint, without prejudice, pursuant to the attached tolling agreement; and

WHEREAS, City and Hamilton desire to continue their discussions in an attempt to reach a settlement before additional legal action is taken and expenses are incurred by the Parties; and

WHEREAS, that initial tolling agreement expired on December 31, 2013; and

WHEREAS, Hamilton has since refiled the Complaint; and

WHEREAS, City and Hamilton desire to enter into this Second Tolling Agreement to provide for an extension of time to allow such settlement discussions to continue without prejudice to the Parties;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

AGREEMENT

1. **Tolling Date:** This Second Tolling Agreement shall be effective as of December 31, 2013 (the "Tolling Date").

2. **Tolling:** City and Hamilton hereby agree that the running of any and all statutes of limitation and any other defenses based on the passage of time on any and all claims and causes of action that Hamilton and City have against each other based upon the claim filed by Hamilton, or based upon the Complaint, which were not already barred by the statute of limitations or passage of time as of the Tolling Date, shall be tolled through April 30, 2014.

3. **Dismissal of Complaint:** Hamilton shall dismiss the Complaint, without prejudice.

4. **Lapse of Time:** There shall be no lapse of time considered between the expiration of the first tolling agreement and this Second Tolling Agreement. This Second Tolling Agreement shall relate back to December 31, 2013, the date of the expiration of the first tolling agreement.

5. **Lapsed Claims:** This Second Tolling Agreement has no effect on claims or causes of action that, prior to the Tolling Date, were already barred by the statute of limitations or otherwise barred by the passage of time, and this Second Tolling Agreement shall not be construed to revive any such time-barred claims or causes of action.

6. **No Admission of Liability:** This Second Tolling Agreement does not constitute an admission by either of the Parties of the validity of any claim, cause of action or defense, or liability, and this Second Tolling Agreement shall not be used or referred to in any proceeding for any purpose other than to establish the Tolling Date.

7. **Applicable Law:** This Second Tolling Agreement shall be governed by and construed in accordance with the laws of the State of California.

8. **Equitable Doctrines:** Any defense which any Party 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 any claim or defense during the tolling period.

9. **Successors and Assigns:** The terms, conditions, covenants and agreements set forth in this Second Tolling Agreement shall apply to and bind the assigns and successors in interest of the Parties.

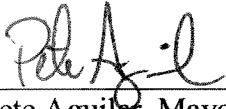
10. Entire Agreement: The undersigned acknowledge and represent that they have read this Second Tolling Agreement and consulted with their respective legal counsel concerning its contents and consequences, that this Second Tolling Agreement is being executed solely in reliance on their respective judgment, belief and knowledge of the matters set forth herein, and on the advice of their counsel. This Second Tolling Agreement, negotiated by the Parties, integrates all the terms and conditions, and supersedes all negotiations, of previous agreements between the Parties concerning the specific subject matter of this Agreement.

11. Attorneys' Fees: In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.

IN WITNESS WHEREOF, the Parties through their duly authorized representatives, entered into this Agreement. The Parties having read and understanding the foregoing terms and conditions do by their respective signatures adhere to the same.

CITY

HAMILTON



Pete Aguilar, Mayor

Amelia (Amy) Hamilton, as Trustee
Of the Survivor's Trust Created
under The Cardinal Family Trust of
1990

ATTEST:



Sam Irwin, City Clerk