

**SETTLEMENT AND GENERAL RELEASE OF ALL CLAIMS**

**THIS SETTLEMENT AGREEMENT AND RELEASE** (the "Settlement Agreement") is made and entered into this 10<sup>th</sup> day of July, 2018, by and among, LINDA MORALES, individually and as Guardian Ad Litem for K.B., and RUDOLFO MORALES (the "Releasers"), and COUNTY OF MENDOCINO ("Releasee").

**RECITALS**

A. Releasers filed a Complaint against Releasee and its employees, in the United States District Court, Northern District of California, Court Action No. 16-CV-02429-EMC, (the "Action"), which Complaint arose out of certain alleged acts or omissions by the Releasee and its employees. By way of the Complaint, Releasers sought to recover monetary damages as a result of those certain occurrences commencing on or about July 30, 2015, whereby K.B. was separated from Linda Morales and Rudolfo Morales, until September 28, 2015, in Mendocino County, California.

B. Releasee and its employees, deny each and every allegation made by Releasers, including those set forth in Recital A above.

C. The Parties desire to enter into this Settlement Agreement in order to provide for certain payment in full settlement and discharge of all claims which have, or might be made, by reason of the matters described in Recital A above, upon the terms and conditions set forth below.

**AGREEMENT**

The Parties hereto hereby agree as follows:

1.0 Release and Discharge

1.1 In consideration of this Settlement and the Payment called for herein, all parties hereby completely release and forever discharge each other, and Releasers specifically release Releasee and its employees who were Defendants in the Action, from any and all past, present or future claims, rights, damages, costs, loss of services, expenses and compensation of any nature whatsoever, whether based on civil rights, tort claims, a contract or any other theory of recovery, which any party may now have, or which may hereafter accrue or otherwise be acquired, on account of, or in any way growing out of the matters described in Recital A above and related to the Action, including, without limitation, any and all known or unknown claims for emotional distress and bodily or personal injuries to Releasers, or any future loss of familial relationship claims of Releasers' representatives or heirs, which have resulted or may result from the alleged acts or omissions of Releasee or its employees. Mindful of the pending motions with respect to the judgment previously entered in the matter, Releasers acknowledge that the settlement is made on behalf of the County of Mendocino and that its employees are being dismissed, with prejudice, without payment of consideration on behalf of any individual employee.

The mutuality of this release extends to the provisions of CC 1542 discussed in section 7.0 Governing Law below.

1.2 This Release and discharge shall also apply to Releasee's past, present and future employees, directors, stockholders, attorneys, agents, servants, representatives, employees, subsidiaries, affiliates, partners, predecessors and successors-in-interest, and assigns and all other persons, firms, or corporations, with whom any of the former have been are now or may hereafter be affiliated.

1.3 This Release on the part of Releasors shall be a fully binding and complete settlement between Releasors, Releasee and its employees, and their assigns and successors, and shall be fully enforceable by Releasee and its employees.

1.4 Releasors acknowledge and agree that the release set forth above is a general release. Releasors expressly waive and assume the risk of any and all claims for damages which exist as of this date, but of which Releasors do not know or suspect to exist whether through ignorance, oversight, error, negligence, or otherwise, and which, if known, would materially affect Releasors' decision to enter into this Settlement Agreement. Releasors further agree that Releasors have accepted payment of the sums specified herein as a complete compromise of matters involving disputed issues of law and fact. Releasors assume the risk that the facts or law may be otherwise than Releasors believe. It is understood and agreed by the Parties that this settlement is a compromise of disputed claims, and the payments are not to be construed as an admission of liability on the part of Releasee nor its employees, by whom liability is expressly denied.

1.5 Releasors agree to indemnify, hold harmless and defend Releasee and its employees, other released parties, including, but not limited to, any public entity or self-insurance pool of which Releasee is a member, from and against all claims, obligations, actions, causes of action, liens, demands for payments, or proceedings which may hereafter be asserted, brought by or on behalf of Releasors, or Releasors' heirs, executors, administrators, assigns or successors in interest.

Releasee also agrees to hold harmless and defend Releasors from and against all claims, obligations, actions, causes of action, liens, demands for payments, or proceedings which may hereafter be asserted, or brought by or on behalf of Releasee, or Releasees' agencies, departments, political or administrative sub-units or beneficiaries in interest.

## 2.0 Payments

In consideration of the release set forth above, Releasee hereby agrees to pay the sum total of Three Hundred Twenty-Five Thousand Dollars (\$325,000.00), with the division of consideration among Releasors and their attorney to be subject to an approval of minor's compromise on behalf of the minor only, and otherwise the division of payment of the consideration among Releasors or Releasors and their attorney shall not affect the validity of this Release.

Releasee understands and agrees that the total payment above (\$325,000.00) will be paid in two checks, one made payable specifically and exactly to, "Law Office Of Robert R. Powell, Client Trust Account," and another to an annuity provider to be identified in the Petition for Minor's Compromise to be filed in the Action. The amounts of the individual checks will depend on the approval of the Petition for Minor's Compromise, but their combined total will not exceed the total payment set forth above.

Releasee further understands and agrees its cooperation in the process of establishing an annuity for the deposit of settlement funds for the minor K.B. may be necessary. Funds must be placed into a financial account of sufficient security under State and Federal law governing the maintenance of proceeds to a minor, to receive lawful approval from the Court presiding over the Action. In the process of establishing an annuity, as is the intent of the minor Releasor K.B., there may be documentation, information, approvals, and/or signatures of authorized person(s) affiliated with Releasee. Therefore, Releasee does hereby agree to promptly cooperate with all reasonable requests of Releasors and/or any agent or representative of an annuity provider and or third party annuity administrator, and/or attorney Dennis R. Ingols, to timely accomplish the securing of minor's settlement proceeds hereby.

Releasors understand and agree, that payment of the settlement consideration is to be made under the terms of this agreement within thirty (30) days of the filing of an Order of the Court approving a Minor's Compromise, wherein thirty (30) days means payments received in the office of the counsel of Releasors, and the office of any designated annuity provider or annuity administrator, and that this timing is a material term of this agreement.

3.0 Attorneys' Fees

Each Party shall bear their own costs and attorneys' fees in connection with the litigation of the Action and this settlement.

4.0 Delivery of Stipulation of Dismissal

Concurrently with the execution of this Settlement Agreement, counsel for Releasors shall deliver to counsel for Releasee, an executed Stipulation of Dismissal with prejudice of the above

entitled action. Releasors hereby authorize counsel for Releasee to file said Stipulation for Dismissal with the Court and enter it as a matter of record when Releasee has forwarded, by way of overnight delivery to both counsel for Releasors and the annuity provider as described in Section 2.0 Payments above, and confirmed receipt by e-mail exchange that said payment has been received by Releasors counsel, and Releasors counsel has advised Releasee of annuity providers receipt of the check for the minor's annuity.

5.0 Representation of Comprehension of Document

In entering into this Settlement Agreement, Releasors represent that Releasors relied upon the advice of Releasors' attorneys, who are the attorneys of Releasors' own choice, concerning the legal and income tax consequences of this Settlement Agreement and that the terms of this Settlement Agreement have been completely read and explained to Releasors by Releasors' attorneys; and that the terms of this Settlement Agreement are fully understood and voluntarily accepted by Releasors.

6.0 Warranty of Capacity to Execute Agreement

Releasors represent and warrant that no other person or entity has or has had any interest in the claims, demands, obligations, or causes of action referred to in this Settlement Agreement except as otherwise set forth herein and that Releasors have the sole right and exclusive authority to execute this Settlement Agreement and receive the sums specified in it, and that Releasors have not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations, or causes of action referred to in this Settlement Agreement.

7.0 Governing Law

This Settlement Agreement shall be construed and interpreted in accordance with the laws of the State of California.

Undersigned Releasors do hereby waive any and all rights based upon the provisions of Section 1542 of the Civil Code of the State of California, which reads 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 TO HIM OR HER, MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”**

For your protection, California law requires the following to appear on this form:

**ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULANT CLAIM FOR THE PAYMENT OF A LOSS IS**

**GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES  
AND CONFINEMENT IN STATE PRISON. (Cal. Ins. Code, §  
1871.2)**

**8.0 Additional Documents**

All Parties agree to cooperate fully and execute any and all supplementary documents and to take all additional actions, which may be necessary or appropriate to give full force and effect to the basic terms and intent of this Settlement Agreement. As noted hereinabove in section 2.0 Payments, that will almost certainly require some cooperation and communication by counsel for Releasee, or Releasee, with the Releasors selected annuity provider and or third party annuity administrator, and/or attorney Dennis R. Ingols.

Furthermore, the parties have agreed that Releasors will cooperate with any reasonable request to assist Releasee in securing an order of the Court vacating the Judgment obtained by Plaintiffs in the Action, and prior orders awarding taxable costs to Releasors. It is understood that such cooperation, assuming it is of a nature that is of de minimis or no cost to Releasors, such as signing a stipulation or other documents, or filing a “non-opposition” to a motion by Releasees, shall occur. However, Releasors do not by their stated intent to cooperate herein, represent or imply that they have any knowledge as to the process by which a Judgment or order awarding taxable costs can be vacated, or whether it can be legally vacated, and it is expressly agreed between the parties that payment pursuant to section 2.0 Payments, is not contingent in any way, shape, or form, on Releasee’s obtaining orders from the Court vacating the Judgment obtained by Releasors, or the prior orders awarding Releasors taxable costs.

**9.0 Entire Agreement and Successors-In-Interest**

This Settlement Agreement contains the entire agreement between Releasors and Releasee with regard to the matters set forth herein and shall be binding upon and inure to the benefit of the executors, administrators, personal representatives, heirs, successors and assigns of each.

**10.0 Effectiveness**

This Settlement Agreement shall become effective immediately following execution by Releasors and Releasee and their respective counsel of record in the Action.

**Plaintiffs**

Date: 6/ /18 SIGNATURE ON PAGE 8  
LINDA MORALES

Date: 6/ /18 SIGNATURE ON PAGE 8  
RUDOLFO MORALES

Date:

Releasor: SIGNATURE ON PAGE 8  
RUDOLFO MORALES

Date:

Releasor: SIGNATURE ON PAGE 8  
LINDA MORALES, as Guardian Ad Litem for  
K.B., a minor

APPROVED AS TO FORM AND CONTENT:

Date:

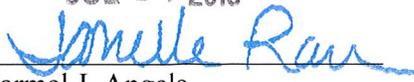
Releasors' Attorney:

By: SIGNATURE ON PAGE 8  
ROBERT R. POWELL

**SIGNATURES CONTINUED ON NEXT PAGE**

**For Mendocino County**

Date: JUL 24 2018

By:   
Carmel J. Angelo  
Chief Executive Officer

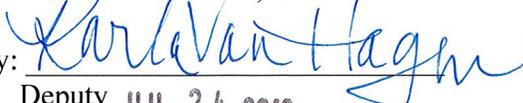
Date: 7-24-18

COUNTY OF MENDOCINO BOARD OF SUPERVISORS

By:   
Dan Hamburg, Chair

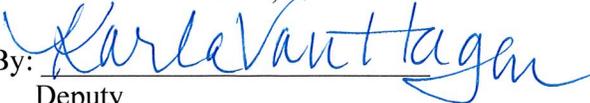
**ATTEST:**

CARMEL J. ANGELO, Clerk of said Board

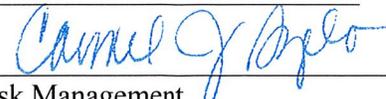
By:   
Deputy JUL 24 2018

I hereby certify that according to the provisions of Government Code section 25103, delivery of this document has been made.

CARMEL J. ANGELO, Clerk of said Board

By:   
Deputy

Date: JUL 24 2018

By:   
Risk Management

Date: 7-24-18

APPROVED AS TO FORM AND CONTENT:

Date: 7/23/18

By:   
Katharine L. Elliott, County Counsel

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**Plaintiffs**

Approved as to Form and Content

Date: 6/29/18 Linda Morales  
LINDA MORALES

Date: 7/5/18 Robert R. Powell  
ROBERT R. POWELL, ESQ.  
Attorney for Plaintiffs

Date: 6/29/18 Rudolfo Morales  
RUDOLFO MORALES

**PARTY AND REPRESENTATIVE SIGNATURES CONTINUED ON NEXT PAGE:**

**For Mendocino County**

Date: JUL 24 2018

By: Carmel J. Angelo  
Carmel J. Angelo  
Chief Executive Officer

Date: JUL 24 2018

COUNTY OF MENDOCINO BOARD  
OF SUPERVISORS

By: Karla Vant Hagen  
DEPUTY  
JUL 24 2018

**ATTEST:**

CARMEL J. ANGELO, Clerk of said Board  
By: Karla Vant Hagen  
Deputy  
JUL 24 2018

I hereby certify that according to the provisions of Government Code section 25103, delivery of this document has been made.

CARMEL J. ANGELO, Clerk of said Board