SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS

This Settlement Agreement and Mutual Release of Claims ("Agreement") is entered into between Paul David Sequeira ("Sequeira") and the County of Mendocino ("County") (collectively "the Parties") as of the last date executed below (the "Effective Date"), with respect to the following facts and objectives.

RECITALS

- A. Sequeira was an employee of the County from September 24, 2011 and voluntarily left the County on March 4, 2016. During that time, Sequeira worked as the Assistant District Attorney.
- B. The County is a public agency organized under the laws of the State of California.
- C. On March 4, 2016, Sequeira filed a claim ("Claim") against the County alleging a breach of contract and requesting money damages.
- D. The parties have engaged in settlement negotiations which resulted in an Agreement, based on mutual consideration, in order to resolve this matter without the need for litigation.

NOW THEREFORE, in consideration of the execution of this Agreement and the releases, satisfactions and promises made herein, it is hereby agreed upon by the Parties agree as follows:

RELEASE OF CLAIMS

Sequeira agrees that the consideration contained in this agreement resolves all matters against the County and Sequeira.

Upon the Effective Date of this Agreement, Sequeira, on behalf of himself, agents, successors and assigns, and any other person acting under its direction and control with respect to this matter, agrees that he releases, acquits and forever discharges the County, its elected and appointed officials, officers, employees, agents, legal successors and assigns, and any other person acting on the County's behalf, from all claims, actions, causes of action, obligations, except for obligations under this Agreement, including attorneys' fees, costs and fees based upon the Claim, which occurred at any time up to and including the Effective Date of this Agreement.

AGREEMENT

1. All parties understand, acknowledge and agree that this is a compromise settlement agreement, and that neither the terms of this Agreement nor the considerations set forth in this

Agreement shall be deemed or construed at any time or for any purpose whatever as an admission against interests, an admission of wrongdoing, or an admission of liability by the COUNTY or any of its individual or collective agents, officers, employees or representatives, whether past or present, or by SEQUEIRA. The liability for any and all claims made by any person, persons or entities concerning the underlying disagreement that prompted this Agreement is expressly denied by the COUNTY.

2. <u>Consideration</u>: In exchange for the delivery, execution, and performance of this Agreement and of the Release by Sequeira as provided herein, County agrees to pay Sequeira the sum of \$50,000.00. Sequeira agrees to assume responsibility for payment of all income taxes arising from, or related to, the consideration payment.

This payment is consideration for this release of all claims described herein and as compensation for any and all alleged injuries or damages or attorneys' fees or litigation costs that have arisen in any way from Sequeira's relationship with the COUNTY. Sequeira understands and agrees that the COUNTY is not providing any tax or legal advice, and that the COUNTY makes no representations regarding tax obligations or consequences, if any, related to this sum or this Agreement.

The consideration payment shall be made within thirty (30) days after the expiration of any deadlines for rescission or revocation of this Agreement as set forth in section 10 (e).

- 3. <u>No Further Payment</u>: Sequeira acknowledges that, except as expressly provided in this Agreement, he will not receive any additional compensation, consideration, or benefits from the County.
- 4. <u>No County Tax Liability</u>: The COUNTY will not be responsible for any additional taxes found owing on the consideration payment. Sequeira agrees to assume responsibility for payment of all income taxes arising from, or related to, the consideration payment, should any be assessed. If any claim is asserted against the COUNTY by any taxing authority with respect to this sum, SEQUEIRA agrees to hold the COUNTY harmless. SEQUEIRA shall not seek reimbursement from the COUNTY, its agents, attorneys and/or assigns

for any taxes arising from or related to the consideration payment.

- 5. <u>Actions by Sequeira</u>: In exchange for the delivery, execution, and performance of this Agreement, Sequeira shall not file, in any court, an action against County arising out of the Claim.
- Mutual Release: It is the intent of the Parties that the execution and delivery of this Agreement constitutes a full and complete satisfaction of all rights, claims and demands by Sequeira against County, and County against Sequeira, with respect to any and all allegations and claims asserted in the Claim and any and all issues arising during the time of employment. County and Sequeira, on behalf of itself and any and all of its agents, representatives, successors, members, and assigns, does hereby absolutely, fully, and forever release, relieve, remise, and discharge the County and Sequeira, respectively, and its past and present employees, officers, directors, attorneys, and the predecessors, successors, and assigns of any of them, from any and all causes of action, claims, damages (including punitive damages), demands, debts, actions, attorneys' fees, costs of suit, and liabilities of every kind or nature whatsoever, arising out of the Claim. The release provided for herein shall be valid and effective whether the claims, causes of action, or liability hereby released (i) were known or unknown, suspected or unsuspected, (ii) were based in contract, tort, statute, or otherwise, or (iii) arise at law or in equity.

Further, the parties acknowledge that they are familiar with section 1542 of the California Civil Code. For any other claims against each other, known or unknown, suspected or unsuspected, and each party expressly waives and relinquishes any rights and benefits which they have or may have under section 1542 of the Civil Code of the State of California, which provides:

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 by him or her must have materially affected his or her settlement with the debtor.

The Parties acknowledge that each has specifically reviewed the meaning and effect of the

seven-day period following the date he signs the Agreement and that the Agreement shall not become effective or enforceable until the seven-day revocation period expires. Notice of revocation must be made in writing and must be received by the COUNTY through the Office of the County Counsel, 501 Low Gap Road, Room 1030, Ukiah, California 95482, no later than the seventh day after SEQUEIRA executes this Agreement.

- f. The effective date of this Agreement is the last date on which all of the following occurs: this Agreement is executed by the COUNTY and SEQUEIRA; and the seven-day revocation period has expired without receipt of any revocation.
- 10. <u>No Assignments:</u> Each Party to this Agreement represents and warrants that it has not assigned, transferred, hypothecated, or sold to any third person or entity, any of the rights or obligations released by or entered into under this Agreement.
- 11. <u>Counterparts:</u> This Agreement may be executed in multiple counterparts, each of which shall evidence one and the same agreement.
- 12. **Headings:** The headings used in this Agreement are for convenience of reference and shall not be used to define any provision.
- 13. Entire Agreement in Writing: This Agreement constitutes the entire agreement between the Parties hereto with respect to the subject matter set forth herein and supersedes all previous or contemporaneous negotiations, commitments (oral or written), and writings with respect to the subject matter set forth herein.
- 14. <u>Integration Clause</u>: This Agreement contains all of the terms and conditions agreed upon by the parties hereto regarding the subject matter of this Agreement. Any prior assignments, promises, negotiations, or representations, either oral or written, relating to the subject matter of this Agreement, not expressly set forth in this Agreement, are of no force or effect.
- 15. <u>Choice of Law:</u> This Agreement shall be construed and enforced pursuant to the laws of the State of California. However, each Party and the representative of each Party have reviewed this Agreement, the terms of which the Parties agreed upon through negotiation.

Therefore, the normal rule of construction set forth in Civil Code section 1654, to the effect that any ambiguities are to be resolved against the drafting party, shall not be employed in any interpretation of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed the Settlement Agreement and General Release of Claims.

PLEASE READ CAREFULLY. THIS AGREEMENT AND RELEASE INCLUDES OF A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

For	Paul	SEQ	UEIR	A

For Mendocino County

Date: 6/27/16 Faul SEQUENCE Paul SEQUENCE	Carmel J. Angelo Chief Executive Officer County of Mendocino
Dated:	COUNTY OF MENDOCINO BOARD OF SUPERVISORS By: Dan Gjerde, Chair
Dated:	COUNTY OF MENDOCINO RISK MANAGEMENT By:
Dated:, 2016	COUNTY OF MENDOCINO DISTRICT ATTORNEY

By: Hon. C. David Eyster

APPROVED AS TO FORM AND CONTENT:

Dated: June 30, 2016

By: Katharine L. Elliott, County Counsel

MENDOCINO COUNTY

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

CARMEL J ANGELO
Clerk of the Board

Dra M.

ATTEST:

Carmel J. Angelo, Clerk of the Board Mendocino County Board of Supervisors

DEPUTY