## SETTLEMENT AND MUTUAL RELEASE AGREEMENT AND GENERAL RELEASE OF CLAIMS BY AND BETWEEN CITY OF CARSON AND 360CIVIC

This Settlement and Mutual Release Agreement and General Release of Claims ("Agreement"), dated as of September \_\_\_\_\_, 2023, is entered into by and between 360CIVIC, a California corporation ("360CIVIC"), and the City of Carson, a California municipal corporation ("City"). 360CIVIC and City are also sometimes individually referred to herein as a "Party" and collectively as the "Parties." This Agreement is entered into with reference to the following facts and circumstances:

## **RECITALS**

**WHEREAS**, the Parties entered into a Contract Services Agreement dated March 1, 2022 ("Contract"), for 360CIVIC to develop, redesign, host and maintain City's websites (the "Services") for a term of five years; and

**WHEREAS**, the Contract provides for 360CIVIC to be paid for the first year of the Contract term by City advancing \$30,387.50 upon issuance of a Notice to Proceed, which the City did advance, then making another \$30,387.50 payment only upon 360CIVIC's completion of the website redesign CMS Implementation that was a critical and material part of the Services; and

**WHEREAS**, now there is a dispute between the Parties as to their rights and obligations and each Party claims it is owed monies by the other Party ("**Dispute**"); and

**WHEREAS**, recognizing the costs and uncertainties involved in any litigation, the Parties intend, by this Agreement, to settle fully and finally any and all claims between City and 360CIVIC in connection with the Dispute, whether alleged or unalleged, in consideration for payment as specified in this Agreement and performance of the other terms of this Agreement; and

**WHEREAS**, 360CIVIC and City each deny any wrongdoing and make no admission of liability in connection with the Contract or Dispute.

## **AGREEMENT**

**NOW, THEREFORE,** for the purposes set forth herein, and for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties hereby agree as follows:

- 1. Recitals. The foregoing recitals are true and correct, and are incorporated herein by reference.
- 2. <u>Effective Date</u>. The "**Effective Date**" of this Agreement is the date this Agreement is fully executed by the Parties.

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- 3. <u>Payment</u>. City and 360CIVIC hereby agree that City will pay to 360CIVIC, within five (5) City business days of the Effective Date, the sum of \$5,000.00, as agreed upon by the Parties for purposes of settlement of the Dispute (the "**Settlement Amount**").
- 4. Release by City. City, itself and on behalf of its respective employees, officers (elected and appointed), agents, consultants, representatives, attorneys, bonding companies, insurers, successors and assigns, releases and forever discharges 360CIVIC, its owners, directors, officers, employees, agents, and representatives, and each and all of them individually, as well as their respective successors, assigns, principals, agents, employees, consultants, representatives, attorneys, bonding companies and insurers, from all liability in connection with all claims, damages, attorney's fees, costs and allegations arising from or in any way related to the Dispute and the Settlement Amount, whether asserted or unasserted, known or unknown, stated or unstated or that could have been stated, and of any kind whatsoever. This release does not apply to the obligations set out in this Agreement.
- 5. Release by 360CIVIC. 360CIVIC, individually, and on behalf of its respective owners, directors, officers, agents, employees, consultants, representatives, attorneys, bonding companies, insurers, successors, and assigns, releases and forever discharges City and each of its respective employees, officers (elected and appointed), agents, consultants, representatives, attorneys, bonding companies, insurers, successors and assigns, from all liability in connection with all claims, damages, attorney's fees, costs and allegations arising from or in any way related to the Dispute and the Settlement Amount, whether asserted or unasserted, known or unknown, stated or unstated or that could have been stated, and of any kind whatsoever. This release does not apply to the obligations set out in this Agreement.
- 6. <u>Civil Code 1542 Release</u>. The Parties are aware of all rights that may be granted to them pursuant to Civil Code Section 1542, which section reads, in pertinent part, as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

The Parties nevertheless waive all rights granted to them by Civil Code Section 1542, and any similar statute, code, law or regulation of any state of the United States, or of the United States, and assume all risks for claims arising in the Dispute and the Settlement Amount, heretofore or hereafter arising, known or unknown, from the subject matters of this release.

Furthermore, the Parties agree that the facts on which this release is based may turn out to be different from the facts now known or believed to be true in respect to the matters referred to above. Nevertheless, the Parties accept and assume the risk that such facts may turn out to be different and agree that the terms of this release shall in all respects be effective and not subject to termination, rescission, or modification by any such difference in the facts.

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7. Notices. Any notice, demand or other communication of any kind that a Party may be required to serve upon the other Party, pursuant to this Agreement, shall be given in writing and be delivered (a) in person (including express, courier, or overnight service), (b) by facsimile (if confirmed in writing sent by registered or certified mail, postage prepaid, return receipt requested), or (c) by certified or registered mail, postage prepaid, return receipt requested, and, in any such case, addressed as follows:

If to 360CIVIC, addressed to:

360CIVIC, a California corporation Attn.: Ron Zayas, President 1845 W. Orangewood Ave., Suite 101 Orange, CA 92878

If to City, addressed to:

City of Carson Attn.: David C. Roberts, Jr., City Manager 701 E. Carson St. Carson, CA 90745

With a copy to:

Sunny K. Soltani, City Attorney Aleshire & Wynder, LLP 1 Park Plaza, Suite 1000 Irvine, CA 92614

Telephone: (949) 223-1170

or to such other address or to such other person as a Party shall have last designated by such notice to the other Party. Each such notice, demand, or other communication, if addressed as aforesaid and delivered by one of the options specified in this paragraph, shall be effective upon the date of delivery, whether or not accepted by the addressee.

- 8. <u>Non-liability of City Officers and Employees</u>. No officer or employee of the City shall be personally liable to 360CIVIC or any successor in the event of any default or breach by the City of the terms of this Agreement or for any amount which may become due to 360CIVIC or any successor under the terms of this Agreement.
- 9. <u>Headings</u>. The titles and headings of the paragraphs and sections of this Agreement are intended solely for convenience of reference, and shall not be construed as an explanation, modification or intended construction of any of the terms or provisions of this Agreement.
- 10. <u>Gender and Number</u>. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

- 11. <u>Entire Agreement</u>. This Agreement constitutes the entire understanding between and among the Parties. Each Party acknowledges that no party, agent or representative of the other Party has made any promise, representation or warranty, express or implied, not expressly contained in this Agreement, that induced the other Party to sign this document.
- 12. <u>Amendment; Interpretation</u>. Both Parties agree that this Agreement shall not be amended or modified, except in writing signed by each Party, and shall not be construed against any Party because that Party's representative drafted the Agreement or any portion of it.
- 13. <u>Additional Acts</u>. The Parties agree to perform such further acts and to execute and deliver such further documents as may be reasonably necessary or appropriate to carry out this Agreement.
- 14. <u>Agreement Binding on Successors</u>. It is agreed that this Agreement, together with the releases, shall be binding upon and inure to the benefit of the heirs, executors, administrators, personal representatives, and successors-in-interest of the respective Parties.
- 15. <u>No Other Promise or Warranty</u>. No promise or warranty shall be binding on any Party except as expressly contained in this Agreement.
- 16. <u>Severability</u>. If any provision of this Agreement shall be determined to be invalid, void or illegal, such provision shall be construed and amended in a manner which would permit its enforcement, but in no event shall such provision affect, impair or invalidate any other provision hereof.
- 17. <u>Jurisdiction and Venue</u>. This Agreement is intended to be construed pursuant to the laws of the State of California. Each Party agrees that the proper venue for any action arising out of the breach or the interpretation of this Agreement or other documents delivered pursuant to any provision thereof, shall be the Superior Court of the State of California for the County of Los Angeles.
- 18. <u>No Assignment</u>. The Parties, and each of them, represent and warrant that they have not assigned or transferred, or purported to assign or transfer, and shall not hereafter assign or transfer, any obligations, liabilities, demands, claims, costs, expenses, debts, controversies, damages, actions, and causes of actions released under this Agreement.
- 19. <u>Attorneys' Fees</u>. The Parties shall each bear their own attorney's fees and costs incurred in resolution of the Dispute, including in agreeing upon the Settlement Amount and entering into this Agreement. However, should either Party initiate any action at law or in equity to enforce or interpret the terms of this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees and costs.
- 20. <u>Consultation with Attorney</u>. Each Party declares that prior to the execution of this Agreement, it has had the opportunity to consult with its attorney of choice in order that it may intelligently exercise its own judgment in deciding whether to execute this Agreement.

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- 21. <u>Enforcing Agreement</u>. This Agreement shall in all respects be interpreted, enforced and governed under the laws of the State of California and this Agreement is fully enforceable pursuant to California Code of Civil Procedure section 664.6.
- 22. <u>Authority to Execute Agreement</u>. Each Party declares that it has read this Agreement and understands and knows the contents thereof, and each Party and signatory represents and warrants that each of the persons executing this Agreement is empowered to do so and thereby bind the respective Party to the terms hereof.
- 23. <u>Voluntary Agreement</u>. This Agreement is executed voluntarily by each of the Parties without any duress or undue influence on the part of, or on behalf of, any of them.
- 24. <u>Counterparts</u>. This Agreement may be executed in counterparts, and all so executed shall constitute an agreement binding on the Parties. The Parties further agree that a facsimile copy or a copy in pdf format of the executed counterparts shall have the same force and effect as an original.

[SIGNATURES ON NEXT PAGE]

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	CITY:
	CITY OF CARSON, a California municipal corporation
	T. I. D W. I M.
	Lula Davis-Holmes, Mayor
	September, 2023
ATTEST:	
Dr. Khaleah K. Bradshaw, City Clerk	
APPROVED AS TO FORM:	
Sunny K. Soltani, City Attorney	
	360CIVIC:
	360CIVIC, a California corporation
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	Name: Ron Zayas
	Title: President
	Date: August 14, 2023
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	Shy Ly
	Name Elizabeth Zavas

Two corporate officer signatures required for 360CIVIC, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer.