

**SETTLEMENT AND MUTUAL RELEASE AGREEMENT  
AND GENERAL RELEASE OF CLAIMS  
BY AND BETWEEN  
CITY OF CARSON  
AND  
AMERICAN GUARD SERVICES, INC.**

This Settlement and Mutual Release Agreement and General Release of Claims (“**Agreement**”), dated as of October 13<sup>th</sup>, 2020, is entered into by and between American Guard Services, Inc., a California corporation (“**AGS**”), and the City of Carson, a California municipal corporation (“**City**”). AGS 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 June 1, 2018, which was amended by an Amendment No. 1 dated May 1, 2019 (collectively, the “**Contract**”), related to the performance of security guard services by AGS for the City (the “**Services**”); and

**WHEREAS**, during performance of the Contract, a dispute arose between the Parties relating to the extent of the Services authorized to be performed, and more specifically whether the full extent of Services actually performed was duly authorized under the Contract and applicable laws (the “**Dispute**”); and

**WHEREAS**, as a result of the Dispute, AGS suspended all Services as of September 2, 2020, and City terminated the Contract on or about September 9, 2020; and

**WHEREAS**, on or about September 21, 2020, City sent payment to AGS via overnight mail for all invoices remaining outstanding from AGS for all Services rendered, with the exception of: (1) a final invoice issued by AGS on September 15, 2020 in the amount of \$723.39, which invoice had not yet been received by the City at the time the September 21, 2020 payment was made, and which will be duly processed by the City when received; and (2) the amount of \$42,861.97, which amount was withheld from the September 21, 2002 payment due to the Dispute, as more particularly detailed in the cover letter from the City accompanying the payment (the “**Remaining Disputed Amount**”); and

**WHEREAS**, AGS and City each deny any wrongdoing and make no admission of liability in connection with the Dispute; and

**WHEREAS**, recognizing the costs and uncertainties involved in any litigation, AGS desires to settle fully and finally all differences with the City arising from the Dispute, and City desires to settle fully and finally all differences with AGS arising from the Dispute; and

**WHEREAS**, the Parties intend, by this Agreement, to settle any and all claims between City and AGS 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.

### **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. Effective Date. The “**Effective Date**” of this Agreement is the date this Agreement is fully executed by the Parties.
3. Payment. City and AGS hereby agree that City will pay to AGS, within five (5) City business days of the Effective Date, the sum of \$32,861.97. This amount represents payment of the Remaining Disputed Amount less \$10,000, 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 AGS, 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 made or unmade, asserted or unasserted, known or unknown, stated or unstated or that could have been stated, and of any kind whatsoever.
5. Release by AGS. AGS, 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 made or unmade, asserted or unasserted, known or unknown, stated or unstated or that could have been stated, and of any kind whatsoever.
6. Civil Code 1542 Release. 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 assumes 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.

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 AGS, addressed to:

American Guard Services, Inc.  
Attn.: Sherif Assal, President  
c/o Mohamed A. Youssef, Esq., M.B.A.  
General Counsel and Attorney on Behalf of  
Worldwide Sourcing Group, Inc., and Affiliated Entities  
1125 W 190th Street  
Gardena, CA 90248

If to City, addressed to:

City of Carson  
Attn.: Sharon Landers, City Manager  
701 E. Carson St.  
Carson, CA 90745

With a copy to:

Sunny K. Soltani, City Attorney  
Aleshire & Wynder, LLP  
18881 Von Karman Ave., #1700  
Irvine, CA 92612  
Telephone: (949) 223-1170  
Facsimile: (949) 223-1180

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. Non-liability of City Officers and Employees. No officer or employee of the City shall be personally liable to AGS 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 AGS or any successor under the terms of this Agreement.
9. Headings. 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. Gender and Number. 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. Entire Agreement. 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. Amendment; Interpretation. 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. Additional Acts. 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. Agreement Binding on Successors. 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. No Other Promise or Warranty. No promise or warranty shall be binding on any Party except as expressly contained in this Agreement.
16. Severability. 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. Jurisdiction and Venue. 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. No Assignment. 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. Attorneys' Fees. 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. Consultation with Attorney. 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.
21. Enforcing Agreement. 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. Authority to Execute Agreement. 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. Voluntary Agreement. 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. Counterparts. 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]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set forth below.

**CITY:**

CITY OF CARSON, a California municipal corporation

By: \_\_\_\_\_  
Albert Robles, Mayor

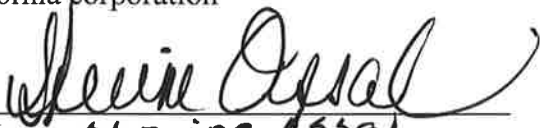
Date: \_\_\_\_\_

**APPROVED AS TO FORM:**


By: \_\_\_\_\_  
Sunny K. Soltani, City Attorney

**AGS:**

AMERICAN GUARD SERVICES, INC., a California corporation

By:   
Name: Sherine Assal  
Title: President

Date: 10-13-2020

By:   
Name: Mohamed A. Yousssef  
Title: General Counsel

Date: 10/13/2020

Two corporate officer signatures required for AGS, 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.