

## MUTUAL RELEASE AND SETTLEMENT AGREEMENT

This Mutual Release and Settlement Agreement ("Agreement"), effective as of November 2, 2015 (the "Effective Date"), is made and entered into by and between McGranahan Architects, P.S. ("MA"), Kramer Gehlen & Associates, Inc. ("KGA") and Woodland School District #404 ("Woodland"). MA, KGA and Woodland are referred to as the "Parties." MA and KGA are sometimes referred to as the "Design Parties."

1. Settlement and Mutual Release of Claims. For and in consideration of this Agreement and the payments identified herein, the Parties each hereby releases and forever discharges each other party from any and all claims, defenses, demands, damages, costs, expenses, attorney's fees, or causes of action, whether known or unknown, accrued or unaccrued, past, present or future ("Claims"), related to or arising out of the new Woodland High School Project and related services and projects (the "Project"), whether such Claims sound in tort or contract, under common law or statute or under any other legal basis, and regardless of the types of damages that may form the basis for such Claims. Without limitation, and subsumed within the scope of this release, Woodland hereby releases the Design Parties from all Claims that relate to or arise out of the issues raised in Woodland's February 10, 2014 letter to MA regarding alleged conflicts between the geo-grid and footings at the Project. Woodland agrees to defend, indemnify and hold the Design Parties (and each of the Design Parties' agents, representatives, owners, attorneys, employees, insurers, bonding companies, predecessors, successors and assigns, if any,) harmless from any claims by Woodland's general contractor or its subcontractors relating to any payment of additional compensation with regard to Claims that relate to or arise out of the issues raised in Woodland's February 10, 2014 letter to MA. There are only three exclusions to this release: (1) Claims related to latent defects that are unknown to Woodland as of the date of this Agreement, (2) Woodland's remaining future payment obligations to MA under its B102 Agreement with MA for the Project,

which future payment obligations total \$24,694, and (3) currently unknown claims for indemnity or contribution relating to or arising out of personal injury or property damage. But for these three exceptions, the releases are intended to be interpreted as broadly as possible and absolute but for these three exclusions. Woodland represents that it currently is not aware of any other facts or defects that could form the basis of any other Claims against the Design Parties. Each Party represents that it is not aware of any facts that would give rise to a claim for contribution or indemnity against another Party.

The releases provided herein do not apply to the Parties' obligations under this Agreement. With regard to the releases provided herein, each releasing party hereby releases each released party and the released party's agents, representatives, owners, attorneys, employees, insurers, bonding companies, predecessors, successors and assigns, if any. Each releasing party's agents, representatives, owners, attorneys, employees, insurers, bonding companies, predecessors, successors and assigns, if any, shall be bound to the releases herein to the same extent as the releasing party.

2. Payments.

A. MA and KGA agree to each pay Woodland \$75,000 (for a total of \$150,000) within thirty (30) days of the complete execution of this Agreement.

B. MA shall pay KGA the sum of \$10,243 within fourteen (14) days of complete execution of this Agreement (which sum KGA has billed in connection with the Project but which amount MA has not yet paid) and, upon receipt of same, KGA releases all fee claims of any nature against MA and Woodland in connection with the Project.

3. No Admissions. The Parties vigorously deny liability or responsibility for any and all of the Claims, and the Parties to this Agreement understand that, by execution of this Agreement,

no Party acknowledges or admits to any liability, culpability or responsibility for any acts or omissions concerning the subject herein, and that this Agreement is entered into solely for the purpose of resolving disputes without resort to litigation and is in no way to be construed, and is in fact not, an admission of liability or responsibility of any Party hereto.

4. Additional Documents and Actions. The Parties agree to cooperate fully and execute any and all supplementary documents and take all additional actions that may be necessary or appropriate to give full force and effect to, or to memorialize, the terms and intent of this Agreement.

5. Enforcement. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of Washington. This Agreement has been drafted jointly by the Parties following negotiations between them. It shall be construed according to its terms and not for or against any Party.

If any provision of this Agreement is deemed by law to be void, invalid or inoperative for any reason, or any phrase or clause within such provision is deemed by law to be void, invalid or inoperative, that phrase, clause or provision shall be deemed modified to the extent necessary to make it valid and operative, or if it cannot be so modified, then such phrase, clause or provision shall be deemed severed from this Agreement, with the remaining phrases, clauses and provisions continuing in full force and effect as if the Agreement had been signed with the void, invalid or inoperative portion so modified or eliminated.

In any dispute concerning this Agreement, the substantially prevailing party or parties shall be entitled to be reimbursed for reasonable costs, expenses, expert witness fees and attorneys' fees incurred.

6. Authority. The Parties acknowledge and represent that they are effecting this settlement and executing this Agreement after having received full legal advice as to their rights from legal counsel, and hereby warrant that they have the sole right and exclusive authority to execute this Agreement and receive the benefits specified herein, and that no other person or entity has or has had any interest in any of the Claims, nor have any of the Claims referred to herein been sold, assigned, transferred, conveyed or otherwise disposed of.

The Parties acknowledge that they have carefully read this Agreement and know the contents thereof, including the fact that this Agreement is a release of Claims, that no promise or agreement not expressed in this Agreement has been made, and that they have signed this Agreement as a free act. This Agreement incorporates and supersedes any and all prior understandings, contains the entire agreement between the Parties, and shall be binding upon and inure to the benefit of the representatives, successors and assigns of each.

Any amendments of this Agreement shall be by written agreement between the Parties.

7. Counterparts. This Agreement may be executed in any number of counterparts, and each such counterpart hereof, or copies or electronic versions of the same, shall be deemed to be an original instrument, but all such counterparts shall constitute one agreement.

8. Mistake of Fact or Law. Each party expressly assumes the risk of any mistake of fact or law and of any facts proven to be other than or different from the facts now known to any of the Parties to this Agreement or believed by them to exist. It is the express intent of the Parties to this Agreement to settle and compromise, finally and forever, the Claims released herein without regard to who may or may not be correct in any understanding of the facts or law relating to the Parties' claims and defenses.

9. Except as expressly stated in Paragraph 1, there are no intended third-party beneficiaries to this Agreement.

10. If any one of the Parties fails to execute this Agreement, then this Agreement shall be null and void, of no effect, and subject to Evidence Rule 408.

WOODLAND SCHOOL DISTRICT NO. 404      McGRANAHAN ARCHITECTS, P.S.

By \_\_\_\_\_  
Its \_\_\_\_\_  
Date \_\_\_\_\_

By \_\_\_\_\_  
Its \_\_\_\_\_  
Date \_\_\_\_\_

KRAMER GEHLEN & ASSOCIATES, INC.

By \_\_\_\_\_  
Its \_\_\_\_\_  
Date \_\_\_\_\_