

SETTLEMENT & RELEASE AGREEMENT

THIS SETTLEMENT AGREEMENT AND RELEASE (hereinafter the "Agreement") is entered into and effective as of _____, 2025, by and among DOMINION LAND CORPORATION ("Dominion"); LOGAN DEVELOPERS, INC. ("Logan") and THE HIGHLANDS AT BOILING SPRING LAKES HOMEOWNERS ASSOCIATION ("HOA") (collectively "Plaintiffs"), and CITY OF BOILING SPRING LAKES ("BSL" or "Defendant"). The above identified Parties are at times referred to herein collectively as "Parties" and individually as a "Party."

RECITALS:

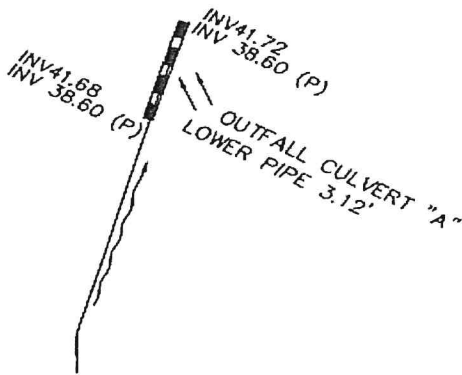
WHEREAS, on October 23, 2024, the Plaintiffs, commenced a civil action in the General Court of Justice, Superior Court Division, Brunswick County against BSL, and an Amended Complaint on December 10, 2024 (the "Lawsuit");

WHEREAS, BSL has denied or otherwise disputed the material allegations in the Lawsuit;

WHEREAS, the Parties listed herein, after much deliberation and negotiation, desire to settle the matters and controversies between them as more particularly set forth herein, without the necessity of further litigation or time and expense to the Parties;

NOW, THEREFORE, in consideration of the foregoing and in further consideration of the covenants, representations, and warranties contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree to bind themselves as follows:

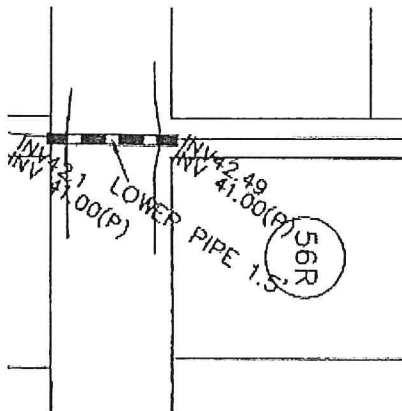
1. **LOWERING OF PIPE ON THE LAKES GOLF COURSE:** The Plaintiffs at their sole cost and expense will obtain a Temporary Construction Easement from DHLN Holdings, LLC, owner of The Lakes Golf Course, for the purposes of the Plaintiffs lowering a drainage culvert (the "Golf Course Culvert") located thereon approximately 3.12 feet, in the approximate location shown as "Golf Course Culvert" on the attached Exhibit A, and as shown below:



To the extent that any tree removal permit from BSL is required in order for this work to be performed, BSL shall promptly issue that permit.

2. MAINTENANCE OF EXISTING DRAINAGE DITCH RUNNING FROM GOLF COURSE: The Plaintiffs, at their sole cost and expense, will obtain a Permanent Drainage Easement from DHLN Holdings, LLC to BSL for those portions of an existing drainage canal located on its property (as shown in green on the attached Exhibit A) so that, from and after the lowering of the Golf Course Culvert which Plaintiffs will perform with their forces and at their sole cost and expense, BSL will, at its sole cost and expense, be responsible for maintaining and shall maintain the area, as outlined in green on the attached Exhibit A, in accordance with a Ditch Maintenance Program (the Ditch Maintenance Program”) to be adopted by BSL within 120 days of execution of this Agreement by all parties for the drainage ditches under its control, in accordance with the recommendations of Sungate Design Group, P.A. contained in its “Stormwater Management Master Plan” dated May 6, 2021 (the provisions of which are incorporated herein by reference as if fully set forth herein), adopted by BSL on January 4, 2022.

3. LOWERING OF ADDITIONAL DRAINAGE CULVERT: BSL, at its sole cost and expense, will cause the drainage pipe located under Golf View Drive, in the area shown in blue on the attached Exhibit A, and as further depicted below, to be lowered approximately 1.5 feet :



BSL will, at its sole cost and expenses, thereafter be responsible for maintaining and shall maintain the area outlined in blue on the attached Exhibit A in accordance in accordance with the Ditch Maintenance Program.

4. HOA MAINTENANCE OF DITCH AREAS TO THE REAR OF LOTS WITHIN THE HIGHLANDS: The Parties acknowledge that there exists within the area formerly known as Section 17, Boiling Spring Lakes, replatted as The Highlands, a series of ditches, depicted in Red on the attached Exhibit A, that are not located within the metes and bounds of any lot, but are located at the rear of the lots where these ditches are located. From and after the effective date of this Agreement, the HOA shall, at its sole cost and expense, maintain the drainage areas depicted in Red on the attached Exhibit A.

5. BSL TO MAINTAIN ROADSIDE DITCHES: From and after the effective date of this Agreement, BSL shall, at its sole cost and expense, be responsible for maintaining and

shall maintain all of the roadside ditches located in the public right of way adjacent to Golfview, Pine Needles, Westway, Parkway, Downing, Plymouth, Morningside and Fox Squirrel, as depicted on the attached Exhibit A, in accordance with the Ditch Maintenance Program. Plaintiffs will execute quitclaim deeds conveying any interest which Plaintiffs have or may have in the drainage ditches, to BSL.

6. PERMIT TO COMPLETE REPAVING OF PLYMOUTH, PARKWAY, MORNINGSIDE AND FOX SQUIRREL; NO CURRENT AGREEMENTS AS TO REIMBURSEMENTS FOR WORK ALREADY PERFORMED OR TO BE PERFORMED: BSL will promptly issue a Right of Way Project Permit to facilitate the installation of water, sewer, power, phone, cable and the repaving of Plymouth, Parkway, Morningside and Fox Squirrel, public streets owned by BSL, as shown on the attached Exhibit A. This Agreement shall not constitute a release by Dominion of sums which it contends are due from BSL for certain repaving work undertaken by Dominion on Golfview, Pine Needles, Westway, and Downing public streets owned by BSL, as shown on the attached Exhibit A. Likewise, nothing in this Agreement shall constitute nor be construed as an admission that BSL is obligated to pay or reimburse Plaintiffs any amount for repaving work or other work undertaken by Plaintiffs on the identified streets. With respect to the repaving work to be performed on Plymouth, Parkway, Morningside and Fox Squirrel, the Parties will in good faith work towards securing the necessary funds to reimburse Dominion and/or Logan for the reasonable costs of performing this repaving work. This Agreement shall not constitute a release by Dominion and/or Logan of its rights to seek reimbursement from BSL for these reasonable costs, nor shall it constitute an admission or waiver of any defense by BSL to any claims Plaintiffs may have for reimbursement. Moreover, Plaintiffs and BSL shall jointly and in good faith seek out other sources or means of funding (such as by way of example but not limitation, creation of a special assessment district or similar district) for the reimbursement sought by Plaintiffs as stated in this paragraph.

7. RELEASE BY PLAINTIFFS: Except as provided in paragraph 6, and conditioned upon the performance by BSL of the obligations imposed upon it under the provisions of this Agreement, Plaintiffs, for themselves, their officers, directors, members, shareholders and assigns, hereby release and forever discharge BSL and its agents, employees and legal representatives, from any and all claims and demands, whether known or unknown, of any type or nature, which Plaintiffs have, or may have, that arise from the Lawsuit (but only to the extent asserted in the Lawsuit). Plaintiffs covenant and agree that they have not assigned, transferred, or conveyed in any manner all or any part of their legal claims or legal rights against BSL in connection with the matters described in the Lawsuit. It is the intention of the Parties that this document shall be a full and complete release of all claims asserted in the Lawsuit. This Agreement shall be binding upon Plaintiffs and their heirs and assigns, and shall insure to the benefit of the Defendants, and their heirs, successors, assigns, affiliates, agents, members, employees and legal representatives. Notwithstanding the foregoing, this release does not waive BSL's obligations or claims arising from a breach of this Agreement.

8. RELEASE BY BSL: Except as provided in paragraph 6, and conditioned upon the performance by the Plaintiffs of the obligations imposed upon them under the provisions of this Agreement, BSL, for itself, its agents, employees and legal representatives, hereby release

and forever discharge Plaintiffs, their heirs, successors, assigns, officers, directors, members, shareholders and legal representatives, from any and all claims and demands, whether known or unknown, of any type or nature, which any of them have, or may have, against Plaintiffs that arise from the Lawsuit. It is the intention of the Parties that this document be a full and complete release of all claims asserted by Plaintiffs in the Lawsuit. Notwithstanding the foregoing, this release does not waive any claims arising from a breach of this Agreement.

9. **OTHER DOCUMENTS.** The Parties agree to execute any other documents necessary to effectuate fully the terms of this Agreement.

10. **NO ADMISSIONS.** The Parties acknowledge and agree that this Agreement and the settlement contemplated hereby is in compromise of disputed claims, that the compromises are not to be construed as admissions of liability on the part of any Party, and the said Parties deny liability and intend merely to avoid litigation and buy their peace.

11. **VOLUNTARY ACT.** The Parties acknowledge, represent, and agree, each with the other that they have read this Agreement and the documents referenced herein in their entirety, have consulted their respective attorneys concerning the same, if desired, and have signed the same as their respective free and voluntary act.

12. **SURVIVAL AND BENEFITS.** The warranties, representations, and covenants contained in this Agreement shall survive the closing anticipated herein. This Agreement shall be binding upon and inure to the benefit of the Parties and, as the context permits, their respective successors, assigns, heirs, executors, administrators, personal representatives, beneficiaries, and legal representatives.

13. **NO ORAL MODIFICATIONS.** This Agreement may not be altered, amended, modified, or rescinded in any way except by written instrument duly executed by the Parties.

14. **REPRESENTATION.** The Parties acknowledge, represent, and agree, each with the other, that: (i) each has consulted with an attorney of their choice regarding this Agreement prior to the execution hereof, or had the opportunity to consult with an attorney; (ii) each attorney or Party has been afforded a full opportunity to read, review and consider this Agreement; (iii) each attorney or party has had the opportunity to and has negotiated the terms of this Agreement; and (iv) neither Plaintiffs nor the Defendants shall be deemed the drafter hereof.

15. **ENTIRE AGREEMENT.** The Parties agree and acknowledge that this Agreement is not based upon any factual, legal, or other representation or promise made by or on behalf of either of the Parties not contained in this Agreement. The Parties acknowledge and agree that if the facts or law with respect to which this Agreement as executed are, or may be found hereafter to be, other than or different from the facts or law in that connection now believed by either of the Parties to be true, the Parties expressly accept and assume the risk of such possible difference and agree that all provisions of this Agreement shall be and remain effective notwithstanding any such difference. This Agreement contains the entire

understanding between the Parties regarding the subject matter hereof and supersedes any prior understanding or agreement between the Parties respecting such subject matter. There are no representations, warranties, arrangements, understandings, or agreements, oral or written, relating to the subject matter of this Agreement, except as fully expressed herein. The terms of this Agreement are contractual and not a mere recital.

16. **SEVERABILITY.** If any paragraph or part of this Agreement is found void or unenforceable, the remainder of this Agreement shall not be affected by such finding.

17. **NON-DISPARAGEMENT:** The Parties hereby represent, warrant and agree to refrain from engaging speech that would defame or otherwise wrongfully disparage any other Party. This includes publishing material that is knowingly false, misleading, inaccurate, or otherwise would be libelous with the intent to harm any other Party or their business or engaging in speech that would be slanderous or that a reasonable person would regard to be threatening or intimidating.

18. **MISCELLANEOUS.** This Agreement shall be binding on the Parties' successors, heirs, and assigns. The Parties agree that they have read this Agreement and acknowledge that they have had the advice of counsel and that no promise or representation of any kind, other than that contained herein, has been made by the Parties hereby released or anyone acting for them. The Parties to this Agreement have relied fully and completely on their own judgment and the advice of their attorneys in executing this Agreement.

19. **AUTHORITY TO ACT.** Each Party covenants and warrants that they have the requisite power and authority to execute, deliver and perform under this Agreement in its identified capacity. In the case of BSL, this Agreement has been ratified and approved by its Board of Commissioners,.

20. **GOVERNING LAW.** All questions concerning this Agreement and performance hereunder shall be governed by, and resolved in accordance with, the laws of the State of North Carolina.

21. **HEADINGS.** The headings in this Agreement are included only for convenience and reference; said headings are not to be used in construing this Agreement and to have no binding effect upon the Parties hereto.

22. **WAIVER.** The failure of a Party to enforce the provisions of this Agreement shall not be construed as a waiver of any provision or the right of such party thereafter to enforce each and every provision of this Agreement.

23. **ATTORNEY'S FEES.** Each Party to this Agreement shall be responsible for his/her own costs and attorneys' fees relating to this matter.

24. **VOLUNTARY DISMISSAL:** Upon the approval of the North Carolina Local Government Commission of BSL's obligations under this Agreement, Plaintiffs shall execute and file a notice of voluntary dismissal with prejudice of the Lawsuit.

25. **EXECUTION.** This Agreement may be executed in two (2) or more counterparts, all of which together shall constitute but one and the same Agreement. Facsimile or electronic mail signatures shall have the same effect as original signatures.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the Parties, having read the foregoing Agreement and fully understanding it, voluntarily execute this Agreement effective as of the first date above written.

DOMINION LAND CORPORATION

By: *Nathan J. Sanders* (SEAL)

Sworn to and subscribed before me,

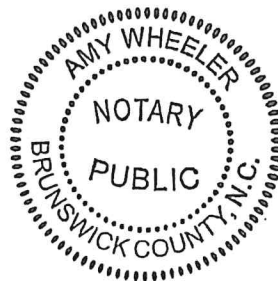
This 26 day of March, 2025

Amy Wheeler
Notary Public


(Print) *Amy Wheeler*
Notary Public

My Commission Expires:

May 7, 2028



LOGAN DEVELOPERS, INC.

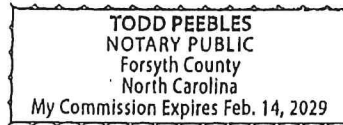
By:  (SEAL)
D LOGAN JR

Sworn to and subscribed before me,

This 26 day of MARCH, 2025


Notary Public

(Print) TODD PEEBLES
Notary Public



My Commission Expires:

2/14/29

THE HIGHLANDS AT BOILING SPRING LAKES
HOMEOWNERS ASSOCIATION, INC.

By: Candice D. Alexander (SEAL)
President

Sworn to and subscribed before me,

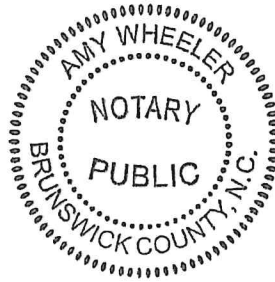
This 26 day of March, 2025

Amy Wheeler
Notary Public

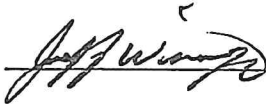
(Print) Amy Wheeler
Notary Public

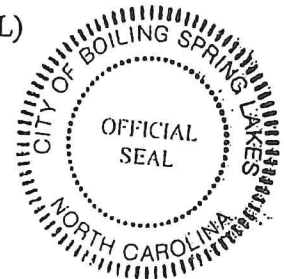
My Commission Expires:

May 7, 2028



THE CITY OF BOILING SPRING LAKES

By:  (SEAL)



Sworn to and subscribed before me,

This 25 day of March, 2025


Notary Public

(Print) Tanya Shannon
Notary Public



My Commission Expires:

February 21, 2028

NOT TO SCALE

← GOLF COURSE CULVERT

