

## SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement”) is entered into by and between Areya Holder, Trustee (“Trustee”) for the bankruptcy estate of KCB Architecture, Inc. (“Debtor”), case number 12-40989-RFN-7, and Tom Green County (the “County”) a legal and political subdivision of the State of Texas. The Trustee and the County are each a “Party” and collectively, the “Parties.”

### **RECITALS:**

WHEREAS, on February 20, 2012 (“Date of Bankruptcy”), the Debtor filed with this Court a voluntary petition under Chapter 7 of the Bankruptcy Code; and

WHEREAS, Areya Holder is the duly appointed and acting Chapter 7 Trustee (“Trustee”) of the Debtor’s bankruptcy estate; and

WHEREAS, the Debtor provided pre-petition architectural services to the County that remain unpaid; and

WHEREAS, the Debtor has waived any rights to payment from the County pursuant to a settlement agreement with the Trustee; and

WHEREAS, the County asserts that it should retain the amount owed the Debtor in satisfaction of its claims against it; and

WHEREAS, the Parties have conducted negotiations, and due to the uncertainties of litigation, and in order to avoid additional expenses, inconvenience, and delay, the Trustee and the County have reached an agreement to fully and completely resolve any and all issues and claims between them related to the mutual claims and defenses thereto.

NOW, THEREFORE, for and in consideration of the foregoing promises and mutual covenants hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the Trustee and the County agree as follows:

1. Division of Payments. The Debtor Burns Architecture alleges the County owes the Debtor \$45,472.50. The Trustee and the County have agreed to an even split of the amount owed in order to settle the claims asserted. Accordingly, the County shall pay to the Trustee \$22,736.00 within 10 (ten) days of the order approving this settlement becoming final.

2. Release by Trustee. Following Bankruptcy Court approval of this Agreement, the Trustee will individually and on behalf of her representatives, agents, employees and attorneys hereby release, acquit and forever discharge Tom Green County from all claims of which the Trustee and/or the bankruptcy estate may have against it and/or its elected officials, employees, representatives, agents and attorneys as of the date of the execution of this Settlement Agreement, whether known or unknown, direct or contingent that are related to the Debtor. Specifically excepted from this release are the obligations set forth herein.

3. Release by Tom Green County. The County, for itself and on behalf of its elected officials, representatives, agents, employees and attorneys hereby release, acquit and forever discharge the Trustee and all the Trustee's agents, representatives and attorneys from all claims of which the County may have against the Trustee and/or her representatives, agents and attorneys as of the date of the execution of this Settlement Agreement, whether known or unknown, direct or contingent related to the Debtor. Specifically excepted from this release are the obligations set forth herein.

4. Disclaimer of Liability. Nothing in this Settlement Agreement shall be construed to impart or imply any admission of liability or wrongdoing on the part of Tom Green County. As recited herein, this Agreement is entered into in order to avoid the additional expense, delay, inconvenience and uncertainty of litigation.

5. Effective Date of Agreement. This Settlement Agreement shall be effective upon Bankruptcy Court approval. Following approval by the Bankruptcy Court of this Settlement

Agreement, the Trustee and the County agree to execute any and all documents necessary to consummate this Settlement Agreement.

7. Cost. The Trustee and the County each hereby agree to bear their own attorney's fees, costs and expenses incurred in connection with defending and prosecuting any claim, cause of action or liability between them or incurred in connection with consummating the terms of this Settlement Agreement.

8. Binding Effect. The Trustee and the County hereby agree that this Settlement Agreement shall be binding on each party and each party's heirs, devisees, successors, assigns and personal representatives.

9. Representations of Trustee. Trustee hereby represents that as of the day hereof, subject to Bankruptcy Court approval, she has the authority to execute this Settlement Agreement and to undertake whatever actions are required of Trustee to consummate the terms of this Settlement Agreement. The Trustee further represents and acknowledges that she has consulted with legal counsel in connection with this Settlement Agreement; has carefully read and understood the provisions of this Settlement Agreement; and after having consulted with counsel, has willingly and with full knowledge entered into this settlement; and this Settlement Agreement is not subject to fraud, duress or overreaching.

10. Representations of the County. The County hereby represents that as of the day hereof, subject to Bankruptcy Court approval, it has the authority to execute this Settlement Agreement and to undertake whatever actions are required of it to consummate the terms of this Settlement Agreement. The County further represents and acknowledges that it has consulted with legal counsel in connection with this Settlement Agreement; has carefully read and understood the provisions of this Settlement Agreement; and after having consulted with

counsel, has willingly and with full knowledge entered into this settlement; and this Settlement Agreement is not subject to fraud, duress or overreaching.

11. Entire Agreement. This Settlement Agreement constitutes the full and completed agreement of the Trustee and the County with respect to the settlement and all other matters described herein. This Settlement Agreement may be amended only by written instrument signed by the Trustee and the County.

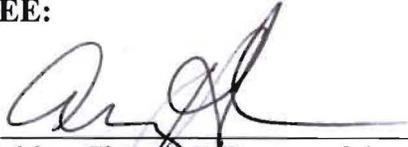
12. Counterparts. This Settlement Agreement shall be executed in counterparts, all of which together for all purposes constitute one agreement binding on the Trustee and the County.

13. Further Assurances. Following Bankruptcy Court approval, each party hereto, without further consideration, shall cooperate, take such further action and execute and deliver such further instruments and documents as may be reasonably requested by the other party in order to carry out the provisions and the purposes of this Settlement Agreement.

14. Governing Law. This Settlement Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

15. No Strict Construction Against Author. This Settlement Agreement is the result of substantial negotiations between the parties and their counsel, and has been prepared by the joint efforts of their respective attorneys of the parties to it. Accordingly, the fact that counsel for one party or another may have drafted this Settlement Agreement or any portion of it is immaterial, and this Settlement Agreement shall not be strictly construed against any party.

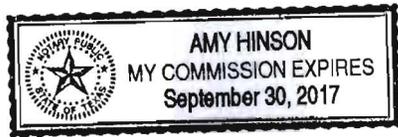
**TRUSTEE:**



Areya Holder, Chapter 7 Trustee of the  
Bankruptcy Estate of KCB Architecture, Inc.

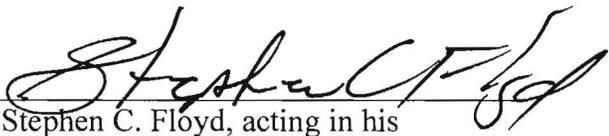
STATE OF TEXAS           §  
  §  
COUNTY OF DALLAS     §

BEFORE ME, the undersigned authority, on the 25th day of February, 2014, personally appeared Areya Holder, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes therein expressed in her capacity as the Chapter 7 Bankruptcy Trustee for KCB Architecture, Inc.



Amy Hinson  
NOTARY PUBLIC, STATE OF TEXAS

**Tom Green County:**

By:   
Stephen C. Floyd, acting in his  
official capacity as County Judge  
and not in his individual capacity

STATE OF TEXAS           §  
  §  
COUNTY OF TOM GREEN §

This instrument was acknowledged before me on January 7, 2014, by Stephen C. Floyd, as County Judge of Tom Green County, on behalf of Tom Green County.



  
Elizabeth McGill, County Clerk, Tom Green  
County, Texas



4845-3601-2566, v. 2