

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into by Plaintiff **COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY** and the other County Sanitation Districts of Los Angeles County (including their predecessors, successors, affiliated entities, officers, attorneys, directors, shareholders, employees, and agents, hereinafter collectively referred to as “SANITATION DISTRICT” or “Plaintiff”) with respect to its claims against Defendant **SOUTHERN CALIFORNIA ENVIRONMENTAL, INC.** (including its predecessors, successors, affiliated entities, officers, attorneys, directors, shareholders, employees, hereinafter collectively referred to as “SOUTHERN CALIFORNIA” or “Defendant”). Plaintiff SANITATION DISTRICT and Defendant SOUTHERN CALIFORNIA will be jointly referred to herein as the “Parties.”

WHEREAS, on or about July 27, 2021, Plaintiff filed a Complaint in the Superior Court of California, County of Los Angeles against Defendant and DOES 1 to 25, Civil Case No. 21STCV27664. The Complaint alleges causes of action against Defendant for breach of contract, open book account, account stated, and goods and services sold and delivered. This action is hereinafter referred to as the “Subject Action.”

WHEREAS, the Subject Action generally arises out of Plaintiff’s claim that on or about July 1, 2016, Defendant signed a Waste Disposal and Processing Agreement with Plaintiff, committing to deliver minimum monthly quantities of solid waste to Plaintiff’s waste facilities at agreed rates. Thereafter, Defendant breached the contract by failing to deliver the minimum monthly quantities of solid waste and refusing to pay for the shortfall fees.

WHEREAS, the Parties desire to settle, pursuant to the terms and conditions set forth herein below, all claims between them – including any and all claims, actions, causes of action, demands, rights, damages, costs, expense and compensation whatsoever, including without limitation, any claim or claims which Plaintiff now has/have or which may hereafter accrue with respect to the Subject Action.

NOW, THEREFORE, in consideration of the promises, covenants and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of such consideration being hereby acknowledged by the Parties to this Agreement, hereby agree as follows:

1. **Recitals Incorporated.** The Recitals set forth above, including all definitions therein, are expressly incorporated as terms of this Agreement.
2. **Schedule of Performance.** In consideration of the covenants and undertakings set forth in this Agreement, the Parties agree to provide the following consideration:
 - a. The Parties agree to settle the Subject Action for SOUTHERN CALIFORNIA’s payment to the SANITATION DISTRICT in the amount of Sixty-Five Thousand Dollars (\$65,000.00) (hereinafter “Settlement Amount”).

- b. SOUTHERN CALIFORNIA shall make payments on the Settlement Amount by certified funds payable to "Vigus Law Client Trust Account" and delivered to Vigus Law, P.O. Box 5304, Orange, CA 92863 by certified mail with tracking as follows:
 - c. SOUTHERN CALIFORNIA shall make an initial payment of Twenty Thousand Dollars (\$20,000.00) on or before February 24, 2022.
 - d. SOUTHERN CALIFORNIA shall make a second payment of Twenty Thousand Dollars (\$20,000.00) on or before February 28, 2022.
 - e. Thereafter, SOUTHERN CALIFORNIA shall make the balance of Twenty-Five Thousand Dollars (\$25,000.00) in ten (10) monthly installments of \$2,500.00, due on the 15th day of every month, beginning March 15, 2022, and the final payment due on December 15, 2022.
 - f. In the event Defendant SOUTHERN CALIFORNIA fails to pay the payments by the above dates, Defendant shall have seven (7) additional days from the date of the scheduled payment to cure the default and make the payment.
 - g. In the event Defendant SOUTHERN CALIFORNIA fails to make payments after seven (7) additional days from the date of the payment due date, a Stipulated Judgment may be filed with the Court and the entire remaining balance of the Settlement Amount shall immediately become due and payable by SOUTHERN CALIFORNIA, without demand from Plaintiff, and Plaintiff shall be entitled to interest on any unpaid amount at the legal rate of 10% from the due date of the missed payment until the Settlement Amount is paid in full. Furthermore, Plaintiff shall be entitled to any and all remedies provided by law or equity for the enforcement of this Settlement Amount, and shall be entitled to its attorney's fees and costs incurred in the enforcement of this Settlement Amount.
3. **Dismissal of Litigation.** Upon satisfaction of the conditions precedent set forth above, the SANITATION DISTRICT shall promptly dismiss with prejudice the Complaint.
4. **Release.** Except for obligations arising under this Agreement, Plaintiff releases and forever discharges Defendant and his officers, agents, directors, stockholders, owners, partners, employees, and attorneys from all liability related to the Subject Action upon full payments of the Settlement Amount by SOUTHERN CALIFORNIA.
5. **Parties to Bear Own Costs and Attorneys' Fees.** The Parties to this Agreement will bear their own costs, expenses, and claims to interest and attorneys' fees,

whether taxable or otherwise, incurred in or arising out of, or in any way connected with the matters which are referenced or covered in the releases referenced above or which were otherwise related to the Subject Action, provided the Settlement Amount is paid in full.

6. **Entire Agreement.** This Agreement represents and contains the entire agreement and understanding among the Parties hereto with respect to the subject matter of this Agreement, and supersedes any and all prior oral and written agreements and understandings. No representation, warranty, condition, understanding or agreement of any kind with respect to the subject matter shall be relied upon by the Parties except those contained herein. This Agreement may not be amended or modified except by an agreement signed by the Parties against whom enforcement of any modification or amendment is sought.
7. **Attorneys' Fees.** In the event that any action, suit or other proceeding is instituted to remedy, prevent or obtain relief from a breach of this Agreement, arising out of a breach of this Agreement, involving claims within the scope of the releases contained in this Agreement, or pertaining to a declaration of rights under this Agreement, the prevailing party shall recover its reasonable attorneys' fees and litigation costs.
8. **Representations of Authority.** Each of the Parties warrant and represent to the other that it has the power to enter into this Agreement and that the person executing this Agreement on its behalf has been authorized to do so by any and all appropriate corporate bodies. Each of the Parties represent and warrant that he or she has the authority and capacity to act on behalf of the entity on behalf of whom he or she signed this Agreement and bind them to the terms and conditions of this Agreement. All the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the Parties' respective subsidiaries, predecessors, successors, assigns, distributors, and licensees.
9. **No Assignment.** The Parties each represent and warrant to one another that they are the sole and lawful owner of all right, title and interest in and to every claim and other matter which each purports to release herein and have not sold, assigned, transferred, conveyed or otherwise disposed of any claim or demand covered by this Agreement. In the event that such representation is false, and any such claim or matter is asserted against any party hereto (and/or the successor of such party) by any party or entity who is the assignee or transferee of such claim or matter, then the party hereto who assigned or transferred such claim or matter shall fully indemnify, defend and hold harmless the party against whom such claim or matter is asserted (and its successors) from and against such claims or matters and from all actual costs, fee (including attorneys' fees), expenses, liabilities and damages which that party (and/or its successors) incur as a result of the assertion of such claim or matter.

10. **Heirs, Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the Parties' respective legal heirs, successors and assigns.
11. **Severability.** Should any portion (word, clause, phrase, sentence, paragraph or section) of this Agreement be declared void or unenforceable, such portion shall be considered independent and severable from the remainder, the validity of which shall not be affected.
12. **Modification and Waiver.** This Agreement may not be modified or amended, nor may any right or obligation set forth herein be waived, except in a writing signed by the Parties with at least the same formalities as are observed herein. A waiver as to any particular term shall not operate as a waiver as to any other terms.
13. **Governing Law and Venue.** This Agreement shall be construed in accordance with and be governed by the laws of the State of California. Any action or proceeding commenced as the result of claims arising from or relating to this Agreement shall be brought and filed in the County of Los Angeles, State of California.

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14. **Waiver of California Civil Code section 1542.** The parties mutually, knowingly and intentionally waives any protection afforded to it by California Civil Code section 1542, which provides:

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 agree that this Agreement is intended to cover the Subject Action or possible claims arising out of or related to the Subject Action referenced or impliedly covered in the general release referenced above that may exist between the Parties whether the same are known, unknown or hereafter discovered or ascertained, and the provisions of section 1542 of the California Civil Code are hereby expressly waived.

IN WITNESS WHEREOF, the Parties hereto have executed this Settlement Agreement on the date set forth below.

DATED: 02-03-2022



**SOUTHERN CALIFORNIA
ENVIRONMENTAL, INC.**

Name: MARK SAVAGIAN

Title: PRESIDENT

DATED: _____

~~COUNTY SANITATION DISTRICT NO.
2 OF LOS ANGELES COUNTY~~

Name: _____

Title: _____

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SEE ATTACHED SIGNATURE PAGE

THE UNDERSIGNED APPROVE THE AGREEMENT AS TO FORM:

DATED: 2/3/2022

SWAROVSKI LAW

By: 

EVEGNY SWAROVSKI
Attorney for Defendant,
SOUTHERN CALIFORNIA
ENVIRONMENTAL, INC.

DATED: 2/7/2022

VIGUS LAW

By: 

TODD VIGUS
Attorney for Plaintiff,
COUNTY SANITATION DISTRICT
NO. 2 OF LOS ANGELES COUNTY

IN WITNESS WHEREOF, the parties have hereto executed this Agreement on the day and year set forth above.

COUNTY SANITATION DISTRICT NO. 2 OF
LOS ANGELES COUNTY

By _____
Chairperson, Board of Directors

ATTEST:

By _____
Secretary to the Board

APPROVED AS TO FORM:
LEWIS, BRISBOIS, BISGAARD & SMITH LLP

By _____
District Counsel