

**SETTLEMENT AGREEMENT AND RELEASE**

This Settlement Agreement and Release (“Agreement”) is made this \_\_\_\_ day of \_\_\_\_\_, 2015, by and among Town of Castle Rock (“Town”), Meadows Metropolitan Districts Nos. 1-7 (“Districts”) and Castle Rock Development Company (“Owner”).

This Agreement is made with respect to the following facts:

A. Town and the Districts are parties to that certain Master Intergovernmental Agreement dated December 1, 1991 as amended by a First Amendment dated October 1, 1993, and a Second Amendment dated December 12, 1996 (the “MIGA”).

B. CRDC and Town are parties to The Meadows (Fourth Amendment) Development Agreement dated April 14, 2003 and recorded on July 10, 2003 at Reception No. 2003102970 in the official real property records of Douglas County, Colorado (the “Records”), as amended by a First Amendment to The Meadows (Fourth Amendment) Development Agreement dated April 16, 2013, and recorded on May 17, 2013, at Reception No. 2013041129 in the Records and a Second Amendment to The Meadows (Fourth Amendment) Development Agreement dated July 19, 2013, and recorded on July 19, 2013, at Reception No. 2013060323 in the Records (as amended, the “Development Agreement”). Undefined capitalized terms used below have the same meanings as in the Agreement.

C. In or about September of 2011, Town adopted Ordinance 2011-21 (the “Ordinance”) amending Chapters 3.16, 4.04, and 13.12 of the Castle Rock Municipal Code. The Districts have alleged, and Town has denied, that the adoption of the Ordinance violated certain terms and provisions of the MIGA. The potential claims of the Districts relating to adoption of the Ordinance, including any claims described in either the letter dated December 1, 2005, from Mathew R. Dalton to Robert Slentz, Esq., which is attached to this Agreement as Exhibit A, or the letter dated February 19, 2015, from Darrell Waas to Town, which is attached to this Agreement as Exhibit B, are referred to collectively below as the “Dispute”.

D. Town, the Districts and CRDC have resolved the Dispute on the terms and provisions set forth herein.

Now, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Amendment of MIGA. At the time of execution of this Agreement, Town and the Districts shall also execute an Amendment to the MIGA in the form attached hereto as Exhibit C.

2. Amendment of Development Agreement. At the time of execution of this Agreement, Town and Owner (and other related parties) will execute an Amendment to the Development Agreement in the form attached hereto as Exhibit D.

3. Continuation of MIGA and Development Agreement. Except as set forth in the amendments to the MIGA and Development Agreement attached as Exhibits C and D hereto, all

terms and provisions of the MIGA and Development Agreement shall continue in full force and effect.

4. Release by Districts. The Districts, for themselves and their officers and directors, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby release, discharge and disclaim, all claims, actions, and causes of action which they have, may have, or claim to have against Town and its officers, agents and employees based upon any facts existing as of the date of this Agreement relating to the Dispute.

5. Release by CRDC. CRDC, for itself and its officers and directors, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby releases, discharges and disclaims, all claims, actions, and causes of action which they have, may have, or claim to have against Town and its officers, agents and employees based upon any facts existing as of the date of this Agreement relating to the Dispute.

6. Authority. Each party signing this Agreement on behalf of any entity represents by his or her signature that he or she has been fully authorized to enter into this Agreement.

7. Binding on Successors and Assigns. This Agreement is binding upon and shall inure to the benefit of Town, the Districts and CRDC and their respective successors in interest.

8. No Admission of Wrongdoing. By entering into this Agreement, the parties admit no wrongdoing or liability as a result of any act or failure to act.

9. Costs and Attorneys' Fees. Each party to this Agreement shall bear its own costs and attorneys' fees in connection with the negotiation and execution of this Agreement. In the event of a dispute concerning the performance of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs from the nonprevailing party.

10. No Previous Assignment of Claims. Each party covenants that it has not previously assigned or caused to be transferred to any person or entity not a party to this Agreement any of the claims or rights released by it in this Agreement.

11. No Known Defaults. Each party represents to each of the other parties that, as of the date of this Agreement, and subject to the execution and delivery of Exhibits C and D to this Agreement, the party making such representation has no actual knowledge of any existing default by the other parties under the MIGA or the Development Agreement.

In witness of their Agreement, the parties have executed this Agreement on the dates indicated below.

Dated: \_\_\_\_\_

TOWN OF CASTLE ROCK

By: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

MEADOWS METROPOLITAN DISTRICT  
NO. 1

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Dated: \_\_\_\_\_

MEADOWS METROPOLITAN DISTRICT  
NO. 2

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Dated: \_\_\_\_\_

MEADOWS METROPOLITAN DISTRICT  
NO. 3

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Dated: \_\_\_\_\_

MEADOWS METROPOLITAN DISTRICT  
NO. 4

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Dated: \_\_\_\_\_

MEADOWS METROPOLITAN DISTRICT  
NO. 5

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Dated: \_\_\_\_\_

MEADOWS METROPOLITAN DISTRICT  
NO. 6

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Dated: \_\_\_\_\_

MEADOWS METROPOLITAN DISTRICT  
NO. 7

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Castle Rock Development Company

By: \_\_\_\_\_