

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This SETTLEMENT AGREEMENT AND MUTUAL RELEASE of all claims (this “AGREEMENT”) is entered into as of May 25, 2022 (the “Effective Date”) by and between CLARK COUNTY, a political subdivision in the State of Nevada (“CC”), and GARY WU, as property owner and managing member of the below subject properties (“WU”), to forever settle and mutually release any and all lawsuits, civil penalties, liens and administrative citation claims in connection with the facts involved in the Clark County Code Enforcement Cases below and the resulting Litigation. WU and CC are individually referred to in this AGREEMENT as a “Party” and collectively as the “Parties.”

RECITALS

- A. WU is the owner or managing member of several limited liability companies that own 2929 El Camino, 5763 Oakey, 6465 Coley, 3090 El Camino, 2858 Red Rock, 6325 Darby, 6425 Darby and 3225 S Torrey Pines (the “Properties”);
- B. CC has opened several code enforcement cases in relation to the Properties for the unauthorized short-term rental of those Properties, including: CE22-03707, CE18-18077, CE19-02900, CE18-10251, CE18-14015, CE19-01160, CE18-18078, CE19-19542, CE19-01637, CE19-18424, CE18-07720 and CE19-00862 (“Code Enforcement Cases”).
- C. CC has assessed administrative citations, civil penalties and fees against WU for violations of the transient lodging law and for unpermitted construction at the Properties;
- D. CC has also recorded liens against the Properties in connection with unpaid administrative citations and civil penalties;
- E. The amount of outstanding penalties in the Code Enforcement Cases against the Properties are as follows: 2929 El Camino (\$79,575.00); 5763 Oakey (\$8,925.00); 6465 Coley (\$73,125.00); 3090 El Camino (\$52,975.00); and 2858 Red Rock (\$73,575.00) (“Outstanding Penalties”);
- F. In total, the Code Enforcement Cases have \$288,175.00 due;
- G. WU has filed several civil actions, administrative appeals and appeals challenging the Code Enforcement Cases and the related administrative citations, civil penalties and liens, including, but not limited to: 84565, 84567, A-21-844659, A-20-819016, A-20-819041, A-21-843562, A-21-843554, A-21-843568, A-20-819031, and A-20-819005.

- H. The Parties desire and intend to fully settle and dismiss the lawsuits in relation to the Code Enforcement Cases and release any and all claims, rights and demands they may now possess or hereafter acquire against each other with respect to, arising out of or related to the Code Enforcement Cases in accordance with the terms and conditions set forth in this AGREEMENT;
- I. Without admitting any fault, wrongdoing or liability, and solely for the purpose of avoiding the delay, expense, and uncertainty of potentially protracted litigation, all parties wish to compromise and mutually resolve all lawsuits, disputes, claims, and potential claims among them as set forth in this AGREEMENT.

THEREFORE, based on the foregoing Recitals, and in consideration of the mutual promises set forth below, the sufficiency of which is hereby acknowledged, all parties agree to be legally bound as follows.

AGREEMENT

1. **Recitals.** The foregoing recitals are incorporated herein, as if set forth in full.

2. **Settlement Terms and Personal Covenant.**

a. Within forty-two (42) days from the Effective Date, WU shall make a payment to CC in the amount of One-Hundred-Twenty-Two-Thousand Four-Hundred Seventy-Four Dollars and Thirty-Seven Cents (\$122,474.37 – the “Settlement Payment”). The Settlement Payment shall be in the form of check which shall be made payable to “CLARK COUNTY TREASURER” and delivered to the Public Response Office at 4701 W. Russell Road, Las Vegas, Nevada 89118.

b. Contemporaneous with WU’s Settlement Payment, WU further covenants and agrees to, starting forty-two (42) days from the Effective Date, not engage in any “transient lodging” activity, including, but not limited to advertising, booking or facilitating short-term rentals, himself or through another individual or entity at any property in unincorporated Clark County, as such is defined in the Clark County Code, which includes the rental of a property for less than 31 days, in the unincorporated Clark County area for so long as transient lodging is deemed illegal and in violation of the Clark County Code; or so long as WU does not hold a valid Clark County business license that permits transient lodging at the property, as may exist in the future (the “Personal Covenant”);

c. Contemporaneous with WU’s Settlement Payment and Personal Covenant, WU further covenants to provide CC with an executed Stipulation for Dismissal with Prejudice for all open litigation related to the Code Enforcement Cases to be submitted to the court by counsel for CC (the “Stipulations for Dismissal”);

d. In exchange for the Settlement Payment, Personal Covenant and executed Stipulations for Dismissal CC shall within ten (10) business days of the receipt of the Settlement Payment release the civil penalties, liens, inspection fees and administrative citations assessed in the Code Enforcement Cases, all of which are detailed in the Recitals.

e. CC also agrees to not issue new administrative citations, civil penalties and fees for transient lodging violations at the Properties that occur within the forty-two (42) days from the Effective Date, unless WU breaches this AGREEMENT.

f. WU may separately pay 42.5% of the Outstanding Penalties earlier than forty-two (42) days from the Effective Date for any of the Properties and CC will release the liens on the property, which 42.5% of the Outstanding Penalties are paid, within ten (10) business days of the receipt of the early payment. If WU makes one or more early payments, but fails to pay a total of \$122,474.37 to CC within forty-two (42) days from the Effective Date or otherwise breaches this AGREEMENT, CC shall be entitled to retain the full amount, not just 42.5%, of all of the civil penalties, administrative citations and liens related the Code Enforcement Cases and shall be entitled to record liens for the Outstanding Penalties, minus the amount of any early payments made pursuant to this provision.

3. **Releases.** Limited solely to the litigation in the Code Enforcement Cases; and the civil penalties, liens and administrative citations that pertain to the Code Enforcement Cases and concurrent with the Settlement Payment and Personal Covenant, WU and CC (and each of their respective assigns, partnerships, business entities, affiliates, agents, directors, officers, shareholders, subcontractors, suppliers, agents, employees, representatives, partners, members, owners, predecessors, and successors, and each of them, as well as their lenders, insurance carriers and surety carriers), shall have fully released, waived and discharged each other, and each of them, for, from and against any and all claims, actions, causes of action, demands, rights, agreements, promises, warranties, guarantees, liabilities, losses, damages, costs and expenses arising from the Code Enforcement Cases. Notwithstanding the foregoing, the Parties expressly reserve and do not waive any Claims arising out of or relating to a breach of this AGREEMENT which Claims shall survive this AGREEMENT.

The Parties acknowledge that they may hereafter discover claims or facts now unknown or unsuspected from those which they now know or believe to be true with respect to the Release of their rights and claims in the Code Enforcement Cases as contained in this AGREEMENT. Nevertheless, by way of this AGREEMENT and except as otherwise provided herein, (i) the Parties intend to fully, finally, and forever waive, discharge and release any and all such civil penalties, liens and administrative citations even those that may be unknown as of the Effective Date of this AGREEMENT, and (ii) the Releases contained in this AGREEMENT shall remain in full force and effect as a complete release of any and all such claims notwithstanding the discovery or existence of any such additional or different claims or facts before or after the Effective Date of this AGREEMENT.

4. **Indemnity and Hold Harmless.** The Parties to this Release represent and warrant that they are the sole and exclusive owner of the rights, claims and causes of action herein released, and that they are free of any pledges, charges, equities, claims, covenants, liens or encumbrances in favor of any other person, firm or institution, and they have not heretofore assigned or transferred or purported to assign or transfer to any other person or entity any obligations, rights, claims or causes of action asserted by any person or entity which, if established, would be a breach of the above warranties and representations, and in the event of any and all loss, expenses and/or liability arising directly or indirectly out of the breach of any of the foregoing representations, the party making the warranty or representation shall appear in and defend the action on behalf of the affected

beneficiary or beneficiaries of the warranty or representation, at the maker's own sole cost and expense.

5. **No Admission of Liability.** This AGREEMENT is intended as a compromise of disputed claims. This AGREEMENT and compliance with its terms shall not be construed as an admission of any liability, misconduct, or wrongdoing whatsoever, or of any violation of any order, law, statute, duty, or contract whatsoever as to any of the Parties to this AGREEMENT.

6. **Entire Agreement.** This AGREEMENT sets forth the entire understanding between the Parties in connection with the subject matter discussed herein, and may not be modified except by an instrument in writing signed by all Parties.

7. **Construction.** This AGREEMENT has been jointly prepared by all Parties hereto. The Parties and their respective advisors believe that this AGREEMENT is the product of all of their efforts, that it expresses their agreement and that it should not be interpreted in favor or against any Party.

8. **Attorney Representation.** In negotiation, preparation and execution of this AGREEMENT, the Parties hereby acknowledge that each Party has been represented by counsel, that each Party has had an opportunity to consult with an attorney of its own choosing prior to the execution of this AGREEMENT, and has been advised that it is in its best interests to do so. The Parties have read this AGREEMENT in its entirety and fully understand the terms and provisions contained herein.

9. **Governing Law.** This AGREEMENT is intended to be performed in the State of Nevada, and the laws of Nevada shall govern its interpretation and effect. The Parties hereto consent to the exclusive jurisdiction of any State court located in the County of Clark, State of Nevada, for any action commenced hereunder.

10. **Severability.** If any term or provision of this AGREEMENT shall be deemed to be invalid or unenforceable to any extent, the remainder of this AGREEMENT will not be affected thereby, and each remaining term and provision of this AGREEMENT will be valid and be enforced to the fullest extent permitted by law.

11. **Counterparts; Electronic Signatures.** This AGREEMENT may be executed in one or more counterparts, each which shall constitute one and the same instrument, and shall become effective when one or more counterparts have been signed by each of the parties. The Parties agree that electronic signatures will be treated in all manner and respects as a binding and original document, and the signature of any Party shall be considered for these purposes as an original signature.

12. **Successors and Assigns.** This AGREEMENT is binding upon and inures to the benefit of the successors, assigns, and nominees of the Parties hereto.

13. **Titles and Headings.** Titles and headings of Sections of this AGREEMENT are for convenience of reference only and shall not affect the construction of any provisions of this AGREEMENT.

14. **Further Documents.** Each Party agrees to perform any further acts and to execute and deliver any further documents reasonably necessary or proper to carry out the intent of this AGREEMENT.


15. **Acknowledgment.** The Parties acknowledge and agree that they were supplied a copy of this AGREEMENT, that they or their authorized representative has carefully read and understands the AGREEMENT, that they have been advised as to the content of this AGREEMENT by counsel of their own choice, and that they voluntarily accept the terms and conditions of this AGREEMENT.

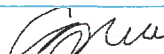
16. **Authority.** The Parties, and each of them, represent and warrant that each Party hereto holds the requisite power and authority to enter into this AGREEMENT.

IN WITNESS WHEREOF, the Parties have executed this AGREEMENT as of the day and year first above written.

CLARK COUNTY

GARY WU

By: 
Name: Jeanine D'Errico
Its: Director, Administrative Services

By: 
Name: Gary wu
Its: _____

eSignature Details

Signer ID: opfdt8syj8Qgv1akVxP2HgAn
Signed by: Gary Wu
Sent to email: gary.y.wu@gmail.com
IP Address: 199.88.43.67
Signed at: Jun 5 2022, 4:43 pm PDT