

SETTLEMENT AGREEMENT AND RELEASE

I. Identification of Parties

This Settlement Agreement and Release of All Claims ("Agreement") is hereby made and entered into by **JACOB'S GALLERY, INC.** ("Releasor") with regard to any and all claims made or which could have been made against **CITY OF DEADWOOD** ("Releasee") regarding water use at 670 Main Street, Deadwood, South Dakota.

II. Terms of Release

FOR AND IN CONSIDERATION of payment to Releasor at this time, the sum of Twenty Four Thousand Nine Hundred Sixty-Seven Dollars and Seventy-Seven Cents (\$24,967.77), the receipt and sufficiency of which is hereby acknowledged, Releasor does hereby release and acquit Releasee and their successors, representatives, employees, agents and assigns, of and from any and all claims, whether direct or indirect, whether punitive or compensatory, whether known or unknown, whether presently discoverable or undiscoverable, whether pending or previously dismissed, whether accrued or unaccrued, including any and all future claims regarding past water usage and payment for such usage at 670 Main Street, Deadwood, South Dakota.

III. Settlement is Not Admission of Liability

It is expressly understood and agreed that payment and settlement of the claims and causes of action of Releasee is the compromise of disputed claims, and that the payment is not to be construed as an admission of liability on the part of Releasee, their agents, employees, successors, administrators, or assigns to the claims set forth by Releasor. No party to this Agreement admits liability or fault, nor does any party demand the same.

IV. Full and Final Release

This release and discharge shall be fully binding and shall compromise and terminate all claims and complete settlement between Releasor and Releasee. This Agreement is in full accord and satisfaction of all claims which may be asserted regarding past water usage at 670 Main Street by Releasor, its successors and assigns forever. This Settlement is a full and final compromise of a disputed claim, and this is a general release and should be construed as broadly as possible. Releasor further acknowledges that Releasee will not consider any future adjustments to Releasor's water bill without new and compelling reasons therefor.

V. Warranty of Capacity to Execute this Agreement

Releasor represents and warrants it has the right and authority to execute this Agreement and to receive the consideration specified in it. No other person or entity had, or has, any interest in the claims, demands, obligations, or cause of action referred to in this Agreement. Releasor has not sold, assigned, transferred, conveyed, or otherwise disposed of any of the claims, demands, obligations, or other causes of action referred to in this Agreement.

VI. Governing Law

This Agreement shall be construed and interpreted in accordance with the laws of South Dakota and shall be binding upon the parties and their heirs, successors, administrators and assigns.

VIII. Confidentiality

Releasor will not disclose to others, directly or indirectly, any of the terms of this Release, including but not limited to the amount of the settlement, other than the fact of settlement, except where disclosure is compelled by legal process, or for reporting purposes to federal, state or local taxing authorities. Disclosure may also be made to the Releasor's attorneys and tax advisors.

IX. Non-Disparagement

The Parties understand and agree that they shall not, effective upon the date of execution herein, disparage, defame, or otherwise communicate any information damaging or potentially damaging to the business or reputation of each other to any third party, including the media, the business community, and any governmental agency, federal, state, local, or international unless required to do so by compulsory legal process.

X. Reading of Agreement

In entering into this Agreement, Releasor states it has read all of the terms of this Agreement and has consulted counsel and received an explanation of the terms of this Agreement to its satisfaction.

Releasor represents it fully understands and voluntarily accepts these terms and elects to make a full and final compromise and settlement of any and all claims as described herein.

Releasor further represents it is under no constraint or duress when signing this Agreement and it has no infirmity of mind or body that would prevent it from understanding the terms of this Agreement. Releasor declares it relies wholly upon it and its' attorney's judgment, belief and knowledge of the nature, extent and duration of the damages claimed, and has not been influenced to any extent whatsoever in making this release by any representations or statements regarding

Dated this 17th day of August, 2026.

CITY OF DEADWOOD:

Charlie Struble-Mook, Mayor

ATTEST:

Jessicca McKeown, Finance Officer