SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into by the following parties: Turning Point of Central California, Inc., a California corporation ("Turning Point") and the County of Fresno, a political subdivision of the State of California ("County").

I. RECITALS

A. A dispute has arisen between Turning Point and the County regarding responsibility for payment of certain invoices for services performed by Turning Point under several agreements with the County. Due to certain events occurring in September and October of 2020 Turning Point asserts it has not been paid on the invoices specified in this Agreement and the County denies the lack of said payment.

B. Without any admission of fault or wrongdoing, and without conceding or otherwise expressing any position on any legal issue or argument previously raised in this dispute, the Parties wish to settle all disputes arising regarding the payment of the invoices specified in this Agreement.

C. The Parties have negotiated in good faith and have agreed on the following terms in this Agreement in order to resolve this case short of legal action.

II. AGREEMENT

In consideration of the mutual promises contained in this Agreement, the Parties agree as follows.

1. Effective Date of Agreement: The Effective Date of this Agreement shall be the date of final execution of this Agreement by all the Parties.

2. Outstanding Invoices; The parties agree that as a result of the events occurring in September through October 2020, as described in Recital A above, Turning Point has not received full payment for the invoices listed below although the County has made some partial payments. The parties agree that there are no other unpaid invoices outstanding that are related to the events occurring in September and October of 2020 described in Recital A above. Turning Point contends that the unpaid balance of the payment shortfall and late charges is approximately $1.6 million. The outstanding invoices from Turning Point to the County that Turning Point contends remain unpaid in whole or in part are:

2229335	240003830	10/12/2020	TURNING POINT OF CENTRAL CALIFORNIA INC	113,421.44	DBH
2228800	240003783	10/7/2020	TURNING POINT OF CENTRAL CALIFORNIA INC	11,136.42	DBH
2228402	240003758	10/6/2020	TURNING POINT OF CENTRAL CALIFORNIA INC	811,971.80	DBH
2228316	240003758	10/6/2020	TURNING POINT OF CENTRAL CALIFORNIA INC	300,072.12	DBH
2228567	240003758	10/6/2020	TURNING POINT OF CENTRAL CALIFORNIA INC	53,394.16	DSS
2226438	240003620	9/25/2020	TURNING POINT OF CENTRAL CALIFORNIA INC	101,431.55	PROBATION
2225745	240003591	9/24/2020	TURNING POINT OF CENTRAL CALIFORNIA INC	162,090.30	DBH
2225484	240003591	9/24/2020	TURNING POINT OF CENTRAL CALIFORNIA INC	104,788.77	DBH
2226594	240003591	9/24/2020	TURNING POINT OF CENTRAL CALIFORNIA INC	2,527.60	DBH
2226753	240003591	9/24/2020	TURNING POINT OF CENTRAL CALIFORNIA INC	5,572.56	DBH

3. Payment by the County:

In consideration of the covenants and performances required by this Agreement, the County agrees to pay Turning Point the amount of one million, three hundred thousand dollars ($1,300,000). Payment shall be made by the County as soon as possible but in no case later than 45 days after the Effective Date of this Agreement.

4. Acceptance of Payment by Turning Point;

In consideration of the covenants and performances required by this Agreement, Turning Point agrees to accept the amount of one million, three hundred thousand dollars ($1,300,000) in full satisfaction and compromise of all outstanding invoices listed in paragraph 2 of this Agreement and all other monetary damages sustained by Turning Point as a result of the events in September and October of 2020 giving rise to the payment dispute between Turning Point and the County as described in Recital A above.

5. Mutual General Releases;

a. General Release: Except for the obligations that are expressly set forth in this Agreement, each party shall and hereby does release, compromise and forever discharge the other party, its past or current board members, officers, employees, contractors, agents, successors and assigns, and all of them, as well as any and all persons acting or allegedly acting by, under, through or in concert with any of them (hereinafter "Released Parties"), against any and all claims, damages, actions, causes of action, liabilities, judgments, liens, contracts, agreements, rights, debts, suits, obligations, promises, acts, costs and expenses (including, but not limited to, attorneys' fees), damages and charges of whatsoever nature, whether known or unknown, suspected or unsuspected, foreseen or unforeseen, fixed or contingent, or ever filed or prosecuted (hereinafter, collectively referred to as "Claims") which the releasing party may now have, or claims to have, or any time heretofore had, or claimed to have had, against the Released Parties as a result of things undertaken, said, stated, done or admitted to be done up to and including the Effective Date of this Agreement that relates in any way or manner to the fraud perpetrated on Turning Point and the County as described in Recital B above or to the payment or non-payment of the invoices listed in paragraph 2 of this Agreement.

b. Waiver of Unknown and Unanticipated Claims: It is understood and agreed that the releases as referred to herein are full and final releases by each releasing party of the Released Parties, and that such full and final releases include, without limitation, all unknown and unanticipated claims, injuries, debts, or damages, as well as those now known or disclosed. With respect to any claims against the Released Parties, each releasing party expressly waives the provisions of California Civil Code section 1542, which provides as follows:

"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 must have materially affected his or her settlement with the debtor or released party."

In that connection, the Parties hereto, and each of them, understand and acknowledge that one or more of the Claims may include losses sustained by a releasing party on account of the Released Parties that are presently unknown or unsuspected, and that such losses as were sustained may give rise to additional losses and expenses in the future which are not now anticipated. Nevertheless, each party acknowledges that this release has been negotiated and agreed upon, and that in consideration for the rights and benefits under this Agreement, each party does intend and hereby does release, acquit and forever discharge the Released Parties as set forth in Paragraph 5.a of this Agreement, above.

6. Construction: This Agreement is the product of negotiation and preparation by and among the Parties and their respective attorneys. The Parties agree that this Agreement shall be construed and interpreted without regard to the identity of the party drafting this Agreement, as though all Parties hereto participated equally in the drafting of this Agreement.

7. Advice of Counsel: The Parties represent that they know and understand the contents of this Agreement, and that this Agreement has been executed voluntarily. The Parties each further represent that they have had an opportunity to consult with an attorney of their choosing and that they have been fully advised by the attorney with respect to their rights and obligations under this Agreement. The Parties acknowledge that they have executed this Agreement after independent investigation and without fraud, duress or undue influence.

8. Entire Agreement: No promise, inducement, understanding, or agreement not expressly stated herein has been made by or on behalf of the Parties, and this Agreement contains the entire agreement of the Parties related to the subject matter of this Agreement.

9. Amendments in Writing: This Agreement may not be altered, amended, modified, or changed in any way except by a writing duly executed by all Parties hereto.

10. Choice of Law and Jurisdiction: This Agreement shall be governed by the laws of the State of California. If any party to this Agreement brings a lawsuit to enforce or interpret this Agreement, the lawsuit shall be filed in the County of Fresno, California.

11. Execution of Agreement: This Agreement may be executed in duplicate copies, each of which is deemed an original and each Party shall receive a fully executed version. The Parties agree that either fully executed version is an original and may be entered into evidence to prove the terms of this Agreement or for any other lawful purpose.

12. Severability: If any provision of this Agreement is adjudicated by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement which can be given full force and effect without the invalid provision shall continue in full force and effect and shall in no way be impaired or invalidated.

13. Representation and Warranties of Authority: Each Party to this Agreement has the authority to execute this Agreement, and this Agreement as so executed will be binding upon each Party and upon its agents, employees, attorneys, affiliates, representatives, heirs, executors, conservators, successors, assigns, and those who they represent or whose rights they seek to protect in this Action. Each person signing this Agreement represents and warrants that they have the authority to sign and execute this Agreement on behalf of the Party for which they sign.

This Agreement consists of Recitals A – C, and Paragraphs 1 – 13.

DATED: 4/20/22

TURNING POINT OF CENTRAL CALIFORNIA, INC.

By [signature]

Raymond R. Banks,
Chief Executive Officer

DATED: 4/20/22

COUNTY OF FRESNO

By [signature]

Paul Nerland,
County Administrative Officer
County of Fresno