

SETTLEMENT AGREEMENT BETWEEN ST. CHARLES PARISH AND  
ADVANCED QUALITY CONSTRUCTION, INC.

On the respective date undersigned below, personally came and appeared:

The Parish of St. Charles, herein represented by its President V.J. St. Pierre, Jr.

Advanced Quality Construction, Inc., a Louisiana Corporation domiciled in the Parish of St. Tammany, State of Louisiana, represented herein by its President and Director, Mr. Corie M. Herberger (hereinafter "AQC");

RECITALS

WEREAS, AQC is the General Contractor for the Parish of St. Charles on Project No. P081102-4, sometimes referred to as the "Dunleith Canal Stabilization – Phase 3" (hereinafter "Project");

WEREAS, The Parish has outstanding funds due to AQC in the amount of \$225,944.11 and further has claims liquidated damage due to the alleged delay by AQC in completion of the Project;

WEREAS, the Parish and AQC desire to resolve their differences;

WEREAS, there Everlast, Synthetic Products, LLC has filed a Statement of Claim against the Parish and the Parish desires to have it removed from the rolls of the Mortgage and Conveyance office of the Clerk of Court for the Parish of St. Charles;

WEREAS, Everlast's referenced Statement of Claim was in the amount of \$273,401.02;

WEREAS, the Parish of St. Charles withheld from AQC unpaid amounts of \$152,000.00 for labor and or materials furnished in furtherance of the referenced Project as a result Everlast's Statement of Claim (the "Withheld Funds"), and there remain disputes between the Parish of St. Charles about both the date of Substantial Completion and any resulting liquidated damages;

WEREAS, AQC has settled all claims with Everlast for the amount of \$230,000.00 of which \$100,000.00 has already been paid to Everlast leaving a remaining balance owed by AQC to Everlast of \$130,000.00 payable in monthly installments of at least \$50,000.00, the next \$50,000.00 payment being due from AQC to Everlast no later than January 31, 2015.

WEREAS, AQC desires that the Parish of St. Charles pay \$80,000.00 of the Withheld Funds jointly to Everlast and AQC, the amount to be negotiated between Everlast and AQC, against the referenced Statement of Claim and the remaining Withheld Funds directly to AQC.

WEREAS AQC would execute release of the funds negotiated with Everlast upon the removal of the liens filed by Everlast against the Parish from the Mortgage and Conveyance Offices in the Clerk of Court for the Parish of St. Charles

WEREAS, AQC and the Parish would agree to liquidated damages of \$5000 for delays in completion of the project and withhold such amounts from final payment;

WEREAS, AQC has agreed to defend and indemnify the Parish from any claims by its subcontractors and material suppliers and the Parish would issue a notice of Substantial and Final Completion;

### AGREEMENTS

KNOW THEREFORE, the Parties to this Agreement, being AQC and the Parish of St. Charles agree as follows:

- 1.) The Parish will pay jointly to AQC and Everlast those disputed and negotiated funds due Everlast by AQC not to exceed \$152,000.00;
- 2.) AQC will procure a cancellation of Everlast's Statement of Claim and will file same in the public records for St. Charles Parish upon receipt of the remaining project funds from the Parish of St. Charles. The Parish will pay \$80,000.00 of such funds either by joint check to both AQC and Everlast or instead directly to Everlast. The remaining funds will be paid solely to AQC. All of these checks will be sent to counsel for AQC, Attn. Willard O. Lape, III at 1966 N. Highway 190, Suite B, Covington, LA 70433.
- 3.) AQC will defend and indemnify the Parish from any claims related to the above project from any of its subcontractors or material suppliers;
- 4.) The Parish will issue its Notice of Substantial and Final Completion and Acceptance of the Project after receipt of the removal of the liens and then pay the remaining amount due less the agree upon liquidated damages on the Project;
- 5.) This Agreement may be executed in multiple counter-parts which when taken together shall constitute one complete executed original.

Advanced Quality Construction, Inc.

The Parish of St. Charles

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

Mr. Corie M. Herberger, as President of Advanced  
Quality Construction, Inc.

By: \_\_\_\_\_  
\_\_\_\_\_, as

Date: \_\_\_\_\_

Date: \_\_\_\_\_