COMPREHENSIVE SETTLEMENT AGREEMENT AND RELEASE

I. RECITALS

THIS SETTLEMENT AGREEMENT AND RELEASE ("SETTLEMENT AGREEMENT") as entered into on the date last shown below by and between PATRICIA REYES GAVIRA, individually and as Guardian ad Litem for WILLIAM GAVIRA, minor, JOSE GAVIRA, JESUS GAVIRA and ROLANDO GAVIRA, and the ESTATE OF RAMON GAVIRA CAMARILLO ("PLAINTIFFS"), and the COUNTY OF LOS ANGELES, LOS ANGELES COUNTY SHERIFF'S DEPARTMENT ("DEFENDANTS") is a compromise settlement and release whereby, among other things, PLAINTIFFS and DEFENDANTS settle and resolve all of the PLAINTIFFS' claims against DEFENDANTS, and any of their agents or employees including but not limited to the COUNTY OF LOS ANGELES, LOS ANGELES COUNTY SHERIFF'S DEPARTMENT, SHERIFF LEROY BACA, DEPUTY ANDREW DOUESNARD (erroneously sued as Duoesnard), DEPUTY ANEL MANRIQUEZ, DEPUTY VICTOR MONTES (erroneously sued as Montez), DEPUTY MARCELO ORTEGA, LIEUTENANT LARRY LINCOLN, SERGEANT JOSEPH PURCELL, DEPUTY PHILIP GUZMAN (erroneously sued as Phillip Guzman), SERGEANT EVELYN ANDERSON, DEPUTY ADRIAN DOMINGUEZ (erroneously sued as A. Dominguez) LT. BEN LA MOTHE, THOMAS KLOTZ, M.D. (a public employee of the County of Los Angeles, sued and served as Doe 13), DEPUTY JERRY MONTENEGRO (a public employee of the County of Los Angeles, sued and serve as Doe 14), and CAPTAIN RICK ADAMS, arising out of the death of Ramon Gavira Camarillo on July 11, 2002, including any claims arising out of his incarceration, the medical care and treatment provided to him from July 6, 2002 through and including July 11, 2002, and the subsequent investigations thereof.

This SETTLEMENT AGREEMENT is also a compromise settlement and release whereby PLAINTIFFS and DEFENDANTS settle and resolve the claims which PLAINTIFFS have asserted in the Complaint filed by them on or about May 2, 2003, and any and all subsequent amendments to the Complain filed by PLAINTIFFS in Case No. BC295053 (collectively referred to as "Complaint"), in the Superior Court of the State of California for the County of Los Angeles, Central District entitled, PATRICIA REYES GAVIRA, individually and as Guardian ad Litem for JOSE GAVIRA, JESUS GAVIRA, AND WILLIAM GAVIRA, minors, ROLANDO GAVIRA, and the ESTATE OF RAMON GAVIRA CAMARILLO v. COUNTY OF LOS ANGELES, LOS ANGELES COUNTY SHERIFF'S DEPARTMENT, SHERIFF LEE BACA, and DOES 1 through 100, inclusive. This lawsuit involved, in part, claims for damages for violations of civil rights causing wrongful death, general negligence and injuries allegedly suffered by PLAINTIFFS as a result of the alleged tortious actions of DEFENDANTS and their employees from July 6, 2002 to and including July 11, 2002, in the City of Los Angeles, County of Los Angeles, California.

II. AGREEMENT

A. RELEASE AND DISCHARGE

PLAINTIFFS acknowledge that, in consideration of the covenants contained in this Agreement and the payments called for by this Agreement, PLAINTIFFS, for themselves, their executors, administrators and assigns, fully and forever release, waive and discharge the DEFENDANTS, employees of County of Los Angeles, including past and present deputy sheriffs and medical and mental health personnel with the County of Los Angeles, the Los Angeles County Sheriff's Department, the Los Angeles County Jail and the Los Angeles County + USC Medical Center, and all other persons, firms, associations, corporations, attorneys, and each of them, from

any and all past, present or future claims, demands, obligations, actions, causes of action, fee claims, rights, damages, costs, losses of services, expenses and compensation of any nature whatsoever, which PLAINTIFFS may or might have against any of these DEFENDANTS, by reason of any damages or injuries whatsoever sustained by PLAINTIFFS either directly or indirectly occurring on or about from July 6, 2002 to and including July 11, 2002, and including but not limited any claims arising out of the medical care and treatment provided to decedent Ramon Gavira Camarillo during the relevant time period, and any claims arising out of his death on July 11, 2002, in the City of Los Angeles, County of Los Angeles, California and the subsequent investigation and litigation thereof.

This shall be a fully binding and complete Settlement Agreement between the PLAINTIFFS, the DEFENDANTS, their assigns and successors.

PLAINTIFFS declare and acknowledge that the injuries they sustained, or may have sustained, are, or may be, permanent and progressive in that recovery from these injuries is uncertain and indefinite. In making the Release and Settlement Agreement, PLAINTIFFS understand and agree that they rely on their judgment, belief and knowledge as to the nature, extent, effect, and duration of these injuries and liabilities.

B. PAYMENTS

In consideration of this Release, DEFENDANT County of Los Angeles hereby agrees to pay the sum of Seven Hundred and Fifty Thousand Dollars ($750,000.00) to PLAINTIFFS and plaintiffs' attorneys, R. Samuel Paz, Sonia M. Mercado and Antonio Rodriguez. Checks will be made payable as follows:

For William Gavira, Defendant will issue a check in the amount of $52,700 payable to "Prudential Assigned Settlement Services Corporation" (Tax ID No.

22-3444614) to be delivered to Atlas Settlement Group, Inc. on or before May 31, 2007. This is in compliance with the Order Approving Minor's Compromise and which provides that the check for $52,700 will be used to purchase an annuity for William Gavira to provide the following benefits for a total settlement to William Gavira of $100,000, and as detailed in Exhibit "A", incorporated herein by reference as if set forth in full:

> Periodic payments to William Gavira, Education Fund: Commencing at age 18 (03/15/2012), $1,000 payable every month for 4 years and a Lump Sum: $25,715 payable at age 23 (03/15/2017)

For Antonio H. Rodriguez, one of plaintiffs' counsel, as deferred attorney fees, defendant will issue a check in the amount of $98,333 payable to "PRUCO Assignment Corporation" (Tax ID No. 20267021-0) to be delivered to Atlas Settlement Group, Inc. on or before May 31, 2007. As further detailed in Exhibit "A", incorporated herein by reference as if set forth in full, this check for $98,333 will be used to purchase an annuity for Antonio H. Rodriguez to provide the following benefits for Antonio H. Rodriguez:

> Monthly Income: Commencing 08/01/2007, $1,067.17 payable every month for 9 years.

Further, Defendant will issue a check in the amount of $598,967 payable to Patricia Reyes Gavira, Jose Gavira, Jesus Gavira and Rolando Gavira, and their attorneys, the Law Offices of R. Samuel Paz, Sonia Mercado & Associates, Law Offices of Antonio H. Rodriguez.

C. **ATTORNEYS' FEES**

Each party to this Agreement shall bear all attorneys' fees and costs arising from the actions of their own counsel in connection with the lawsuits, this Settlement Agreement and Release and the matters and documents referred to herein, the filing of notice to the Court that settlement has been reached, and all related matters.

PLAINTIFFS acknowledge and agree that, in consideration for the sum paid by the County of Los Angeles included in this Settlement Agreement, PLAINTIFFS now and forever waive any claim to additional attorneys' fees or costs, including those available under 42 U.S.C. § 1988, or those available under the law of the State of California or any other state or territory.

D. **WAIVER OF RIGHTS UNDER CALIFORNIA CIVIL CODE § 1542**

PLAINTIFFS hereby acknowledge and agree that the Release set forth in subparagraph A of paragraph II is a general release and they further expressly waive and assume the risk of any and all claims for damages which exist as of this date but of which PLAINTIFFS do not know or suspect to exist, whether through ignorance, oversight, error, negligence, or otherwise, any of which, if known, would materially affect PLAINTIFFS' decision to enter into this Settlement Agreement, and PLAINTIFFS expressly waive the provisions of section 1542 of the California Civil Code, which provides that:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected the settlement with the debtor."

This Release shall constitute a full release in accordance with its terms. PLAINTIFFS knowingly and voluntarily expressly waive the provisions of California Civil Code § 1542, or any comparable statute or law which may exist under the laws of the State of California, the United States of America, or any other state or territory, and acknowledge and agree that this waiver is an essential and material term of this Release and Settlement. PLAINTIFFS understand and acknowledge that without such waiver, the settlement would not have been entered into, and also understand and acknowledge the significance and consequences of this Release and of the specific and express waiver of section 1542 or any other comparable or similar statutes or laws.

E. **GENERAL RELEASE**

PLAINTIFFS further agree that they have accepted payment of the sum specified herein as a complete compromise of matters involving disputed issues of law and fact and that they assume the risk that the facts or law may be otherwise than they believed. It is understood and agreed by PLAINTIFFS and DEFENDANTS that this settlement is a compromise of a disputed claim, and the payments are not to be construed as an admission of liability or wrongdoing on the part of DEFENDANTS, employees of County of Los Angeles, including past and present deputy sheriffs and medical personnel with the County of Los Angeles, or any other persons, by whom liability is expressly denied. DEFENDANTS specifically deny that they or any of their

representatives or employees did or failed to do any act or thing which may have, did, or would have entitled or enabled PLAINTIFFS to obtain an award of any damages, including punitive damages.

F. FEES AND COSTS RELATING TO ENFORCEMENT OF AGREEMENT

Should any party or beneficiary to this Settlement Agreement be forced to bring a suit to enforce its terms, the prevailing party in such suit shall be entitled to reasonable attorneys' fees and costs. This includes the award of the attorneys' fees and costs incurred on appeal as well as those incurred in any arbitration proceeding. A judgment in arbitration, judicially affirmed, should be considered a final determination, unless appealed, for purposes of determining which party has prevailed in such suit.

G. WARRANTY AND CAPACITY OF THE EXECUTED AGREEMENT

PLAINTIFFS represent and warrant that they are the sole possessors of the claims or causes of action being released, and that they have not assigned or otherwise transferred these claims or causes of action to any person or entity.

H. DISMISSAL WITH PREJUDICE

Concurrently with the execution of the Settlement Agreement and upon tender of the above-specified sum, PLAINTIFFS authorize and direct their attorneys to dismiss with prejudice any and all claims against DEFENDANTS, COUNTY OF LOS ANGELES, LOS ANGELES COUNTY SHERIFF'S DEPARTMENT, and all individually named parties, including but not limited to: SHERIFF LEROY BACA, DEPUTY ANDREW DOUESNARD, DEPUTY ANEL MANRIQUEZ, DEPUTY VICTOR MONTES, DEPUTY MARCELO ORTEGA, DEPUTY

ADRIAN DOMINGUEZ, LT. BEN LA MOTHE, THOMAS KLOTZ, M.D. and CAPTAIN RICK ADAMS.

I. GOVERNING LAW

This Settlement Agreement and Release will be construed, interpreted, and governed by the laws of the State of California.

J. REPRESENTATION OF COMPREHENSION OF DOCUMENT

PLAINTIFFS acknowledge and agree that in entering into this Settlement Agreement, they have relied upon the legal advice of their attorneys, who are attorneys of their own choice, and that the terms of this Settlement Agreement have been completely explained to them by someone of their choosing, and that those terms are fully understood and voluntarily accepted. This Release and Settlement Agreement and its terms and conditions were determined in arm's length negotiations by, between and among PLAINTIFFS and DEFENDANTS and their respective counsel, and PLAINTIFFS have received full and adequate independent counsel with respect to this Agreement and PLAINTIFFS do not rely upon any statement or representation of DEFENDANTS or DEFENDANTS' representatives, or by any physician or attorney employed by them. It is understood and agreed that PLAINTIFFS and DEFENDANTS have not been respectively influenced to any extent whatsoever by any representations or statements by the entities or individuals who are hereby released, or by any party or persons representing them.

K. NEGOTIATION OF SETTLEMENT DRAFT

PLAINTIFFS will not negotiate or disburse the draft until the originals of this Agreement have been fully executed and returned to counsel for DEFENDANTS and a properly

executed form of dismissal with prejudice of the above lawsuit has been filed with the court and delivered to DEFENDANTS.

I HEREBY CERTIFY THAT I HAVE READ ALL OF THIS SETTLEMENT AGREEMENT AND RELEASE AND THAT I FULLY UNDERSTAND ALL OF ITS TERMS AND CONDITIONS.

IN WITNESS WHEREOF, THE UNDERSIGNED HAVE EXECUTED THIS RELEASE ON 4-27-07 **AT LAS VEGAS, NEVADA.**

Patricia Reyes Gavira

Patricia Reyes Gavira as Representative of the Estate of Ramon Gavira Camarillo

Patricia Reyes Gavira as Guardian ad Litem for William Gavira, Minor

Roland Gavira

Jose Gavira

Jesus Gavira

AS ATTORNEYS FOR PLAINTIFFS, WE CERTIFY THAT:

(B) WE APPROVED THE FORM OF THE ABOVE SETTLEMENT AGREEMENT AND RELEASE;

(C) WE EXPLAINED TO PLAINTIFFS THE TERMS OF THE SETTLEMENT AGREEMENT AND RELEASE AND ITS EFFECTS; AND

(D) WE CONSENT TO THE SETTLEMENT AGREEMENT AND RELEASE, AND WITH RESPECT TO ANY AND ALL ATTORNEYS' FEES RELATING TO PLAINTIFFS' CAUSES OF ACTION FOR THE ALLEGED TORTIOUS ACTS OF DEFENDANTS, FOREVER WAIVE ANY RIGHT TO SEEK ATTORNEYS' FEES, INCLUDING THOSE AVAILABLE UNDER 42 U.S.C. § 1988 FROM DEFENDANTS, THE COUNTY OF LOS ANGELES, LOS ANGELES COUNTY SHERIFF'S DEPARTMENT, EMPLOYEES OF THE COUNTY OF LOS ANGELES, INCLUDING PAST AND PRESENT DEPUTY SHERIFFS AND MEDICAL AND MENTAL HEALTH PERSONNEL, OR ANY OF THEIR OFFICERS, AGENTS, ATTORNEYS AND EMPLOYEES.

R. SAMUEL PAZ
Attorneys For Plaintiffs

ANTONIO RODRIGUEZ
Attorneys For Plaintiffs

SONIA M. MERCADO
Attorneys For Plaintiffs

EXHIBIT "A"

A. Payments to William Gavira

The County of Los Angeles, referred to as "the Defendant" in this document entitled Exhibit "A", has agreed to provide William Gavira, a minor, by and through his/her Guardian ad Litem, Patricia Reyes Gavira, hereafter referred to as "the Plaintiff" in Exhibit "A", with the periodic payments as outlined below. The Defendant may elect to purchase a structured settlement annuity from The Prudential Insurance Company of America rated A+15 as determined by A.M. Best Company.

(1) Periodic payments, made according to the following schedule:

Periodic payments payable to William Gavira

Education Fund:
Commencing at age 18 (03/15/2012),
$1,000 payable every month for 4 years

Lump Sum:
$25,715 payable at age 23 (03/15/2017)

All sums and periodic payments set forth in the section entitled Payments constitute damages on account of personal injuries or sickness, arising from an occurrence, within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1986, as amended.

The Plaintiff agrees, however, that she has not received or relied upon any advice or representation as to the tax effect of this Agreement. In accordance therewith, the plaintiff agrees to hold harmless the Defendant from any losses to Plaintiff incurred, including any loss by reason of a determination by the Internal Revenue Service or other tax authority that said settlement monies do not constitute, in whole or part, damages on account of personal injury or sickness.

B. Qualified Assignment

The Parties hereto acknowledge and agree that the Defendant will make a "qualified assignment" within the meaning of Section 130(c), of the Internal Revenue code of 1986, as amended, to Prudential Assigned Settlement Services Corporation, (hereinafter referred to as "Assignee(s)") of the Defendant's liability to make the periodic payments described in paragraph A(1) herein.

Such assignment, if made, shall be accepted by the Plaintiff without right of rejection and shall completely release and discharge the Defendant from such obligations hereunder as are assigned to Assignee(s).

The obligation assumed by Assignee(s) with respect to any required payment shall be discharged upon the mailing on or before the due date of a valid check, in the amount specified to the address of record.

The Plaintiff hereto expressly understands and agrees that upon the qualified assignment being made by the Defendant to Assignee(s) as authorized by this agreement, all of the duties and responsibilities to make the periodic payments otherwise imposed upon the Defendant by this agreement shall instead be binding upon Assignee(s), and the Defendant shall be released from all obligations to make said periodic payments, and Assignee(s) shall at all times remain directly and solely responsible for and shall receive credit for all such payments made to Plaintiff. It is further understood and agreed that, upon such a qualified assignment, Assignee(s) assume all of the duties and responsibilities of the Defendant to make the periodic payments.

The Plaintiff agrees that:

(1) Periodic payments under this Settlement Agreement from Assignee(s) cannot be accelerated, deferred, increased or decreased by the Plaintiff.

(2) The Assignee's obligation for payment of the periodic payments shall be no greater than the obligation of the person or entity originally liable (whether by suit or agreement) for payment and from whom the obligation is assigned.

C. Plaintiff's Right to Payments

The Defendant and/or Assignee(s) shall not segregate or set aside any of its assets to fund the payments to Plaintiff required herein. Payments hereunder cannot be accelerated, deferred, increased or decreased by the Plaintiff and/or Assignee(s) and no part of the payment(s) called for herein or any assets of the Defendant and/or Assignee(s) is to be subject to execution of any legal process for any obligation in any manner. Furthermore, the Plaintiff shall not have the power to sell or mortgage or encumber the same, or any part thereof, anticipate the same, or any part thereof, by assignment or otherwise.

D. Right to Purchase an Annuity

Plaintiff agrees that the Defendant and/or Assignee(s) shall have the right to fund its liability to make periodic payments by purchasing a "qualified funding asset", within the meaning of Section 130(d) of the Code, in the form of an annuity policy from The Prudential Insurance Company of America, (hereinafter referred to as "Annuity Carrier(s)").

The Defendant and/or its Assignee(s) shall be the owner of the annuity policy or policies, and shall have all rights of ownership.

H. Claimant, Antonio H. Rodriguez, Beneficiary

Any payments to be made after the death of Antonio H. Rodriguez pursuant to the terms of this Settlement Agreement shall be made to the Estate of Antonio H. Rodriguez and shall be designated in writing by Claimant to the Defendant or the Defendant's Assignee. The designation must be in a form acceptable to the Defendant or the Defendant's Assignee before such payments are made and is irrevocable and cannot be changed.

I. Right to Purchase an Annuity for Antonio H. Rodriguez - Deferred Attorney Fees

The Defendant itself or through its Assignee, reserve the right to fund the liability to make the Periodic Payments through the purchase of an annuity policy from The Prudential Insurance Company of America. The Defendant or the Assignee shall be the sole owner of the annuity policy and shall have all rights of ownership. The Defendant or the Assignee may have The Prudential Insurance Company of America mail payments directly to the Payee(s). The Claimant shall be responsible for maintaining a current mailing address with The Prudential Insurance Company of America.

Plaintiffs: William Gavira, a minor, by and through his Guardian ad Litem, Patricia Reyes Gavira

By: _____
Patricia Reyes Gavira

By: _____
Patricia Reyes Gavira, Individually

By: _____
Jose Gavira

By: _____
Jesus Gavira

By: _____
Rolando Gavira

Plaintiff's Attorney:

By: _____
Antonio H. Rodriguez, Esq.