

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is between Laurel, Inc., a United States Virgin Islands corporation ("Laurel, Inc"), and Virginia Mortara ("Mortara"), each referred to herein individually as a "Party" or collectively as the "Parties" as of the date last signed below ("effective date of this Agreement") to settle the matter pending before the Division of Administrative Hearings ("DOAH") ("DOAH Proceeding" or "Proceeding"), and for other good and valuable consideration, the sufficiency and validity of which is hereby acknowledged. The Parties agree as follows:

1. Background.

- a) On May 2, 2012, FDEP issued a Notice of Determination of Exemption (File No. 50-0311160-001) to Virginia Mortara for the construction of a 6' x 30' dock at 319 El Vedado Way, Palm Beach, FL.
- b) On January 4, 2013, Laurel, Inc., the owner of an abutting property at 358 El Brillo Way, Palm Beach, Florida, filed its Petition for Formal Administrative Hearing ("Petition") with the FDEP challenging issuance of the Notice of Determination of Exemption.
- c) The Petition has not been referred to DOAH. The case is currently being held in abeyance by the FDEP.

2. Settlement Actions

Entry into this Agreement shall not constitute, shall not be a waiver of, and the Parties shall retain, any rights or actions available to the Parties, in law, in equity, or otherwise, whether arising before or after the effective date of this Agreement, except as expressly set forth herein.

- a) Modification of FDEP Notice of Determination of Exemption (50-0311160-001).

Mortara agrees to include the following limiting conditions in the FDEP Notice of Determination of Exemption:

- i. No dock, pier, wharf, or mooring piling shall be built, installed, constructed, erected, permitted or allowed on or at the Restricted Parcel waterward of the existing seawall (mean high water line) except only a lateral wharf not more than six feet in width (north to south) and twenty feet in length (east to west) and no closer than fifteen feet to a property line of Laurel's property at 358 El Brillo Way, Palm Beach, Florida (an "Allowed Dock"). Nothing herein shall prevent reconstruction, repair or replacement of the existing seawall in substantially the same location, and such construction shall not diminish the size of the Allowed Dock.

ii. No sail boat, jet ski, wave runner or other motorized vessel shall be kept or docked at an Allowed Dock or operated therefrom and no mooring whip, mooring lift, or other mooring device or piece of mooring equipment shall be installed on Mortara's property at 319 El Vedado Way, Palm Beach, Florida or any Allowed Dock.

b) Recordation of Agreement and Declaration of Restrictive Covenants.

In the event FDEP does not allow the proposed modification of Notice of Determination of Exemption (50-0311160-001) as set forth above, Mortara agrees to execute in recordable form, deliver to Laurel and Wister, and record (or, at their election, allow them to record) the Agreement and Declaration of Restrictive Covenants in the form attached hereto and made a part hereof as Exhibit A ("Declaration of Restrictive Covenants") in the official records of Palm Beach County, Florida promptly upon granting of the Variance Application by the Town Council of the Town of Palm Beach, Florida.

c) Voluntary Dismissal of Action.

Within ten (10) days (the "Dismissal Date") of the recordation of the Declaration and Agreement of Restrictive Covenants by Mortara in the form attached to the Settlement Agreement among Mortara, Diana S. Wister and Laurel, Inc. dated March ___, 2013, Laurel, Inc. shall file with FDEP and/or DOAH a voluntary dismissal, with prejudice, of its Petition filed with FDEP.

3. Settlement of Contested Disputes.

Laurel, Inc. and Mortara are entering into this Agreement in order to settle contested disputes between the Parties in the FDEP proceeding regarding FDEP File No. 50-0311160-001. Entry into the Agreement shall not constitute an admission of any fault, liability, or wrongdoing on the part of any of the Parties, including any alleged inadequacy or error in the Permit issued by the FDEP. This Agreement shall not, and cannot, be offered by the Parties or their representatives, assignees, or subsidiaries, as evidence in any civil or administrative proceeding, unless the proceeding is based upon alleged non-compliance with the terms of this Agreement.

4. Breaches and Waivers.

Laurel, Inc. and Mortara agree that the waiver of any breach of this Agreement, or section thereof, by any Party shall not be deemed a waiver of any other subsequent or prior breach by any Party.

5. Attorneys Fees and Other Costs and Damages.

In the event of any litigation, action, or proceeding in court, any state or local agency, council or commission concerning this Agreement or the enforcement, validity or interpretation

hereof, the prevailing party shall be entitled to the payment of all their costs, expenses and fees including, without limitation, reasonable attorney's fees.

6. Notice.

Any and all notices required or permitted to be delivered pursuant to the terms of this Agreement shall be effective upon receipt, but in any event no later than five (5) days after posting by United States Mail, certified or registered, postage pre-paid or one (1) day after delivery to an overnight courier service such as Federal Express to the addresses listed below. Any of the Parties described herein may change their address by giving notice to all of the Parties set forth in this subsection.

Laurel, Inc.:

6100 Red Hook Quarter, B3
St. Thomas, VI 00802
Attention: Darren K. Indyke, Vice President

Mortara:

Mrs. Virginia Mortara

P.O. Box 145
Harrington Park, N.J. 07640

7. Opportunity to Cure.

Prior to the institution of any litigation, action or proceeding of any kind to enforce this Agreement or the restrictive covenants contemplated herein, Laurel shall provide Mortara written notice as set forth above describing the alleged violation. Mortara shall have Five (5) business days from receipt of such notice to cure any alleged violation.

8. Non-Admission of Claims.

This Agreement represents a good-faith settlement of the FDEP and/or DOAH Proceeding without an admission by any Party as to the merits of any claim(s) or counterclaim(s) raised by any other Party in the action.

9. Enforcement.

Each Party to this Agreement shall have the right to enforce this Agreement through any remedy available, in law or equity, including, but not limited to, a suit for damages, specific performance or other injunctive relief. If legal action is taken to enforce this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees incurred in enforcing the Agreement, including fees incurred on any appeal.

10. Jurisdiction; Venue; Governing Law.

The Parties agree that the venue with regard to any action brought to enforce the terms and the subject matter of this Agreement shall be in a court of competent jurisdiction located in Palm Beach County, Florida. The Agreement shall be enforced and construed according to the laws of the State of Florida.

11. Binding Upon Successors/Related Parties.

The terms of this Agreement shall be binding upon and shall inure to the benefit of the Parties. Parties shall also include their officers, directors, shareholders, partners (both limited and general), managers, members, employees, agents, servants and representatives of entities, related entities and individuals and the personal representatives and heirs of individuals, as well as the successors and assigns of all of them.

12. Effective Date.

The effective date of this Agreement is the date in which the last Party to the Agreement executes same.

13. Agreement Null and Void.

This Agreement shall automatically become null and void and of no further force and effect in the event the Town of Palm Beach denies the Variance Application, as it may be modified or amended in the Variance Proceeding and does not grant any new, substituted, or related variance to Mortara for a dock or related matter within three months hereof.

14. Counterparts.

This agreement may be executed in counterparts or via facsimile and shall be as binding as if an original.

AGREED UPON and EXECUTED as of the date indicated above:

Virginia L. Mortara

Date: _____, 2013

Laurel, Inc.

By: _____

Name: _____

Its: _____

Date: _____, 2013