

## SETTLEMENT AGREEMENT

This Agreement is between CVS Pharmacy, Inc. ("CVS"), a corporation organized and existing under the laws of the State of Rhode Island and registered and authorized to conduct business in the State of Wisconsin, and the City of Manitowoc, Wisconsin (the "City"), a municipal corporation organized and existing under the laws of the State of Wisconsin.

1. Definitions. In this Agreement:

(a) The "Property" means the land and improvements on parcel number 520-035-020 in the City of Manitowoc, Wisconsin.

(b) "2013 Case" means the action pending in the circuit court for Manitowoc County, Wisconsin titled *CVS Pharmacy, Inc. v. City of Manitowoc*; Case No. 14-CV-247.

(c) "2014 Case" means the action pending in the circuit court for Manitowoc County, Wisconsin titled *CVS Pharmacy, Inc. v. City of Manitowoc*; Case No. 15-CV-161.

(d) "Court" means the Circuit Court for Manitowoc County.

(e) A "tax year" means a year in which an assessment is made as of January 1, with taxes based on the assessment payable in the year following the tax year.

2. Dismissal of 2013 Case. CVS agrees that no later than ten days after this Agreement is signed, it will enter into a stipulation for the dismissal of the 2013 Case (including, but not limited to, all claims asserted in the Complaint in the 2013 Case) on the merits, with prejudice, and without costs to either party; and file the stipulation with the Court.

3. 2014 Case. The parties agree that the 2014 assessment of \$2,650,000 will be reduced to \$2,200,000. CVS has not paid the second half installment of 2014 taxes. The City will work with the County to reduce CVS's second half installment of taxes by \$9,403.24. CVS hereby waives any and all claims for interest. The 2014 Case shall remain open until the reduction has been made.

4. 2015 Assessment. Both parties agree and consent to an assessed value of \$2,200,000 for 2015. CVS agrees not to challenge the 2015 assessed value of \$2,200,000.

5. Waiver of Costs. Each party waives all claims for costs.

6. Responsibility for Fees and Expenses of Attorneys and Experts. Each party shall be solely responsible for the fees of its attorneys and experts.

7. No Representations. Each party acknowledges and agrees that no representation or promise not expressly contained in this Agreement has been made by the opposing party or any of its employees, attorneys, agents, or representatives. Each party acknowledges that it is not entering into this Agreement on the basis of any such representation or promise, express or implied.

8. Binding on Successors. This Agreement shall be binding upon and inure to the benefit of each of the parties and their respective heirs, successors, and assigns.

9. Governing Law. This Agreement shall be governed and interpreted by the laws of the State of Wisconsin.

10. Interpretation of Agreement. The parties acknowledge that this Agreement is the product of joint negotiations. If any dispute arises concerning the interpretation of this Agreement:

(a) Neither party shall be deemed the drafter of this Agreement for purposes of its interpretation.

(b) The parties shall attempt in good faith to resolve the dispute.

(c) If the parties cannot resolve the dispute after reasonable efforts, the dispute shall be submitted to mediation, at the request of either party. The mediator shall be jointly agreed on by the parties or, if they are unable to agree, shall be appointed by the Court at the request of either party.

11. Representation By Counsel; Reliance. Each party acknowledges that it has been represented throughout all negotiations leading up to this Agreement by attorneys of its choice and that its attorneys have approved this Agreement. Each party represents that in entering into this Agreement, the party has relied on its own judgment and on the advice of its attorneys, and that no statements or representations made by the other party or any of its agents, except statements or representations expressly made in this Agreement, have influenced or induced the party to sign this Agreement.

12. No Assignment or Transfer. CVS represents and warrants that it has not assigned or transferred to anyone and will not assign or transfer to anyone any of the claims in the Case.

13. Entire Agreement. This Agreement states and constitutes the entire agreement of the parties concerning its subject matter and supersedes all prior or contemporaneous agreements (written or oral), representations, negotiations, and discussions concerning its subject matter, including but not limited to, all agreements (written or oral), representations, negotiations, and discussions made in the course of mediation of the Case.

14. Use of this Agreement. This Agreement shall not be filed with the Court in this Case or in any other case or proceeding, except for the purpose of enforcing this Agreement. This Agreement and any part of this Agreement shall not be admissible in the lawsuit or in any future judicial or administrative proceeding and shall not be offered as evidence or presented by any Party in the Lawsuit or any future judicial or administrative proceeding, except for the purpose of enforcing this Agreement.

15. No Admissions of Liability or Concerning Assessments or Fair Market Value. This Agreement is the settlement of disputed claims. By entering into this Agreement, the City does not admit any liability to CVS for any of the claims asserted in the Case or CVS's objections to the assessments, and the payments made under this Agreement shall not be construed as an admission of any such liability. Neither Party makes an admission about the assessments or the fair market value of the Property as of January 1, 2013, January 1, 2014, January 1, 2015, or any other date nor any other admission concerning the assessment of CVS's property.

16. Waiver. No waiver of any breach of this Agreement shall be deemed a continuing waiver of that breach or a waiver of any other breach of this Agreement.

17. Amendments or Modifications. This Agreement may not be amended, modified or altered in any manner whatsoever, except by a further written agreement duly authorized and signed by the parties.

18. Authorization to Sign Agreement. Each person signing this Agreement on behalf of either party represents and warrants that the person holds the position indicated beneath the person's signature and that the person has the requisite corporate or other authority to sign this Agreement on behalf of the party. Each party represents that entry into this Agreement is not in contravention of any agreement or undertaking to which the party is bound.

19. Reading of Agreement. Each person signing this Agreement on behalf of either party acknowledges that the person has read this Agreement, that the person understands the terms and conditions of this Agreement, that the person

(if other than an attorney for the party) has been advised by legal counsel concerning this Agreement, and that the person freely and voluntarily signs this Agreement.

CVS PHARMACY, INC.

Robert A. Hill

By: Robert A. Hill

Its: Agent-In-Fact

CITY OF MANITOWOC

Justin Nickels

Justin Nickels, Mayor

Jennifer Hudon

Jennifer Hudon, City Clerk