

STATE OF NORTH CAROLINA

File No. 06 CV5 3118

IREDELL County

In the General Court of Justice
Superior Court Division

Name of Plaintiff(s)

SANTONI, ET UX

VERSUS

Name of Defendant(s)

SUNDOWN COVE LLC, ET AL

MEMORANDUM
OF
MEDIATED SETTLEMENT

The parties hereto stipulate and agree that at the Mediated Settlement Conference held on the 20th day of November, 2007, at Statesville, N.C., a full and final agreement of all issues was reached. The terms of this agreement are:

1. Defendant shall pay Plaintiff the total sum of \$ 115,000⁰⁰ within 14 days from the date of this Agreement. Plaintiff shall execute such releases as required by Defendants in a form acceptable to Defendants and shall file a Voluntary Dismissal with / ~~without~~ Prejudice upon receipt and disbursement of said settlement proceeds.

2. Plaintiff shall pay Defendant the total sum of \$ N/A within days from the date of this Agreement. Defendant shall execute such releases as required by Plaintiff, in a form acceptable to Plaintiff, and shall file a Voluntary Dismissal with / without Prejudice upon receipt and disbursement of said settlement proceeds.

3. This matter has been settled by consent. A Consent Judgment/Order shall be prepared by the attorney for the Plaintiff, Defendant. The terms of the Consent Judgment/Order are as follows:

* The above settlement shall be paid as follows: (A) \$60,000⁰⁰ by the Legalle Inc. Co, and (B) \$55,000⁰⁰ by NVR, Inc.

4. Other: (1) Plaintiff shall execute and abide by a mutual confidentiality agreement.
(2) all plaintiffs and defendants shall execute mutual releases of all existing claims.

5. Issues not settled by this agreement are as follows: N/A

6. Each of the parties hereto shall bear his/her/their own attorney fees, costs and pro rata share of the costs of this Mediated Settlement Conference.

7. The parties and their respective attorneys agree and consent to the Court entering and enforcing an Order based upon the terms and conditions contained in this Agreement.

For Plaintiff:

George C. Sartin
Attorney

For Defendant:

John D. Daniels - ATTY FOR SUNDOWN COVE, LLC.
[Signature]
[Signature] - ATTY. for NVR, Inc.
[Signature] VP NVR, INC.
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Date: 11-20-07