

G. Gauf
606 Reed
Sedro-Woolley
WA 98284



201501130038

Skagit County Auditor
1/13/2015 Page

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\$76.00
5 9:09AM

Document Title:

Settlement Agreement

Reference Number:

Grantor(s):

additional grant or names on page ___.

1. Ross, Valerie

2.

Grantee(s):

additional grantee names on page ___.

1. Gauf, GARY

2.

Abbreviated legal description:

full legal on page(s) ___.

Lot 2 of SP 97-0038, AF # 199910220079
in SW¹/₄ NE¹/₄ Sec. 29, Twp 33, Rge 4 EWM
Plus easement

Assessor Parcel / Tax ID Number:

additional tax parcel number(s) on page ___.

P 116183

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330429-1-003-0800

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT, (hereinafter the "Settlement Agreement") is entered into this 21 day of September, 2010, by and between **Valerie Ross** (hereinafter "Ross"), and **Gary Gauf** (hereinafter the "Gauf"), for the settlement of claims and transfer of the assets and equipment and use of the name of the business known as **Dirt Toys Excavating**.

RECITALS

1. Ross and Gauf have been doing business together as a Partnership known as **Dirt Toys Excavating** in Washington State for the past ten (10) years.
2. Gauf has not received compensation from the Partnership for the work he has performed for the past three (3) years.
3. Ross owns real property located at 22648 N. Starbird Rd., Mount Vernon, Washington which is currently occupied by Gauf and listed for sale.
4. Gauf may have an equitable claim to the real property located at 22648 N. Starbird Rd., Mount Vernon, Washington and a claim for the work he has performed over the past three (3) years without receiving compensation.
5. Ross and Gauf wish to resolve any and all claims Gauf may have against Ross by transferring the assets and equipment of Dirt Toys Excavating solely to Gauf. In addition, Ross shall pay Gauf the sum of \$40,000 from the proceeds of the sale of Ross's real property to be paid after closing and within one week of Gauf vacating the property.
6. The value of the assets and equipment of Dirt Toys Excavating plus the payment of \$40,000 is equal to any claims Gauf may have against Ross.



SETTLEMENT AGREEMENT

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES AND COVENANTS CONTAINED HEREIN, the transfer between Ross and Gauf shall take place as follows:

1. **Subjects of the Transfer.**

(a) Ross shall convey to Gauf all rights she has to do the business **Dirt Toys Excavating**. In addition, Ross shall convey all equipment, tools and fixtures listed in Exhibit "A", and all account information for **Dirt Toys Excavating** to Gauf.

(b) Ross shall pay to Gauf the sum of \$40,000 from the proceeds of the sale of the real property located at 22648 N. Starbird Rd., Mount Vernon, Washington within one week of Gauf vacating the property.

(c) Gauf shall release all claims he has against Ross and consider them fully satisfied by the transfer above.

2. **Date of Transfer.** The Transfer of the assets and equipment shall occur on or before September 1, 2010. Payment of the \$40,000 to Gauf will occur after the real property sells and within one week of Gauf vacating the real property.

3. **Possession.** The Buyer takes possession immediately upon the Transfer.

4. **Time Is of the Essence.** The parties agree that time is of the essence in the performance of this Agreement.

5. **Interpretation.** In any dispute between the parties, the language of this Agreement shall in all cases be construed as a whole according to its fair meaning and not for or against either the Buyer or the Seller. Should any word, clause, sentence or combination thereof for any reason



be declared by a court of law or equity to be invalid or unenforceable against one party or the other, then such facts in no way affect the remaining provisions of this Agreement.

6. **Entire Agreement.** This Agreement contains all of the understandings between the parties. Each party represents that no promises, representations or commitments have been made by the other as a basis for this agreement that have not been reduced to writing herein. No oral promises or representations shall be binding upon either party, whether made in the past or to be made in the future unless such promises or representations are reduced to writing in the form of a modification of this Agreement, executed with all necessary legal formalities.

IN WITNESS WHEREOF, Ross and Gauf have caused this agreement to be executed and signed by their authorized representatives on the day and year first above written.

Valerie A. Ross
Valerie Ross

Gary Gauf
Gary Gauf



