CR 2A Memorandum of Settlement Agreement

On May 3, 2022, the parties engaged mediation settlement discussions in the matter *Mario Garcia et. al v. City of Yakima, et al*, Yakima County Superior Court, Cause No. 18-2-03001-39, with mediator Teresa Wakeen. Discussions continued May 4, 2022. Under the agreement reached, the parties agree as follows:

- 1. The City of Yakima, through its insurers, Cities Insurance Association of Washington ("CIAW") and Munich Reinsurance ("Munich"), agrees to pay Plaintiffs Mario Garcia, Sr. and Daisy Garcia, as Co-Litigation Guardians ad Litem for Mario Garcia, Jr. and Richard L. Mathieu as Litigation Guardian ad Litem for Sophie L. Garcia, individually, (herein "Plaintiffs"), a total of \$ 3,000,000.00 (Three Million Dollars) in exchange for Plaintiffs' execution of a full release of all past, current, future, or potential claims in law or equity, including all claims for attorney's fees and costs, that have been or could have been asserted with respect to the September 10, 2015 automobile accident involving Mario Garcia, Jr. and Mitchell Fiedor ("Accident"), as described in the Amended Complaint filed by Plaintiffs in Yakima County Superior Court, Cause No. 18-2-03001-39;
- 2. In exchange for said payment, Plaintiffs agree to execute a Settlement and Full Release of all claims asserted against the City of Yakima ("Defendant") and any and all of its past, current, or future agents, officers, and employees that includes an indemnification and hold harmless releasing the City of Yakima and its past, current, or future agents, officers, employees, and insurers, including by not limited to CIAW and Munich, from any and all liens that may be asserted as a result of the Accident described in the Amended Complaint filed by Plaintiffs in Yakima County Superior Court, Cause No. 18-2-03001-39. Plaintiffs further agree to enter a stipulated order dismissing all claims with prejudice in the aforementioned cause of action, with each party bearing their own costs. The Settlement and Full Release will reflect that this is a full and final settlement of all claims that are, have been, could have been, or may be asserted arising out of the Accident;
- 3. This settlement is contingent on approval by the Yakima City Council, which is expected to convene on this matter on or about June 7, 2022;
- 4. This settlement is also contingent upon court approval for the minor settlement entered into on behalf of Sophia Garcia and court approval of the settlement entered into on behalf of Mario Garcia, Jr., who is incapacitated and has a litigation guardian ad litem. Plaintiffs will pay the attorney's fees and costs for settlement guardian ad litem(s) reviewing and seeking court approval of the settlements on behalf of Sophia Garcia and Mario Garcia, Jr.
- 5. Plaintiffs shall pay and satisfy any and all liens, claims for reimbursement, or subrogation claims for medical expenses, time loss benefits paid, attorneys fees, guardian ad litem fees, or otherwise, related to or arising out of their injuries or claims which are valid under current Washington law, including but not limited to liens and/or claims for reimbursement by Medicaid, Medicare, Labor & Industries, or any health insurer. Settlement is contingent on formal Medicare approval for Mario Garcia Jr. and closing documents from Medicare will be needed before the claim is considered officially concluded.

- 6. Each party shall bear its own costs for the mediation with Teresa Wakeen; and
- 7. The parties agree that any disputes regarding the Settlement and Full Release and/or any other matters pertaining to this settlement will be submitted to mediator Teresa Wakeen for binding resolution.

Signed this 5th day of May, 2022.

Bryan Smith

Counsel for Plaintiffs

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Counsel for Defendant City of Yakima