

MUTUAL RELEASE AND SETTLEMENT AGREEMENT (Before Lawsuit)

This Settlement and Mutual Release Agreement is entered into on the last date the Agreement is signed, by and between (Your individual name, dba Company name) ("Releasor") and (Full name(s) of owner(s)) ("Releasee").

RECITALS

A. Certain disputes and differences have arisen by and between the above-described parties relating to construction services performed by Releasor on the real property commonly known as (common street address of the property) ("Subject Property").

C. The parties to this Agreement now desire to settle any claims related to and arising from the circumstances above-described.

NOW THEREFORE, the parties hereto agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by this reference and made an integral part thereof.

2. The consideration for this Settlement and Release shall consist of: The payment of \$(Dollar amount of settlement) from Releasee to Releasor and a mutual waiver and release of all claims. This agreement shall become binding upon the cashing of said check and the receipt of good funds from the bank upon which it is drawn. Each side shall bear their respective costs and attorney's fees.

3. The parties, on behalf of themselves, their respective successors, assigns, heirs, executors, administrators, and representatives hereby fully and forever waive, relinquish, release and discharge each other and their respective former, present, and future principals, agents, job superintendents, job foreman, workers, project managers, crew members, employees, predecessors, successors, assigns, heirs, executors, administrators, representatives, surety and bond companies, and insurance carriers of and from, without limitation, any and all known and existing claims, amounts for labor, services, materials, and equipment, change orders, punch lists, back charges, warranties, demands, controversies, actions, causes of action, debts, liabilities, rights, contracts, damages (direct and consequential), claims for delay or impact damages, extended overhead, interest, finance charges, costs (including attorneys' fees, court and litigation costs), expenses, indemnities, obligations, and losses of every kind or nature whatsoever, directly or indirectly related to, arising from or which could be inferred or implied by or included in connection with any of the circumstances set forth in the recitals.

4. This release is intended to be a general release, and it shall encompass all known and unknown, seen and unforeseen claims which the parties may have against each other. The parties thereby agree that this release extends to claims which the

parties may have known to exist or suspect might exist at the time of executing the release, which if known might have materially affected settlement.

5. The parties agree never to commence or prosecute any action in any state or federal court (including small claims), arbitration, administrative proceeding, including proceedings with the State Contractors License Board, any other proceeding with any governmental or quasi-governmental agency based upon or arising out of, any claims, demands, controversies, actions, causes of action, debts, liabilities, rights, contracts, damages, costs (including attorneys' fees, court and litigation costs, and expenses), expenses, indemnities, obligations, and losses of every kind or nature whatsoever herein released, or permit, aid, or consent to the commencement or prosecution of any such action by any person.

6. Releasor agrees to record a full release of any mechanic's lien, stop notice, or bond claim, thereby waving and releasing any such rights as to the Subject Property. The parties also agree to execute, acknowledge and deliver or cause to be executed, acknowledged and delivered such further instruments or documents as may be necessary in order not consummate this Agreement.

7. Neither the delivery of any consideration hereunder (including the execution of this Agreement) nor anything herein contained shall be taken or construed to be at any time or place an admission or concession of any kind by the parties hereto, it being the sole intention of the parties hereto that the settlement and release provided in this Agreement are solely in furtherance of a compromise of the disputed claims herein identified.

8. Each party covenants that it shall not voluntarily disclose the terms or substance of this Agreement to any person or entity except to its respective counsel, insurers, tax advisors, in response to court order, or otherwise as required by law; and shall not voluntarily disclose the contents hereof with anyone.

9. Each party warrants that they have the sole right and exclusive authority to execute this Agreement and comply with all the conditions hereto.

10. Each of the parties to this Agreement shall be solely responsible for payment of their own court costs, attorneys' fees, and expenses in connection with the matters referred to in this Agreement, whether taxable or not. The only exception shall be if there is a breach of this Agreement, the prevailing party then shall be entitled to his or her attorneys' fees to enforce the terms of this Agreement. Said attorneys' fees and costs shall only be applied to those incurred from and after the execution of this Agreement, and not as to any prior or pre-existing attorneys' fees or costs.

11. This Agreement is the product of negotiation and preparation by and among the parties hereto. The parties hereby expressly acknowledge and agree that this Agreement shall not be deemed to be prepared or drafted by one party, or its attorney, and shall be construed accordingly.

12. This Agreement shall be interpreted in accordance with and governed in all respects by the law of the State of (Describe the State).

13. Should any particular division of this Agreement prove to be unlawful or unenforceable, the remaining terms shall remain in full force and effect.

14. This Agreement has been freely and voluntarily entered into by the parties hereto, contains the entire agreement among the parties and supersedes all prior oral or written agreements, understandings, arrangements, negotiations, or discussions; and may not be amended, except by a writing executed by the parties or their duly authorized representatives. No promises, representations, understandings, or warranties have been made by any party hereto, other than those which are expressly contained herein.

15. This Agreement may be executed in duplicate original and counterparts and the signatures of the parties in counterpart shall be deemed to reflect their execution of this Agreement in the original.

Dated: _____

(Your individual name, dba your
company name)

By:_____

Dated: _____

(Owner's name)

Dated: _____

(Owner's name)