

REDACTED

CONFIDENTIAL SETTLEMENT AGREEMENT

This Confidential Settlement Agreement ("Agreement") is made this 6th day of December, 2012 (the "Effective Date"), by and between Gainesville Citizens CARE, Inc. ("Plaintiff"), a Florida not-for-profit corporation, whose principal place of business is 806 NW 16th Avenue, Gainesville, Florida, and Gainesville Renewable Energy Center, LLC ("GREC"), a limited liability company registered to do business in Florida.

WHEREAS, on or about April 4, 2012, Plaintiff filed a complaint against the City of Gainesville ("City") in the Circuit Court of the Eighth Judicial Circuit, in and for Alachua County, Florida, and the Plaintiff's case ("Action") was assigned Case Number 2012-CA-1346; and

WHEREAS, Plaintiff seeks a declaratory judgment and related relief against the City for alleged violations of the Florida Government-in-the-Sunshine Law ("Sunshine Law") arising out of or in connection with the negotiations that resulted in the execution of the City's "Power Purchase Agreement for the Supply of Dependable Capacity, Energy and Environmental Attributes from a Biomass-Fired Power Production Facility" ("Power Purchase Agreement") with GREC, which was approved and ratified by the City Commission on May 7, 2009;

WHEREAS, GREC intervened into the Plaintiff's Action, because GREC has certain rights and interests that will be affected by the outcome of the Action, including but not limited to GREC's interests in a 100 megawatt biomass-fired electrical power plant ("the Project") that GREC is building to supply electricity to the City pursuant to the Power Purchase Agreement; and

WHEREAS, the City and GREC dispute the allegations made in the Action and they contend that no relief should be granted to the Plaintiff based on the Plaintiff's allegations in the Action; and

WHEREAS, the City and GREC wish to avoid the expense, delay, and uncertainty of litigation and they wish to resolve the claims asserted in the Action; and

WHEREAS, the Plaintiff, the City, and GREC attended a mediation on November 15, 2012 and December 6, 2012, and they decided to enter into this Agreement as a result of the mediation; and

WHEREAS, the Plaintiff, the City, and GREC are parties to a separate "Mediated Settlement Agreement of the Parties" ("Mediated Agreement"), which is attached hereto as Exhibit "A" and incorporated herein by reference.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, and in mutual consideration of

the benefits to accrue to the Plaintiff and GREC, the receipt and sufficiency of which are hereby acknowledged, the Plaintiff and GREC agree as follows:

1. Mediated Agreement.

Under the terms of the Mediated Agreement, the City's representatives shall present the Mediated Agreement to the Gainesville City Commission for the City Commission's review and approval. If the City Commission approves the Mediated Agreement in compliance with Sections 1 and 2 of the Mediated Agreement, this Confidential Settlement Agreement shall remain in effect and shall be binding upon the Plaintiff and GREC. If the City Commission does not approve the Mediated Agreement in compliance with Sections 1 and 2 of the Mediated Agreement, this Confidential Settlement Agreement shall be automatically and immediately terminated, and this Confidential Settlement Agreement shall be deemed null and void, ab initio. If this Confidential Settlement Agreement is terminated, the Plaintiff and GREC shall not discuss or reference this Confidential Settlement Agreement or the terms contained herein for any purpose. Among other things, this Confidential Settlement Agreement shall not be mentioned or referred to in the Action or any other litigation or proceeding.

2. Notice of Dismissal of this Action.

If the City Commission approves the Mediated Agreement in compliance with Section 1 and 2 of the Mediated Agreement, Plaintiff shall file a notice of dismissal of the Action, with prejudice as to all Parties. The notice of dismissal shall be filed within two (2) business days after the Commission approves the Mediated Agreement.

3.

of the money paid by GREC shall be used, directly or indirectly, for any legal, political, or other activities related to GREC or the Project.

4.

5. Releases.

Plaintiff hereby releases GREC, including its directors, officers, officials, agents, employees, and attorneys (collectively, "GREC Releasees") from any and all claims, disputes, allegations, and causes of action whatsoever, whether known or unknown, and whether legal, equitable, statutory or otherwise, that the Plaintiff has, had, or may have had from the beginning of time to the present day, against the GREC Releasees. GREC hereby releases the Plaintiff, its directors, and LaHart (collectively, "GCC Releasees") from any and all claims, disputes, allegations, and causes of action whatsoever, whether known or unknown, and whether legal, equitable, statutory or otherwise, that GREC has, had, or may have from the beginning of time to the present day, against the GCC Releasees. The Plaintiff's release of GREC and GREC's release of the Plaintiff shall take effect when the Court issues an order dismissing the Action with prejudice.

6. No Further Adversarial Activities.

The Plaintiff and its directors shall not, directly or indirectly, participate in or assist others with any activities that (a) involve or are reasonably expected to result in future litigation or administrative hearings concerning GREC or the

construction and operation of the Project, including but not limited to claims based on a violation of the Sunshine Law or claims based on any other theory or grounds that could have been brought before the Effective Date of this Agreement, or (b) in any way impede the construction and operation of the Project.

7. Confidentiality of Settlement.

Certain terms of this Agreement are confidential and shall be kept confidential by the parties, their agents, and attorneys. Specifically, the Plaintiff, its directors and attorneys shall not discuss the specific terms of Sections 3 and 4 this Agreement with anyone that is not a party to this Agreement; provided, however, that Plaintiff and its directors may discuss the fact that GREC made a donation (in an unspecified amount) to a civic organization on behalf of GCC, but Plaintiff and its directors shall not reveal the amount of the donation. The Plaintiff, its directors, and attorneys shall not provide a copy of this Agreement to anyone that is not a Party to this Agreement, unless Sections 3 and 4 of this Agreement have been redacted in their entirety to ensure that the text is completely illegible.

8. Non-Disparagement Agreement.

Plaintiff, its directors and attorneys agree that they shall refer to GREC, the representatives of GREC, and the Project only in a professional and respectful manner, and shall

refrain from making any statement in disagreement with or in criticism of GREC, its representatives, or the Project.

9. Breach of Agreement.

The Parties acknowledge and agree that it is difficult or impossible to accurately determine the amount of the damages that GREC would incur as a result of a breach of this Agreement. Accordingly, the Parties have determined that if any provision of this Agreement is breached by the Plaintiff, its directors, or attorneys, GREC shall have no obligation to make any payments under Sections 3 and 4 of this Agreement, and GREC shall receive, upon request, a payment from the Plaintiff in the amount of Two Thousand Dollars (\$2,000). These forfeitures and payments shall constitute liquidated damages and not penalties.

10. Advice of Counsel.

Both Parties represent and warrant that they have had ample time to consider the terms of this Agreement, they have consulted with their respective counsel, and they understand and voluntarily accept the terms of this Agreement.

11. Representation of Authority.

The Plaintiff and GREC represent and warrant to each other that they are authorized to execute this Agreement. The Plaintiff and GREC also warrant that they are authorized to carry out the terms of this Agreement.

12. Third Party Beneficiary.

Plaintiff and GREC acknowledge and agree that the City is a third party beneficiary of this Agreement.

13. No Admission of Liability.

By entering into this Agreement, neither the Plaintiff nor GREC admit to any wrongdoing or liability and they specifically deny any such allegation. Plaintiff and GREC acknowledge and agree that this Agreement is a compromise of disputed claims and defenses. The Parties agree this Agreement shall not be offered or received into evidence for any purpose against the City, GREC, or any other person, except to enforce compliance with the terms of this Agreement.

14. Entire Agreement.

This Agreement sets forth the entire agreement and understanding of the Parties as to the subject matter hereof, and it supersedes all prior negotiations, agreements, understandings, and communications as to the subject matter hereof. Only the representations and promises included in this Agreement are binding upon the Parties to this Agreement or on anyone acting for, associated with, or employed by any Party to this Agreement.

15. No Waiver.

The failure of any Party to enforce any of the provisions of this Agreement, or require compliance with any of the terms of this Agreement, shall not affect the validity of this

Agreement or any part hereof, and shall not be deemed a waiver of the right of any such party thereafter to enforce such a provision.

16. Remedies.

The Parties may enforce this Agreement by using any and all remedies available at law and in equity, including but not limited to specific performance and injunctive relief. The remedies contained herein shall supplement and not be in lieu of any other remedy. Exercising a right or remedy provided herein shall not preclude a party from exercising any other right or remedy available herein or at law or in equity. All such remedies shall be cumulative.

17. Litigation Relating to this Agreement.

In the event of any litigation concerning the interpretation, meaning, or enforcement of this Agreement, venue shall lie exclusively in Alachua County, Florida. In any such litigation, the prevailing party shall be entitled to recover its attorneys' fees and costs.

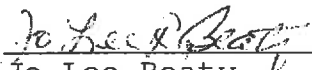
18. No Construction Against Drafter.

This Agreement is and shall be deemed jointly drafted and written by the Parties. This Agreement shall not be construed or interpreted against the Party that originated or prepared it.

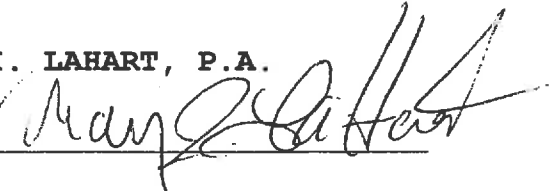
19. Effective Date.

This Agreement shall take effect and become enforceable on the Effective Date, which is written above.

GAINESVILLE CITIZENS CARE, INC.

By: 
Jo Lee Beaty
Its Mediation Representative

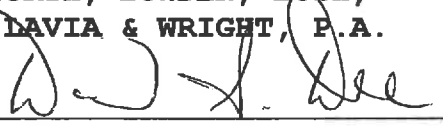
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