

TIMOTHY Prince et al,  
Plaintiffs,

v.

RANCHO HEIGHTS ROAD MAINTENANCE  
Committee, et al.,  
Defendants

CASE No. GIN054132

MEMORANDUM OF UNDERSTANDING (MOU)

IT IS AGREED:

1. The Committee shall publish and distribute by mail the Committee's current policies and procedures no later than 90 days before the 2007 Annual Meeting.
2. Plaintiffs may provide to the Committee, no later than 60 days prior to the 2007 Annual Meeting, their proposed amendments to the Road Maintenance Agreement <sup>("the Agreement")</sup>, along with sufficient stamped envelopes to allow mailing to all land owners subject to the Agreement. The proposals shall relate solely to proposed amendments to the Agreement and shall not contain any derogatory, unlawful or defamatory material. The Committee will circulate the materials submitted by Plaintiffs to all land owners subject to the Agreement. Any response to Plaintiffs' proposals by any person, or by the Committee, shall similarly contain no derogatory, unlawful or defamatory material.
3. Either side may request a re-count of the vote count, in which event the recount will be undertaken by two ~~California attorneys~~ <sup>and paid</sup> ~~whose principal offices~~ attorneys, one picked by each side.
4. The Committee acknowledges that the parcels of land fronting a Sunset Peak Road, and described in the original Road Maintenance Agreement, are covered by the Road Maintenance Agreement.
5. This Action shall be dismissed in its entirety with prejudice.
6. The parties agree to a Civil Code § 1542 waiver.
7. The parties agree that this Action has been settled to everyone's mutual

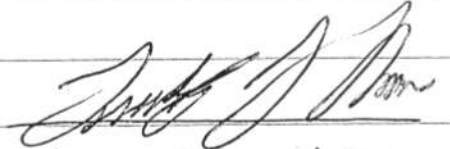
satisfaction.

8. The parties contemplate drafting and execution of a Formal Settlement Agreement which shall contain standard and customary provisions.


9. All parties shall bear their own Attorneys' fees and costs.

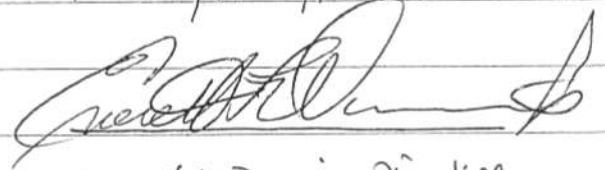
10. Notwithstanding the Formal Settlement Agreement described in paragraph 8 above, this MOU is intended to be, and shall be, binding, enforceable and admissible, and may be enforced pursuant to ~~CCP~~ CCP § 664.6.


Dated: April 9, 2007

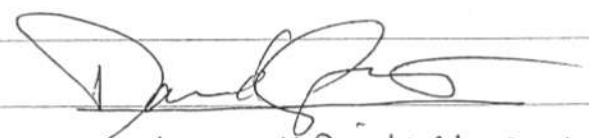
  
Timothy Prince, Plaintiff

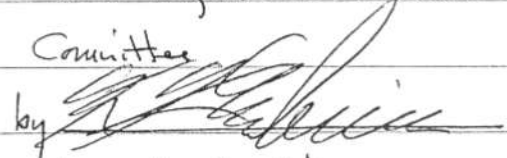
APPROVED:


  
David W. Graves, Atty for Plaintiff

  
Everett L. Donnick, Plaintiff,  
individually and as authorized agent  
for Olivia L. Donnick, Plaintiff

  
Ernest Sloane, Attorney for Defendants.

  
Barbara Gill, Plaintiff by David  
W. Graves, her attorney and  
authorized agent.

Rancho Heights Road Maintenance  
Committee  
by   
Kirk Ebmeier

  
Steven Bachinski, Plaintiff

Beverly Romans  
Beverly Romans, Defendant

Phillip Burke  
Phillip Burke, Defendant