

SETTLEMENT AGREEMENT

This Settlement Agreement (the “Agreement”) is entered into by and between individuals Corrine Morgan Thomas, Doug Thomas, Blu Graham, Rhonda Olson, and Cyro Glad (collectively, “Plaintiffs”), on one hand, and County of Humboldt, Humboldt County Board of Supervisors, Humboldt County Planning and Building Department, individuals Steve Madrone, Rex Bohn, Mike Wilson, Michelle Bushnell, Natalie Arroyo, and John Ford (“the County Defendants”), on the other. “Party” or “Parties” as used herein shall refer to Plaintiffs, County Defendants, or all of them, as may be appropriate. The Parties make this Agreement based on the understandings set forth in the following recitals, each of which they affirm to be true and correct.

This Settlement Agreement shall become effective as of the “Effective Date” as set forth in Paragraph 3.1 below.

1. Recitals.

1.1 Plaintiffs **Corrine Morgan Thomas and Doug Thomas** (the “Thomases”) own property at 274 Lower Cathey Lane, Miranda, APN 211-391-011-000. The Thomases acquired this property from Summerville Creek LLC in August 2021 (the “Thomas Property”). The County served a notice of violation (hereinafter “NOV”) and notice to abate (hereinafter “NTA”) in August 2021 for the Thomas Property, citing (1) unpermitted commercial cannabis operation and (2) a structure facilitating commercial cannabis activity and constructed in violation of Humboldt County Code. The notices named Summerville Creek as the “responsible party,” imposing a daily administrative penalty of \$12,000 for up to 90 days after a 10-day abatement period. Though the Thomases were not named in either the NOV or NTA, the Thomases filed an Attachment C Administrative Civil Penalty Appeal Request Form with the County on September 2, 2021. They have not had an appeal hearing.

1.2 Plaintiff **Blu Graham** owns property at 2899 Chemise Mountain Road, Shelter Cove, APN 108-281-002-000 (the “Graham Property”). The County served a NOV and NTA in May 2018 for the Graham Property on Graham and Jessica Modic citing (1) unpermitted grading, (2) construction of four unpermitted structures in violation of building, plumbing and/or electrical codes, and (3) violation of the County’s commercial cannabis ordinance. The notices imposed a daily administrative penalty of \$10,000 for up to 90 days after a 10-day abatement period. Graham filed with the County an Attachment C Administrative Civil Penalty Appeal Request Form on May 14, 2018. Graham abated two violations and received a grading permit for the third violation in September 2022.

1.3 Plaintiff **Rhonda Olson** owns properties at (1) 1030 Red Cap Road, Orleans, APN 529-181-036-000, (2) 1030A Red Cap Road, Orleans, APN 529-181-038-000, and (3) 1133 Red Cap Road, Orleans, APN 529-171-033-000 (collectively the “Olson Properties”). The County issued a NOV and NTA in April 2018 to Paul Zaccardo for unpermitted cannabis cultivation and unpermitted structures on 1133 Red Cap Road but did not record the violations against the title. After Olson acquired these properties in September 2020, the County issued a new NOV and NTA in September 2020 to Lb 4 Lb Corporation for violations on 1030 Red Cap, and again to Zaccardo for violation on 1133 Red Cap Road. In April 2022, the County re-issued NOVs and NTAs naming Olson as the “responsible party,” citing (1) six violations on 1030 Red Cap Road; (2) four violations on 1030A Red Cap Road; and (3) four violations on 1133 Red Cap Road. Collectively, the three notices imposed daily administrative fines of \$83,000 for up to 90 days for all of the violations after a 10-day abatement period. Olson timely filed with the County Attachment C Administrative Civil Penalty Appeal Request Forms for the NOVs and NTAs issued to her for the Olson Properties. She has not had an appeal hearing.

1.4 Plaintiff **Cyro Glad** owns property at 755 Road H, New Harris, APN 218-041-006-000 (the “Glad Property,” and collectively with the Thomas Property, Graham Property, and Olson Properties, the “**Plaintiffs’ Properties**”). Glad acquired the property in September 2018. The County issued a NOV and NTA in November 2018 on Glad for the Glad Property, citing (1) unpermitted grading, (2) construction in violation of building, plumbing, and/or electrical codes, (3) violation of the commercial cannabis land use ordinance, and (4) development within a streamside management area. The notices imposed a daily administrative penalty of \$10,000 for up to 90 days after a 10-day abatement period. Glad filed an Attachment C Administrative Civil Penalty Appeal Request Form with the County on November 16, 2018. He has not had an appeal hearing.

1.5 Plaintiffs have sued the County Defendants under 42 U.S.C. § 1983 asserting five constitutional violations under the Fourteenth Amendment: (1) procedural and (2) substantive due process rights; (3) unconstitutional exactions; (4) excessive fines; and (5) the right to a jury, proceeding as Case No. 1:22-cv-05725-RMI in the United States District Court, Northern District of California, Eureka Division (hereinafter the “**Action**”). In the Action, Plaintiffs challenge the County Defendants’ efforts to redress alleged violations on the Plaintiffs’ Properties of building, land use, and cannabis laws through issuance of the NOVs and NTAs. Plaintiffs also brought a claim for denial of a jury right, which has now been fully and finally adjudicated against them. This claim is part of the “Action” for purposes of this Settlement Agreement. Further information on the claims, allegations, and defenses can be found

in the pleadings and other court filings in this Action, *Thomas, et al. v. County of Humboldt, et al.*, Case No. 22-cv-05725-RMI (JCS), United States District Court for the Northern District of California; in the appellate proceedings in the Ninth Circuit Court of Appeal, Case No. 23-15847; and in the petition for review proceedings in the United States Supreme Court, Case No. 24-1180.

1.6 On July 8, 2025, the County amended certain provisions of the Humboldt County Code, Title III, Division 5, Chapter 2, some of which Plaintiffs challenged by this Action. The County also winded down the Humboldt Environmental Impact Reduction (HEIR) program, the code-enforcement unit focused on enforcing the cannabis-abatement provisions that Plaintiffs challenged by this Action. There are currently no outstanding NOV's for Category 4 penalties for cannabis-related Code violations for which the cited party has sought but not received an appeal hearing, except for those pending against Plaintiffs which will be dismissed by this Agreement.

1.7 Without regard to the Action's merits, the Parties wish to avoid additional cost and uncertainty of further litigation, and therefore agree to resolve any and all claims, known and unknown, asserted and unasserted, which Plaintiffs have or may have against the County Defendants directly or indirectly related to the Action and that occurred on or before the Effective Date.

NOW THEREFORE, for and in consideration of the mutual covenants, agreements, representations, and warranties set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties mutually stipulate, warrant, and agree as follows:

2. Terms of Settlement.

2.1 To resolve the Action, the County agrees to clarify the following terms of the Humboldt County Code (HCC), formally and promptly change County Code Enforcement policy, or promptly amend the Humboldt County Code, as applicable, and to comply with the additional obligations outlined in Sections 2.2 and 2.3 (collectively, the "Additional Obligations").

2.2 **COUNTY ENFORCEMENT OF CANNABIS-RELATED CODE VIOLATIONS.** Humboldt County Code (HCC), Title III, Division 5, Chapter 2, as amended July 8, 2025, governs the County's imposition of administrative civil penalties, including Category 4 penalties for commercial cultivation of cannabis in violation of applicable local or state laws or regulations. Plaintiffs were cited for such violations as to Plaintiffs' Properties as detailed in the Action. The County clarifies the following terms of the HCC and agrees to formally amend the Humboldt County Code, whenever specified below. Provided

that the County applies the existing HCC provisions and acts in compliance with those amendments identified below, the County will be in compliance with the “Additional Obligations” outlined herein:

A. **Contents of a notice of violation.** HCC 352-8, as currently amended, states the required content of a notice of violation and proposed administrative civil penalty. The County clarifies the HCC, and further agrees that any NOV that County code enforcement staff issues for a Category 4 penalty for a cannabis-related violation will include the following:

i. In accordance with HCC 352-8, subdivision (c), a specific description of how the property is alleged to be in violation of the code, in addition to any citation to relevant code provisions.

ii. In addition to the requirements of HCC 352-8, subdivision (d), County will amend the HCC to require a description of the actions a responsible party must take to remedy the cited violation(s), based upon the facts and circumstances at the time the NOV issues.

iii. In accordance with HCC 352-8, subdivision (l) and amendments adding notice provisions under HCC 352-5, an explanation of deadlines and consequences arising from service of the NOV and NTA consisting of each of the following items: the service date (HCC 352-8, subdivision (d)), the time to appeal (HCC 352-8, subdivision (g)), the time to correct violations (HCC 352-5, subdivision (b)), record notice of NOV and findings of violation and penalties (HCC 352-4, subdivisions (c) and (d)), and the accrual of fines (HCC 352-5, subdivision (a)(2)).

iv. In accordance with existing provisions and amendments to HCC 352-8, subdivision (d) and HCC 352-5, subdivisions (a)(2) and (b)(1) and (2), an explanation of the 10-day correction period arising from the NOV and NTA and accrual of violations and fines upon final adjudication of those notices, and how the 10-day correction period may be extended.

v. In accordance with existing provisions and amendments to HCC 352-8, subdivision (k), a statement that the administrative civil penalty assessment appeal hearing shall occur no later than sixty (60) days after the date on which the notice of administrative civil penalty appeal hearing is served on the appellant, absent any of the following circumstances: the appellant agrees otherwise, a hearing officer cannot be made available due to unusual circumstances, or the County’s code enforcement unit demonstrates to the satisfaction of the hearing officer that good cause exists to allow it more time to prepare for the hearing. In addition to the

requirements of HCC 352-8, subdivision (k) and HCC 352-9, the County shall issue a notice of administrative civil penalty assessment appeal hearing no later than sixty (60) days after a property owner submits an Attachment C Administrative Civil Penalty Appeal Hearing Request Form.

B. **Responsible Parties.** The HCC, as currently amended, governs who is a responsible party that may be cited for cannabis-related violations as Category 4 penalties. Specifically, the County clarifies the following HCC provisions, and agrees to formally amend the HCC whenever specified below as follows:

i. In accordance with amendments to HCC 352-3, subdivision (i), a Category 4 Violation includes: (a) commercial cultivation of cannabis in violation of any applicable local or state laws, regulations, policies, procedures, permits and agreements and any violation of building, health and safety or zoning requirements that exist as a result of or to facilitate the illegal cultivation of cannabis; and (b) commercial cultivation of cannabis combined with one or more acts which by virtue of being committed result in environmental damage. Such acts would specifically include but are not limited to: unpermitted grading; timber conversion; illegal water diversion; installation, construction, and/or use of unpermitted structure for indoor cultivation; and/or improper use of herbicides/rodenticides or other materials capable of damaging wildlife.

ii. In accordance with HCC 352-3, subdivision (t), a “responsible party” includes an owner who has “caused, permitted, or maintained a violation on property that person owns, occupies or controls, or who conducted or otherwise allowed a violation to occur. No vicarious or strict liability is intended by this definition, but a responsible party shall be culpable for a failure to act to correct a violation and for negligent failure to learn of a violation.” Additionally, the County agrees to amend the HCC to state that a property owner will not be deemed to have “permitted” or “maintained” a Category 4 Violation unless a cannabis cultivation violation continues for more than thirty (30) days after the owner acquired title to the property.

iii. In accordance with HCC 352-5, subdivision (a)(1), fines shall accrue “until the completion date or, as to a responsible party, when it no longer owns or controls the property on which the violation occurred or to which it related.”

iv. In compliance with the obligations outlined in these provisions of the County Code as they will be amended, the County will not issue a NOV or NTA to a Responsible Party for Category 4 cannabis-related violations that

occurred before he or she acquired title to the property, provided that no cannabis cultivation violation continues for more than thirty (30) days after the new property owner acquires title to the property.

v. In compliance with the obligations outlined in these provisions of the County Code as they will be amended, the County will not treat non-cannabis-related violations extant on a property when a new property owner acquires it as Category 4 Violations, unless a cannabis cultivation violation continues for more than thirty (30) days after the property owner acquires the property. However, the Responsible Party will be obligated to comply with all obligations, requirements to abate, permit requirements, and related administrative civil penalties for such non-cannabis related violations in accordance with the County Code.

C. **Eligibility for permits.**

i. The County confirms its obligations under HCC 352-5(f), which state: “[P]rovided that the applicant for such permits is not a responsible party as to **existing violations on the property that have been finally adjudicated** as that term is defined in subsection (a) of this section, the County will separately consider and process pursuant to the County’s zoning, building and safety, and other applicable ordinances permitting requests from the responsible party unrelated to those existing violations.” In addition to these requirements, the County agrees to amend the HCC to provide that even if there is an alleged ongoing cannabis-related violation, the County will consider and process permits unrelated to cannabis cultivation while that cannabis-related allegation is pending adjudication.

ii. Pursuant to HCC 352-5, subdivision (h), a responsible party may apply at any time for permits necessary to correct violations identified by an NOV. If so, the County shall consider and process those applications in accordance with the County Code and other applicable law. This provision shall be amended to apply equally when a prior owner used a property for cannabis cultivation, so long as no current unpermitted or otherwise illicit cannabis cultivation remains on the property.

D. **Category 4 administrative civil penalties.**

i. Pursuant to HCC 352-6, the Code identifies factors relevant to a determination of the amount of an administrative civil penalty. This provision shall be amended to allow the Hearing Officer to consider the relevant factors in determining the amount of an administrative penalty. Pursuant to HCC 352-12, when a responsible party appeals an NOV, a hearing officer must make specific findings of cannabis growth and cannabis-related violations to uphold a Category 4 administrative

civil penalty for violation of any cannabis-related regulation. Absent a final determination sustaining findings of either cannabis growth or cannabis-related violations on a responsible party's property, no Category 4 administrative civil penalties shall be imposed for non-cannabis-related violations when accompanied by cannabis growth or cannabis-related violations in accordance with amendments to be made to the Code.

ii. Consistent with HCC 352-5, subdivision (a)(2), Category 4 fines shall not start to accrue until ten (10) calendar days after a NOV has been finally adjudicated. HCC 352-5, subdivision (a)(2)(A) through (C) define "final adjudication" for this purpose, including if a responsible party timely appeals the NOV, upon service of a hearing officer's finding of violation and order imposing any administrative civil penalties. Likewise, HCC 352-14, read in conjunction with HCC 352-5, subdivision (a)(2), means that the County can collect administrative costs only after a NOV has been finally adjudicated.

2.3 CODE ENFORCEMENT WARNING LETTER.

A. In addition to the obligations in the Code, the County agrees to amend the Code establishing the following additional process regarding a code enforcement warning letter: Before Code Enforcement issues a notice of violation under the Humboldt County Code, Chapter 2, Administrative Civil Penalties, for cannabis growth or a cannabis-related violation, it shall first issue a warning letter advising the property owner of record of the alleged violation. In accordance with Code amendments, the warning letter shall be issued consistently with the notice procedures stated in HCC 352-4.

B. Upon issuance, the County, in accordance with Code amendments, shall provide the property owner with thirty (30) days from the date a warning letter is mailed to voluntarily demonstrate that he or she is not growing cannabis on the property or otherwise in violation of cannabis-related regulations as to the property. In accordance with Code amendments, "Acceptable Proof" includes: (i) a photograph of the cited portions of the property or cannabis-related infrastructure clearly demonstrating the absence of a cannabis-related violation, which includes a newspaper showing the publication date, or (ii) voluntary County Code enforcement site inspection of the property.

C. Per Code amendments, if Acceptable Proof is provided to the County, as defined above, the County will not issue an NOV. However, per Code amendments the County may issue an NOV if any of the following occur: (i) the property owner fails to respond within the 30-day period; (ii) the property owner fails

to provide acceptable proof of no cannabis growth or cannabis-related infrastructure on the property; or (iii) the County has independent evidence of cannabis growth, that is not solely satellite imagery of suspected cannabis infrastructure or unpermitted grading on the property. Per Code amendments, failure to voluntarily respond to this letter or provide acceptable proof will not, however, be held against the property owner in any subsequent proceeding, such as the issuance of a new NOV.

2.4 PLAINTIFFS' PERMIT APPLICATIONS; WITHDRAWAL OF OPEN CATEGORY 4 NOVS.

A. In accordance with the terms of the HCC, as currently amended, Plaintiffs are eligible to apply for any necessary permits for Plaintiffs' Properties unrelated to the cannabis violations cited in the NOVs. The County will separately consider and process Plaintiffs' applications in accordance with the timelines established under applicable state and/or local laws, including but not necessarily limited to the County's zoning and building codes. Plaintiffs shall re-file any currently-pending applications that they intend to pursue for their Properties to ensure timely and efficient processing in accordance with this Agreement. The date the Plaintiffs submit or re-submit their permit applications after the Effective Date shall be considered the application date which commences the application processing period and any timelines applicable to it.

B. On the Effective Date of this Agreement, the County will deem withdrawn any and all NOVs and NTAs, as well as accompanying proposed fines and administrative fees, currently active as to cannabis-related violations on Plaintiffs' Properties. If the County finds any cannabis-related or non-cannabis-related violations exist on Plaintiffs' Properties more than sixty (60) days after the Effective Date, County Code Enforcement staff may issue new NOVs and/or NTAs for those violations consistently with the County Code, the Letter Notification provision in Paragraph 2.3 *supra*, and any other applicable zoning, permitting, State, Federal, or administrative law, rule, or regulation.

C. Within thirty (30) days of the Effective Date of this Agreement, any and all active Category 4 cannabis-related NOVs issued before July 8, 2025, on properties other than Plaintiffs' Properties will be deemed withdrawn. "Active" shall mean an appeal of an NOV has been requested by the responsible party and has yet to occur, or the time to appeal the NOV has not yet expired.

2.5 PUBLICATION OF RESCISSION OF PLAINTIFFS' NOVS. Within thirty (30) days of the Effective Date of this Agreement, the County will publish on its website (humboldt.gov/2546/Planning-Building) and in the North Coast Journal that the

NOVs previously issued for the Plaintiffs' Properties for cannabis-related violations have been rescinded. The County will state: "The County previously published notice that the properties of Blu Graham, Cyro Glad, Corrine and Doug Thomas, and Rhonda Olson were allegedly in violation of provisions of the Humboldt County Code related to the unpermitted cultivation of commercial cannabis, and that as long as these conditions were maintained on their properties they would be in violation of the Code. These violations have been resolved and/or withdrawn as a term of settlement of a lawsuit that these individuals brought alleging that the County violated their constitutional rights."

2.6 DISMISSAL WITH PREJUDICE AND CONTINUING JURISDICTION.

A. On or before the thirtieth (30th) day following the Effective Date, the County Defendants shall pay \$350,000 to Plaintiffs as an agreed amount to resolve (i) out-of-pocket expenses including professional fees that Plaintiffs incurred in response to their NOVs, as well as (ii) recovery to Plaintiffs' counsel of a portion of their fees, as a complete and full resolution of any claim to attorney fees or costs incurred in connection with this Action ("the Settlement Payment"). Payment shall be made by a settlement draft payable to Plaintiffs' attorneys' trust account to hold for the Plaintiffs in trust until such time as the Dismissal Order (as defined by Subsection (B) below) is entered. Plaintiffs' attorneys are not authorized to disburse the funds from the settlement draft to the Plaintiffs until the Dismissal Order is entered as described by Subsection (B) below. In the event the Court denies or rejects the Dismissal Order and the County Defendants are not dismissed from this Action, Plaintiffs' attorneys shall return the funds to the County within no more than thirty (30) days of the Court's determination.

B. On or before the fifteenth (15th) day following Plaintiffs' receipt of the Settlement Payment, Plaintiffs shall move for and obtain an order of dismissal with prejudice under Federal Rules of Civil Procedure, Rule 41(a)(2) of this Action (the "Dismissal Date"). The proposed Dismissal Order shall provide that the District Court shall retain jurisdiction to enforce this Agreement, and shall attach and incorporate a copy of this Agreement with any amendments thereto. The proposed Dismissal Order shall request the District Court to retain jurisdiction to enforce this Agreement for three (3) years from the Effective Date. The Parties agree to extend that retained jurisdiction for up to one (1) year from the date of entry of the Dismissal Order should Plaintiffs require additional time to apply for building and/or grading permits for Plaintiffs' Properties that were not available to Plaintiffs as a result of the cannabis-related code enforcement challenged by the Action.

2.7 **NO ADMISSION OF LIABILITY.** The Parties agree that neither this Agreement nor the furnishing of any consideration for it shall be deemed or construed at any time, for any purpose, as an admission by the County Defendants of wrongdoing or evidence of any liability or unlawful conduct of any kind. By entering into this Agreement, the Parties understand that the County Defendants do not admit and, rather, expressly deny that they violated any duty, obligation, or agreement, or engaged in any illegal, tortious, or wrongful activity.

2.8 **GENERAL RELEASE; WAIVER OF CIVIL CODE SECTION 1542.** As of the Dismissal Date, Plaintiffs, individually and on behalf of their heirs, administrators, representatives, attorneys, successors, and assigns knowingly and voluntarily release and forever discharge the County Defendants, and their respective officers, employees, agents and assigns to the full extent permitted by law, of and from any and all claims, demands, actions, causes of action, obligations, damages, liabilities, loss, costs or expense, known and unknown, asserted and unasserted, which Plaintiffs have or may have as of the date of execution of this Settlement Agreement against the County Defendants directly or indirectly related to the Action (the "Release").

Plaintiffs covenant and represent that they have not filed any complaints or charges or lawsuits other than the Action against the County, or any of its officers, employees or agents, or against its affiliated and related entities or their officers, employees or agents, with any federal, state or local governmental agency or any court, relating to the allegations in the Action.

The County Defendants warrant and represent that they are unaware of any claims or causes of action, relating to the allegations of the Action, that the County Defendants or any of their officers, employees or agents have against Plaintiffs. The County Defendants have not filed any lawsuit against Plaintiffs based on facts known to them as of the Effective Date which would have been subject to a compulsory counterclaim in the Action under Rule 13 of the Federal Rules of Civil Procedure.

Plaintiffs expressly waive the provisions of California Civil Code section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiffs acknowledge that their counsel has explained to them the consequences of the foregoing waiver. Plaintiffs acknowledge that if they hereafter discover facts different from, or in addition to, those which are now known or believed to be true with respect to any matter within the scope of this Agreement, each of the releases contained in it shall be and remain effective in all respects, notwithstanding any such different or additional facts and shall not be subject to termination, rescission, or modification, by reason of any such change in facts or knowledge of facts underlying the Action. This Paragraph shall survive termination of this Agreement.

3. **Additional Terms.**

3.1 **EFFECTIVE DATE.** This Agreement shall become effective when it has been executed by all Parties to this Agreement.

3.2 **CHANGES TO COUNTY CODE.** This Settlement Agreement and the agreements herein relating to the administration and enforcement of the applicable Humboldt County Code provisions and related Code Enforcement practices, shall remain in effect for a period of ten (10) years from the Effective Date ("Term"). However, the Parties acknowledge that the County and its Board of Supervisors may not contract away its legislative and governmental functions. (*Stephens v. City of Vista*, 994 F.2d 650, 655 (9th Cir. 1993), citing *Morrison Homes Corp. v. City of Pleasanton*, 58 Cal.App.3d 724, 734 (1976).) Nothing in this Agreement is intended to do so. The Humboldt Board of Supervisors retains its full police power authority and the right to amend the Humboldt County Code as necessary to comply with changes in state or federal law or to address matters of public health, safety, and welfare. But if any amendment by the Board of Supervisors violates any provision of this Settlement during its term, Plaintiffs retain the right to bring an action to enforce this Agreement and/or a new action to challenge the constitutionality of the amendment.

3.3 **ENFORCEMENT.** The terms of this Agreement are not subject to the Releases above and each Party may enforce it. Upon any dispute between the Parties regarding or arising out of this Agreement, and before the Parties submit such dispute to mediation and before suit, the Parties shall meet and confer, in good faith at least twice to seek to resolve that dispute. If resolution cannot be reached and if the District Court no longer retains jurisdiction to resolve the dispute, the Parties may agree to submit such dispute to mediation in Humboldt County and to split the costs thereof equally between them. However, the mediation provisions set forth herein shall not apply to any enforcement proceeding in which a Party reasonably seeks a restraining order or preliminary injunction or other comparable interim or provisional equitable relief.

3.4 COMPROMISE OF DISPUTED CLAIMS. This Agreement reflects the compromise and settlement of disputed claims. Excluding any action to enforce, or in any dispute over, this Agreement, it, its constituent provisions, and any and all drafts, communications and discussions relating thereto, shall not be construed as, or deemed to be evidence of an admission or concession of any point of fact or law (including, but not limited to, any allegations of wrongdoing) by any person, and shall not be offered or received in evidence or requested in discovery in the Action or any other action or proceeding as evidence of an admission, concession, pattern, practice, or for any other reason.

3.5 REPRESENTATION RE: OTHER CLAIMANTS. Each of the Parties represents and warrants that he, she or it is not aware of any other person or entity having claims against any of the Parties based upon the matters which are the subject of this Agreement.

3.6 NO TRANSFER / ASSIGNMENT OF CLAIMS. Plaintiffs warrant and represent that they have not assigned or transferred or purported to transfer to any person or entity all or any part of any interest in any claim released under this Agreement. Plaintiffs further warrant and represent that they are not aware of any liens related to or based upon any claims released under this Agreement.

3.7 SUCCESSORS AND ASSIGNS. This Agreement, and its terms, shall inure to the benefit of all Parties and to the benefit of and bind each Party's predecessors, successors, businesses, subsidiaries, affiliates, representatives, heirs, assigns, agents, partners, officers, directors, owners, lessees, licensees, permittees, transferees, employees, and personal representatives, past, present, and future.

3.8 INDEPENDENT ADVICE OF COUNSEL. Each Party represents and acknowledges that each of them has been represented by counsel as to this Agreement and any and all matters covered by or related to it. Each Party represents and acknowledges that she, he, or it has been fully advised by counsel as to all rights that are waived or otherwise affected by this Agreement.

3.9 ATTORNEYS' FEES AND COSTS. Except as set forth in Paragraph 2.6, all Parties will bear their own attorneys' fees, experts' fees, consultants' fees, litigation expenses and costs incurred in connection with all the matters and proceedings discussed in this Agreement and the Action, including, but not limited to, those incurred in the negotiation, preparation, and execution of this Agreement.

3.10 CHOICE OF LAW; VENUE. This Agreement shall be interpreted under and governed by California law without regard to its conflict-of-law provisions. The

Parties irrevocably submit to the exclusive jurisdiction and venue of the United States District Court, Northern District of California, over any action, suit, or proceeding arising out of or relating to this Agreement. The Parties agree not to assert lack of personal or subject matter jurisdiction, inconvenient forum, or improper venue regarding such disputes. If legal action is necessary to enforce this Agreement, the prevailing party shall be entitled to reimbursement of reasonable and actual attorneys' fees, expert fees, and costs including the fair market value of the services of the County Counsel's Office.

3.11 **SEVERABILITY.** If any part of this Agreement is for any reason held to be invalid, unenforceable, or contrary to any public policy, law, statute, and/or ordinance, then the remainder of this Agreement shall be unaffected thereby and shall remain valid and enforceable. Upon a determination that any part of this Agreement is illegal or unenforceable, the Parties shall negotiate in good faith to modify it so as to effectuate their original intent in this Agreement, as closely as possible, to achieve the result it contemplates.

3.12 **AMENDMENT.** This Agreement may not be modified, altered, or changed, except by a writing signed by all Parties specifically referencing this Agreement.

3.13 **NO THIRD-PARTY BENEFICIARIES.** The Parties intend no third-party beneficiary of any right or obligation under this Agreement or any amendment made to it, unless expressly stated therein.

3.14 **MISCELLANEOUS.**

A. This Settlement Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which, taken together shall constitute the same instrument. A signature made on a faxed or electronically mailed copy of the Settlement Agreement or a signature transmitted by facsimile or electronic mail shall have the same effect as an original signature.

B. Section headings in this Agreement are solely for convenience of reference and shall not in any manner amplify, limit, modify, or otherwise be used to interpret it.

C. This Agreement was the result of negotiations between the Parties and their counsel. The Parties have each participated in drafting this Agreement, and it shall not be construed against any of them.

D. If Plaintiffs or the County Defendants fail to enforce this Agreement or to insist on performance of any term, that failure does not waive that term or the Agreement, which shall remain in full force and effect.

E. The Parties, and each of them, shall act promptly and in good faith to do all such acts, including, but not limited to, execution of any necessary documents, required to effectuate this Agreement. Time is of the essence as to each and every provision herein.

3.15 **ENTIRE AGREEMENT.** This Settlement Agreement sets forth the entire agreement among the Parties relating to its subject matter, and this Agreement fully supersedes any prior agreements of understandings between the Parties. Plaintiffs and the County Defendants each acknowledge that they have not relied on any representations, promises, or agreements of any kind made to either of them in connection with their decision to accept this Agreement, except for those set forth herein.

3.16 **AUTHORITY.** Each Party hereto warrants to the other Party or Parties that he, she, or it has the full power and authority to execute, deliver, and perform under this Agreement and all documents referred to herein, and that any needed consent or approval from any other person, governing body, or entity has been obtained.

IN WITNESS WHEREOF, the Parties hereby knowingly and voluntarily executed this Agreement as of the date set forth below:

Dated 08/14/2026



CORRINE MORGAN THOMAS
Plaintiff

Dated 08/14/2026


Eugene Thomas (Aug 14, 2026 14:37:38 PDT)

DOUG THOMAS
Plaintiff

Dated 08/15/2026


Blu Graham (Aug 15, 2026 14:14:40 PDT)

BLU GRAHAM
Plaintiff

Dated 08/15/2026


Rhonda Olson (Aug 15, 2026 14:34:21 PDT)

RHONDA OLSON
Plaintiff

Dated 08/17/2026


CYRO GLAD (Aug 17, 2026 10:32:15 PDT)

CYRO GLAD
Plaintiff

Dated _____

COUNTY OF HUMBOLDT

By: (signature) _____

Printed Name: _____

Its (Title): _____

Dated _____

COUNTY OF HUMBOLDT

By: (signature) _____

Printed Name: _____

Its (Title): _____

Approved As To Form

DATED: August 17, 2026

INSTITUTE FOR JUSTICE
Jared McClain* (DC Bar No. 1720062)
Robert Johnson* (OH Bar No. 0098498)
An Altik* (DC Bar No. 90005723)
Michael Peña* (TX Bar No. 24131580)
****Admitted pro hac vice***


Jared McClain (Aug 17, 2026 16:17:43 EDT)

JARED McClain
Attorneys for Plaintiffs

Dated _____

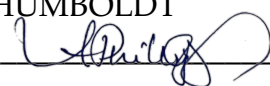
RHONDA OLSON
Plaintiff

Dated _____

CYRO GLAD
Plaintiff

Dated _____

COUNTY OF HUMBOLDT

By: (signature)  _____

Printed Name: Amanda Phillips

Its (Title): Risk Manager

Approved As To Form

DATED: August 19, 2026

INSTITUTE FOR JUSTICE

Jared McClain* (DC Bar No. 1720062)

Robert Johnson* (OH Bar No. 0098498)

An Altik* (DC Bar No. 90005723)

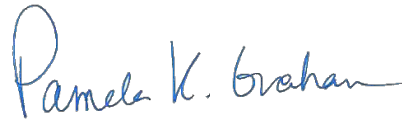
Michael Peña* (TX Bar No. 24131580)

**Admitted pro hac vice*

JARED McClain
Attorneys for Plaintiffs

DATED: August 19, 2026

**COLANTUONO, HIGHSMITH &
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