

**SETTLEMENT AGREEMENT
AND MUTUAL RELEASE**

THIS SETTLEMENT AGREEMENT AND MUTUAL RELEASE (hereinafter the "Agreement") is entered into by and between YELLOWSTONE RIVER RANCH LANDOWNERS' CORPORATION (YRR) and DAVID SEIVER and HELENA SEIVER (hereinafter collectively referred to as "Seiver").

RECITALS

A. YRR is a Montana non-profit mutual benefit corporation with a current mailing address of P.O. Box 452, Columbus, Montana 59019. YRR enforces the Declaration of Covenants, Conditions, Building Standards and Restrictions (Covenants) for the Yellowstone River Ranch Subdivision (Subdivision). The by-laws of YRR (by-laws) incorporate by reference and make the Covenants a part of the by-laws. These Covenants run with the land and are binding upon YRR and Seiver. David and Helena Seiver are individuals who jointly own land in the Subdivision.

B. The Covenants set forth various provisions concerning the use and improvement of property within the Subdivision.

C. Seiver own, or have owned, lots within the Subdivision, including lots 202, 203, 217, 218, 219, 220, 222, 223, and 224.

D. Included within the Covenants is a provision that preclude the commencement of construction in the Subdivision until complete plans and specifications for the proposed building are submitted and approved by YRR. Additionally, included within the Covenants is a provision that the visible exterior of all dwelling, guest houses, and accessory structures shall be constructed of natural materials.

E. Seiver previously constructed a residence on lot #218 which was completely destroyed by wildfire in 2006. Thereafter, Seiver constructed a shop building on Lot #218. This shop building is the subject matter of the instant litigation. YRR alleges that this shop building is in violation of the Covenants. YRR alleges that the shop building was not approved by YRR prior to construction. YRR alleges that the exterior of the shop building is not in compliance with the requirement that the visible exterior of all dwelling, guest houses, and accessory structures shall be constructed of natural materials. YRR also alleges that Seiver was not in compliance with their obligation to pay landowner dues; however, Seiver is currently compliant with all owed landowner dues.

F. YRR has filed an action against Seiver alleging breach of contract and the covenant of good faith, for declaratory relief, for an injunction, for alleged unpaid landowners assessments, and for costs and attorney's fees. Seiver has answered denying the allegations and alleging a number of defenses, including but not limited to YRR's alleged non-enforcement of the Covenants, alleged non-uniform enforcement of the Covenants, and alleged waiver of enforcement of the Covenants. All claims are pending in Cause No. DV 12-08, Montana Twenty Second Judicial District Court, Stillwater County (hereinafter "Lawsuit").

G. YRR and Seiver have agreed to settle all claims between them pertaining to any current or former alleged Covenant or by-law violation, any issues in the Lawsuit, and any potential claim known or unknown at this time arising out of the subject matter of this Lawsuit, pursuant to the terms set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual relinquishment of their respective legal rights and the mutual covenants herein contained, the parties do agree as follows:

1. **APPROVAL.** Any alleged Covenant violations related to the shop building on Lot #218, including but not limited to the exterior of the building and approval from YRR, are hereby approved and “grandfathered” for approval by YRR. YRR hereby grants approval to the shop building and its construction and materials as is. YRR approves any known or unknown currently existing alleged Covenant violation related to the subject matter of this litigation (including but not limited to the shop building) on Seiver’s lots within the Subdivision. The purpose of this Agreement is to resolve any and all claims or potential current claims between YRR and Seiver so that both parties can resolve all litigation or potential litigation between the parties. Any future alleged violations of the Covenants unrelated to the subject matter of this Lawsuit may be enforced by YRR pursuant to the Covenants and in accordance with Montana law.

2. **VALIDATION OF COVENANTS.** The Covenants and by-laws of YRR are valid and binding upon Seiver and all landowners in the Subdivision. This Agreement shall not be considered as an admission by YRR that the Covenants are not uniformly valid and enforceable. Seiver acknowledges that the Covenants and bylaws are valid and enforceable as to any future arising dispute with regard to the Covenants or by-laws.

3. **SPECIAL EXCEPTION.** Approval, as is, for the shop building on lot #218 shall be considered a special exception to the Covenants that is being permitted by YRR due to extraordinary circumstances. YRR shall permit the shop building to remain, as is, regardless of ownership of lot #218. This special exception follows the land and is transferable to any potential or actual future owners of lot #218. The extraordinary circumstances referred to in this subsection is extensive wildfire damage to Seiver’s property which resulted in the total loss of Seiver’s previous structure on lot #218 on or about 2006. This wildfire also destroyed combustible vegetation near the location of the shop building. Due to these extraordinary circumstances, and only due to these extraordinary

circumstances, YRR shall permit the shop building to remain as set forth in this Settlement Agreement and Mutual Release. This Settlement Agreement and Mutual Release shall not be considered as non-enforcement of the Covenants, waiver of the Covenants, nor non-uniform enforcement of the Covenants by any party or landowner in the Subdivision.

4. **JOINT RESOLUTION.** This Settlement Agreement and Mutual Release is contingent upon settlement of Montana Twenty Second Judicial District Court case DV 14-46 (Yellowstone River Ranch Landowners' Corporation v. Cleve Schuster and Claudia Schuster) which is pending.

5. **MUTUAL RELEASE.** The parties hereby release and forever discharge each other, their agents, employees, representatives, attorneys and each of them and their respective heirs, personal representatives, successors in interest, and assigns of and from any and all claims, counterclaims, obligations, demands, rights, objections, expenses, damages, costs, loss of service, compensation, actions and rights of actions, of whatever nature and however arising and whether known or unknown, which the parties, their successors and assigns now have, heretofore, had, or hereinafter may have or accrue, on account of or in any way growing out of any claims, demands, actions or right of actions, damages and consequences, foreseen and unforeseen, arising out of the subject matter of the Lawsuit. YRR and Seiver represent that no additional claims are contemplated against the other party.

6. **DISMISSAL OF SUIT.** Upon execution of this Settlement Agreement and Mutual Release, YRR and Seiver shall jointly seek Court approval of this Settlement Agreement and dismissal of the Lawsuit with prejudice. Each party shall pay his, her, or its own attorney fees and costs.

7. **LANDOWNER DUES.** Seiver acknowledges that the Covenants require them to remain current on all landowner dues.

8. **NO WARRANTIES.** None of the parties hereto has made any warranties or representations in connection with the execution of this Agreement except as specifically set forth herein.


9. **BINDING EFFECT.** This Agreement shall be binding upon the signatories and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors or assigns.

10. **FUTURE INSTRUMENTS.** Each party shall promptly execute and deliver to the other any and all future documents and instruments and to perform all acts that may be necessary to carry into full force and effect the terms of this Agreement and the Buy-Sell Agreement.

11. **ATTORNEY FEES.** In the event any party breaches the terms of this Agreement, the party enforcing it shall be entitled to all cost of enforcement, including a reasonable attorney fee, from the breaching party.

12. **EXECUTION.** This Agreement may be executed in one or more counterparts, and such agreements, taken collectively, shall be considered an original, valid, and binding agreement. This Agreement is effective upon execution by all parties. Execution may be accomplished by facsimile transmission of the respective signature pages of this Agreement to the other party. Any party causing a facsimile copy bearing such party's signature to be sent by facsimile shall be deemed to have executed and delivered an original Agreement and shall be bound by the terms thereof.

Dated this 4 day of Feb, 2015.

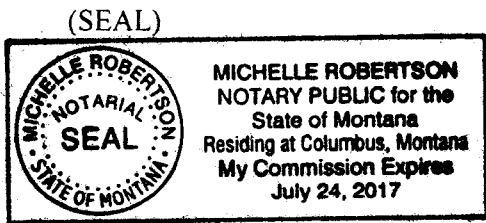
A handwritten signature in black ink, appearing to read "Tom R. Seiver", is written over a horizontal line.

TOM ROBBINS
On behalf of
YELLOWSTONE RIVER RANCH LANDOWNERS'
CORPORATION

STATE OF MONTANA)
 : SS.
County of Stillwater)

On this 5th day of February, 2015, before me the undersigned, a Notary Public for the State of Montana, personally appeared TOM ROBBINS on behalf of Yellowstone River Ranch Landowners Corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.



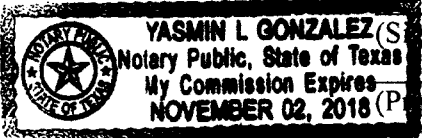
Michelle Robertson
(Signature of Notary Public)
Michelle Robertson
(Printed Name of Notary Public)

David Seiver
DAVID SEIVER

STATE OF Texas)
 : SS.
County of Harris)

On this 2nd day of February, 2015, before me the undersigned, a Notary Public for the State of Montana, personally appeared DAVID SEIVER, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

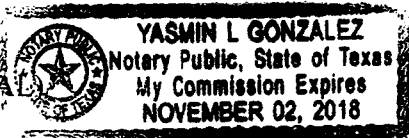
(SEAL)  Yasmin L. Gonzalez
(Signature of Notary Public)
Yasmin Gonzalez
(Printed Name of Notary Public)

HELENA SEIVER
HELENA SEIVER

STATE OF Texas)
County of Harris) : ss.

On this 2nd day of February 2015, before me the undersigned, a Notary Public for the State of Montana, personally appeared HELENA SEIVER, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

(SEAL)  Yasmin Gonzalez
(Signature of Notary Public)
Yasmin Gonzalez
(Printed Name of Notary Public)