

SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Settlement Agreement and General Release (the "Agreement") is made and entered into this 30th day of October, 2018, by and among Danial J. Williams, Joseph Dick, Jr., Eric Cameron Wilson, and Derek Elliot Tice (collectively, "the Norfolk Four"), on the one hand, and the City of Norfolk, a municipal corporation ("the City"), on the other hand.

WHEREAS, on March 21, 2017, Governor McAuliffe granted an absolute pardon to the Norfolk Four;

WHEREAS, on March 29, 2018, Governor Northam signed legislation (the "Legislation") which appropriated from the general fund of the state treasury compensation to be paid to the Norfolk Four for their wrongful incarceration for felony convictions ("wrongful convictions"), subject to certain conditions including the execution of an agreement between the Norfolk Four and the City of Norfolk in connection with the potential claims asserted by the Norfolk Four related to their wrongful convictions;

WHEREAS, the Norfolk Four maintain that they are entitled to compensation and/or damages for potential claims related to their wrongful convictions as described in the Legislation;

WHEREAS, the City disputes the contentions and claims of the Norfolk Four with respect to the wrongful convictions as described in the Legislation;

WHEREAS, the Norfolk Four and the City have been engaged in arms-length settlement discussions for several months related to the potential claims of the Norfolk Four related to their wrongful convictions;

WHEREAS, the Norfolk Four and the City have agreed to a full and final settlement of the potential claims of the Norfolk Four related to their wrongful convictions; and

WHEREAS, the Norfolk Four and the City wish to memorialize their agreement in writing;

NOW THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the receipt and sufficiency of which are by all parties hereby acknowledged, the Norfolk Four and the City agree as follows:

1. The City, on behalf of itself and its related entities, and its and their Council members, directors, officers, agents, employees, successors and assigns, (collectively the "Released Defendants"), shall pay the sum of FOUR MILLION, NINE-HUNDRED THOUSAND AND dollars and ZERO cents (\$4,900,000.00) in settlement of any claims that have been or could have been asserted related to the events and occurrences referenced in the Legislation. The Norfolk Four's rights to any payments provided under this Agreement shall not be sold, discounted, or used as securitization for loans and mortgages.

2. The City shall make the payments on the following schedule:

a. First Payment. The first payment shall be made no later than November 15, 2018 as follows:

- i. To Danial Williams in the amount of: \$224,087.50
- ii. To a trust that benefits Joseph Dick in the amount of: \$219,237.50
- iii. To Eric Wilson in the amount of: \$216,825.00
- iv. To Derek Tice in the amount of: \$214,900.00

b. Second Payment: The second payment shall be made no later than November 15, 2019 as follows:

- i. To fund periodic payments through the purchase of an annuity by the City from a company identified by Danial Williams (which company shall be

the owner of the annuity and shall have all rights of ownership) for the benefit of Mr. Williams as payee in the amount of: \$224,087.50.

- ii. To a trust that benefits Joseph Dick in the amount of: \$219,187.50
- iii. To Eric Wilson in the amount of: \$216,825.00
- iv. To a trust that benefits Derek Tice in the amount of: \$214,900.00

c. Third Payment: The third payment shall be made no later than November 15, 2020 as follows:

- i. To fund periodic payments through the purchase of an annuity by the City from a company identified by Danial Williams (which company shall be the owner of the annuity and shall have all rights of ownership) for the benefit of Mr. Williams as payee in the amount of: \$224,087.50.
- ii. To a trust that benefits Joseph Dick in the amount of: \$219,187.50
- iii. To Eric Wilson in the amount of: \$216,825.00
- iv. To a trust that benefits Derek Tice in the amount of: \$214,900.00

d. Fourth Payment: The fourth payment shall be made no later than November 15, 2021 as follows:

- i. To fund periodic payments through the purchase of an annuity by the City from a company identified by Danial Williams (which company shall be the owner of the annuity and shall have all rights of ownership) for the benefit of Mr. Williams as payee in the amount of: \$224,087.50.
- ii. To a trust that benefits Joseph Dick in the amount of: \$219,187.50
- iii. To Eric Wilson in the amount of: \$216,825.00
- iv. To a trust that benefits Derek Tice in the amount of: \$214,900.00

e. Fifth Payment: The fifth payment shall be made no later than November 15, 2022 as follows:

- i. To fund periodic payments through the purchase of an annuity by the City from a company identified by Danial Williams (which company shall be the owner of the annuity and shall have all rights of ownership) for the benefit of Mr. Williams as payee in the amount of: \$82,427.00.
- ii. To a trust that benefits Joseph Dick in the amount of: \$121,481.00
- iii. To Eric Wilson in the amount of: \$140,320.00
- iv. To a trust that benefits Derek Tice in the amount of: \$155,722.00

f. Sixth Payment: The sixth payment shall be made no later than November 15, 2023 as follows:

- i. To fund periodic payments through the purchase of an annuity by the City from a company identified by Danial Williams (which company shall be the owner of the annuity and shall have all rights of ownership) for the benefit of Mr. Williams as payee in the amount of: \$125,000.00.
- ii. To a trust that benefits Joseph Dick in the amount of: \$125,000.00
- iii. To Eric Wilson in the amount of: \$125,000.00
- iv. To a trust that benefits Derek Tice in the amount of: \$125,000.00

g. Seventh Payment: The seventh payment shall be made no later than November 15, 2024 as follows:

- i. To fund periodic payments through the purchase of an annuity by the City from a company identified by Danial Williams (which company shall be

the owner of the annuity and shall have all rights of ownership) for the benefit of Mr. Williams as payee in the amount of: \$100,000.00.

- ii. To a trust that benefits Joseph Dick in the amount of: \$100,000.00
- iii. To Eric Wilson in the amount of: \$100,000.00
- iv. To a trust that benefits Derek Tice in the amount of: \$100,000.00

3. The Norfolk Four will each retain full rights of survivorship, as permitted by law, for each of their heirs for all of the scheduled payments to be made on behalf of the Released Defendants by the City pursuant to this Settlement Agreement. In the event that Danial Williams were to die before all of the scheduled payments to him pursuant to this Settlement Agreement are completed, any remaining scheduled payments shall be made to his heirs directly by the City on behalf of the Released Defendants rather than to fund periodic payments through the purchase of an annuity.

4. With respect to the first payment referenced above, counsel for the Norfolk Four shall inform the City, by notice to the City Attorney, where to direct each payment. Financial institution wiring instructions and routing information and/or an address for a check payment shall be provided. Fifteen days before each of the remaining scheduled payments referenced in paragraph number 2 above, Joseph Dick, Jr., Eric Cameron Wilson, and Derek Elliot Tice (individually, by their heirs, or through their counsel) shall inform the City where to direct each annual payment. Such notice shall be provided in writing and directed to both the attention of the City Attorney and the City's Director of Finance. Financial institution wiring instructions and routing information and/or an address for a check payment shall be provided. If such notice is provided by an individual represented to be an heir, the annual payment shall be made only upon provision of proper legal documentation confirming the identity of the heir. The City shall

not have the obligation to initiate any legal action to determine the identity of any heirs. To the extent no such written notice is received by November 1 of a year in which payment is to be made, the annual settlement check for that individual shall be made out to him in his name and shall be sent to the trust to which the prior payment was sent, or to the address for each member of the Norfolk Four below to which the prior payment was sent:

a. Joseph Dick, [REDACTED]

b. Eric Wilson, [REDACTED]

c. Derek Tice, [REDACTED]

5. In order for the City to fund the periodic payments for the benefit of Danial Williams, referenced in paragraphs 2.b.i., 2.c.i., 2.d.i., 2.e.i., 2.f.i., and 2.g.i. above, Danial Williams, his heirs, or counsel shall provide to the City a completed and executed Addendum to the Settlement Agreement (an example of which has been attached as Appendix One), a Periodic Payment Agreement and Release (PPAR) (an example of which has been attached as Appendix Two), and any other associated documents, 30 days before each of the scheduled payments referenced in paragraph number 2 above. Each Addendum and PPAR shall be substantially the same as the documents in the Appendices, shall reflect that the funding payment of the specific annuity is the specific annual payment being made by the City, shall indicate the exact amount of the annual payment being used for funding, and shall not impose any additional duties or obligations on the City, other than to make the annual payment for the benefit of Mr. Williams, as provided in this Settlement Agreement. Such documents shall be provided to both the City Attorney and the City's Director of Finance. In the event that such documents are not received by the City points of contact, as identified above, at least 30 days before the next scheduled payment, the City's obligation to make such payment on behalf of the Released Defendants will

be suspended until such time as Mr. Williams, his heirs, or attorneys provide completed and executed copies of the Addendum to the Settlement Agreement, PPAR, and associated documents to the City. With respect to the purchase of an annuity for the benefit of Danial Williams: a) the City shall not be responsible for the selection or identification of any company intended to be the owner of such an annuity; b) the City shall not be responsible for selecting or identifying the company from which such annuity will be issued or purchased; c) the City shall not be responsible for selecting or identifying the terms, conditions, and provisions of such annuity; d) the City shall not be responsible for any fees associated with the selection, purchase, or maintenance of such annuity; e) the City shall not be responsible for any additional costs or payments, other than the annual payments for the benefit of Danial Williams, as set forth in paragraph 2.b.i., 2c.i., 2.d.i., 2.e.i., 2.f.i., and 2.g.i., above; f) the City shall not be responsible for any errors, omissions, actions, inaction, failures or defaults by either the owner of such annuity or the issuer of such annuity, and g) to the extent there are any inconsistencies between this Settlement Agreement and any actual Addendum, actual PPAR, or other documents associated with any annuity, the terms of the Settlement Agreement control. Other than with respect to the making of the annual payment to any company identified by Mr. Williams as the owner of such annuity, Mr. Williams agrees to indemnify the City with respect to any claims arising out the purchase or maintenance of any such annuity. Danial Williams is obligated for the payment of any additional taxes, local, state or federal, which he may owe on the sums paid to him or paid on his behalf and in this regard agrees to hold the City harmless for any taxes, interest, or penalties deemed by the government as due thereon.

6. The Norfolk Four acknowledge and certify that the above-referenced payments and the additional covenants and agreements contained herein constitute full and adequate

consideration for their entry into this Agreement, their acknowledgment of which is indicated by the execution of this Agreement and the acceptance of the above-described payments.

7. All payments made pursuant to paragraphs 2.a through 2.g above are compensation and compensatory damages related to the Norfolk Four's claims of wrongful convictions. The Norfolk Four are obligated for the payment of any additional taxes, local, state or federal, which they may owe on the sums paid to them or paid on their behalf and in this regard agree to hold the City harmless for any taxes, interest, or penalties deemed by the government as due thereon.

8. The Norfolk Four acknowledge that no declaratory judgment or injunction will be entered, and that they will not receive any other relief, either equitable or monetary, from the City or from or on behalf of the Released Defendants, other than the payments set forth in Paragraph 2.

9. The Norfolk Four further certify that they have not filed any administrative claim or any lawsuit against the City or any related or affiliated entity or person for any reason whatsoever. The Norfolk Four further agree not to file any claim or join in, or consent to join in, any claim, as an individual or as a member of any class, in any local, state, or federal court or agency proceeding relating to any claim that they may have against the City, or any related or affiliated entity or person, for any reason whatsoever, arising out of any action or failure to act prior to the date this Agreement is executed.

10. In consideration of the terms set forth herein, the Norfolk Four, and their agents, attorneys, heirs, representatives, successors, executors, agencies, assigns, and administrators, forever discharge the City and its related entities, departments, agencies, subdivision, subsidiaries, parent organizations, affiliates, and assigns, including City Council, and its and

their present and former council members, officers, directors, attorneys, accountants, employees, agents, heirs, executors, insurers, administrators, successors, and assigns, in their official and individual capacities, of and from all manner of actions, causes of action, suits, proceedings, debts, dues, contracts, judgments, damages, claims, interest, and demands whatsoever, in law or equity, including but not limited to awards of attorneys' fees and litigation costs, which the Norfolk Four ever had, now have, or may have, whether now known or later discovered, against the City and its related entities, departments, agencies, subdivision, subsidiaries, parent organizations, affiliates, and assigns, including City Council, and its and their present and former council members, officers, directors, attorneys, accountants, employees, agents, heirs, executors, insurers, administrators, successors, and assigns, in their official and individual capacities, for or by reason of any matter, cause, or thing arising out of or related to the events or occurrences referenced in the Legislation, including, but not limited to, any actions, causes of action, claims, demands, or damages.

11. To the extent that any or all members of the Norfolk Four execute a release as contemplated by Virginia Code Section 8.01-195.12(B), the City and the Norfolk Four specifically acknowledge and agree that such release is not intended to, and will not, effect any obligation that the parties have to comply with every term of this Agreement.

12. In consideration of the terms set forth herein, the City of Norfolk, and its related entities, departments, agencies, subdivision, subsidiaries, parent organizations, affiliates, and assigns, including City Council, forever discharge the Norfolk Four, and their agents, attorneys, heirs, representatives, successors, executors, agencies, assigns, and administrators of and from all manner of actions, causes of action, suits, proceedings, debts, dues, contracts, judgments, damages, claims, interest, and demands whatsoever in law or equity, including but not limited to

awards of attorneys' fees and litigation costs, which the City of Norfolk itself ever had, now have, or may have, whether now known or later discovered, against the Norfolk Four for or by reason of any matter, cause, or thing arising out of or related to the events or occurrences referenced in the Legislation.

13. While the claims as alleged in the Legislation are being settled through this Agreement, this Agreement and the obligations of the City hereunder in no way constitute any admission, agreement, consent, statement, acquiescence, or declaration on the part of the City as to any wrongdoing or any violation of any law.

14. The parties understand and agree that all terms of this Agreement are contractual and are not a mere recital, and represent that they are competent and possess the full and complete authority to covenant and agree as herein provided.

15. The Norfolk Four and their legal counsel agree that the payments herein are in full satisfaction of any claims that they have against the Released Defendants arising out of or related to the events or occurrences referenced in the Legislation and that they will not petition any court or administrative agency or tribunal to make any other claim or for payment of attorneys' fees as against the Released Defendants.

16. The parties agree that this Agreement is entered into voluntarily, is not based upon any representations or statements not contained herein, and constitutes the entire Agreement between the parties. Any amendments of the Agreement must be in writing and signed by all parties hereto.

17. The Norfolk Four understand, agree, and represent that the covenants made herein and the releases herein executed may affect rights and liabilities of substantial extent and they agree that the covenants and releases provided herein are in their best interest. The Norfolk Four

represent and warrant that, in negotiating and executing this Agreement, they have had ample opportunity to consult with competent counsel or other representatives of their choosing concerning the meaning and effect of each term and provision hereof, that they have consulted with counsel, and that there are no representations, promises or agreements other than those expressly set forth in writing herein.

18. This Agreement shall be construed without regard to the Party or Parties responsible for the preparation of the same and shall be deemed as prepared jointly by the Parties hereto. Any ambiguity or uncertainty existing herein shall not be interpreted or construed against any Party hereto.

19. The parties have carefully read this Agreement in its entirety; fully understand and agree to its terms and provisions; and intend and agree that it is final and binding.

20. This Agreement may be executed in any number of counterparts, including facsimile and/or electronic counterparts, each of which shall be an original and all of which taken together shall constitute a single instrument. A copy of this Agreement with all collected counterparts and signature pages shall have the full force and effect of an original, and shall be considered an original as to the Party signing any such copy.

FOR THE NORFOLK FOUR

Date: October 30, 2018

By: *Daniel J. Williams*
Danial J. Williams

STATE OF Michigan
CITY/COUNTY OF Showasssee, to-wit:

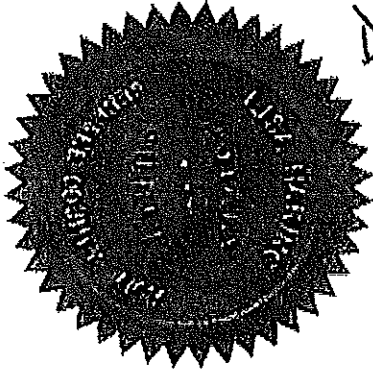
The foregoing instrument was acknowledged and signed before me by Danial J. Williams

this 30 day of October, 2018.

Luis Haming
Notary Public, State of Michigan

Registration Number: _____
My Commission Expires: October 23, 2019

Date: 10/31/18 By: *Donald P. Salzman*



Donald P. Salzman
Warren T. Allen, II
Sydney P. Sgambato
Anthony Kakoyannis
Skadden, Arps, Slate, Meagher & Flom LLC
Counsel for Danial J. Williams

FOR THE NORFOLK FOUR

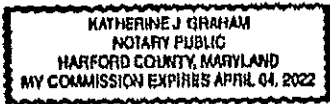
Date: 31 Oct 2018

By: *Joseph F. Dick, Jr.*
Joseph F. Dick, Jr.

STATE OF Maryland
CITY/COUNTY OF Harford, to-wit:

The foregoing instrument was acknowledged and signed before me by Joseph J. Dick, Jr.

this 31 day of October, 2018.



Katherine J. Graham
Notary Public

Registration Number: _____
My Commission Expires: April 4, 2022

Date: 10/31/2018

By: *Victor Genecin*
George H. Kendall
Corrine A. Irish
Victor Genecin
Squire Patton Boggs
Counsel for Joseph J. Dick, Jr.

FOR THE NORFOLK FOUR

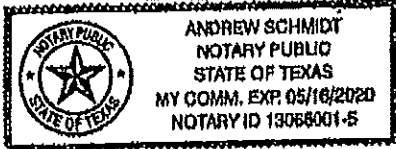
Date: 30 Oct 2018

By: Eric Wilson
Eric Cameron Wilson

STATE OF Texas
CITY/COUNTY OF Alasca, to-wit:

The foregoing instrument was acknowledged and signed before me by Eric Cameron

Wilson this 30th day of October, 2018.



[Signature]
Notary Public

Registration Number: 13066001-5
My Commission Expires: 05/16/2020

Date: 10/30/2018

By: Stephen A. Northrup

Stephen A. Northrup
Troutman Sanders LLP
Anthony F. Troy
Eckert Seamans Cherin & Mellott LLC
Counsel for Eric Cameron Wilson

FOR THE NORFOLK FOUR

Date: 30 Oct 2018

By: [Signature]
Derek E. Tice

STATE OF NORTH CAROLINA
CITY/COUNTY OF WAKE, to-wit:

The foregoing instrument was acknowledged and signed before me by Derek E. Tice this

30 day of OCT, 2018.

[Signature]

Notary Public
PAUL R. FULLER
NOTARY PUBLIC
WAKE COUNTY, NC
My Commission Expires 10-1-2023

Registration Number: 20132802043
My Commission Expires: 10-1-2023

Date: OCTOBER 30, 2018

By: [Signature] & [Signature]

E. Desmond Hogan
Elizabeth C. Lockwood
Hogan Lovells
Counsel for Derek E. Tice

Date: 4/2/18

FOR THE CITY OF NORFOLK

By: B. Pishko

Bernard A. Pishko
City Attorney