

B. County's Board of County Commissioners authorizes the County Administrator and County Attorney, and Lake Grady District authorizes its Chairman and Legal Counsel to serve as their proper representatives for the purpose of administration of the terms of this Agreement, but reserve to themselves the authority to execute any proposed amendment of this Agreement.

PARAGRAPH 25. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties, and their respective heirs, personal representatives, successors and assigns.

PARAGRAPH 26. Entire Agreement. This Agreement contains the entire agreement between the parties relative to the subject matter hereof, and there are no other terms, conditions, promises, undertakings, statements or representations, express or implied, concerning the subject matter of this Agreement. Without affecting the generality of the foregoing sentence, this Agreement supersedes in their entirety all previous discussions, negotiations and agreements of the parties concerning the subject matter of this Agreement.

PARAGRAPH 27. Terms and Conditions Related to Obligations of the SRHOA:

Maintenance Entity Selection and Operating Terms. SRHOA's approval of this Agreement, as evidenced by its execution of the Approval section at the end of this Agreement, shall also signify its express approval of the following terms under which the Maintenance Entity shall operate and otherwise be

responsible for the New Dam upon the Completion of Restoration:

(1) that, before Completion of Restoration, SRHOA will duly form (subject to the provisions of subparagraphs "(2)" and "(3)", below) a Florida not-for-profit corporation, to serve as the Maintenance Entity. The landowners at Shadow Run shall serve as shareholders of the Maintenance Entity and shall select officers and directors of the Maintenance Entity from within their group. No landowner at Shadow Run may be an officer or director of SRHOA and the Maintenance Entity at the same time.

(2) that SRHOA, for itself and for the Maintenance Entity unconditionally approves the following terms and conditions:

(a) that, upon the Completion of Restoration, Lake Grady District will assign to the Maintenance Entity all of Lake Grady District's permits and its right, title and interest in construction warranties and design and construction contracts for the Restoration of the New Dam, and will execute and deliver to the Maintenance Entity a deed to the New Dam and the site thereof;

(b) that, upon delivery of the assignments and deed by Lake Grady District as aforesaid, the Maintenance Entity will accept delivery thereof, duly record the deed, within forty-five (45) days of receipt thereof and accept ownership of the New Dam; assume and have all operational, repair and maintenance responsibilities for the New Dam, to include regular inspections of the dam, for so long as the same shall be operated; and indemnify and hold harmless the parties to this Agreement from and against all operational, repair and maintenance responsibilities for the New Dam, and from and against all claims, liabilities, expenses and other matters relating to the New Dam (including, without limitation, its design and construction).

(3) That Lake Grady District and the County shall have the right to approve SRHOA's formation of the Maintenance Entity as aforesaid. Neither Lake Grady District nor the County shall unreasonably withhold, condition or delay such approval if the following are established to their respective reasonable-satisfaction:

(a) That the Maintenance Entity has the legal capacity to own and maintain the New Dam, separate and apart from the County, or from Lake Grady District;

(b) That the Maintenance Entity and the obligations of such Maintenance Entity as are provided under this Agreement are acceptable to pertinent regulatory and permitting agencies.

(4) That SRHOA expressly covenants that the Maintenance Entity's legal existence will be maintained throughout such period as the New Dam is to be in existence and operated; and, SRHOA expressly covenants that SRHOA will maintain its own legal existence throughout such period as the New Dam is to be in existence and operated and, if the Maintenance Entity at any time fails to maintain its legal existence, or fails to maintain pertinent regulatory and permitting agency approval, its legal capacity to own and maintain the New Dam separate and apart from the County and Lake Grady District, then, in any such event, SRHOA shall promptly take, at its expense, all actions necessary for SRHOA to form a successor Florida not-for-profit corporation to assume all of the rights and obligations of the Maintenance Entity under the terms provided in this Agreement, including without limitation, ownership of, and all maintenance and repair responsibilities for, the New Dam; and,

(5) That SRHOA, the District, Cudlipp and Zaragosa agree and

acknowledge that in no event shall the County be requested by them or by the corporation formed by the SRHOA to become the owner of or the Maintenance Entity for the current dam or the New Dam or any roadway running above the dam.

(6) That SRHOA shall execute and deliver quit claim deeds and/or other instruments conveying their interests in the site of the New Dam in accordance with paragraph 9 of this Agreement.

PARAGRAPH 28. Default of SRHOA and/or Maintenance Entity:

In the event the Maintenance Entity or successor Maintenance Entity shall fail or refuse to operate the dam, or otherwise be in material breach of its obligations pursuant to this Agreement, the County shall upon 90 days prior notice to SRHOA and any then existing Maintenance Entity, and unless such failure, refusal or material breach is cured within such 90 days, have the right to cause the structure to cease to operate as a dam, and at its option will be allowed to dismantle the dam.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

WITNESSES:

L. M. West
Brenda S. Adkins
(Print Name of Witness)

LORI M. WEST
BRENDA S. ADKINS

LAKE GRADY ROAD AND
BRIDGE DISTRICT

By: [Signature]
David C. LeNeberg
Its: CHAIRMAN

[Handwritten initials]

THE FOREGOING INSTRUMENT was acknowledged before me this ____ day of _____, 19____, by _____, as _____ of ZARAGOSA PROPERTIES, INC., who has represented that he/she has the authority to act on behalf of and bind said corporation. He/she ____ is personally known to me or ____ has produced _____ as identification and did not take an oath. [Notary, check appropriate blank; and, if obtaining identification, fill in appropriate identification number.]

Notary Public

(Printed Name of Notary)

My Commission Expires:

(Serial Number, if any)

APPROVAL OF HOMEOWNERS ASSOCIATION

In consideration of the Parties' agreement to construct a New Dam, and other consideration, the sufficiency of which is hereby acknowledged, the undersigned hereby approves the terms of the above Settlement Agreement and agrees to be bound by the obligations set forth therein pertaining to the Shadow Run Homeowners Association and the Maintenance Entity.

SHADOW RUN
HOMEOWNERS ASSOCIATION

By: [Signature]
Its: President - SRHOA

[Signature]
Albert M. Rousseau
(Print Name of Witness)

(CORPORATE SEAL)

STATE OF Florida :
COUNTY OF Hillsborough :

THE FOREGOING INSTRUMENT was acknowledged before me this 25 day of _____

