

RELEASE IN FULL OF ALL CLAIMS, INDEMNITY  
AGREEMENT AND AGREEMENT FOR CONFIDENTIALITY

For and in consideration of the sum of Twenty-Seven Thousand Five Hundred Dollars (\$27,500.00) for emotional distress damages and the provision of a letter written by Gordon Dolman in the form attached, the receipt of which is hereby acknowledged, I, JAMES RANDOLPH DEMING the undersigned, do hereby release and fully discharge BLAINE SCHOOL DISTRICT NO. 503, GORDON L. DOLMAN, SUPERINTENDENT, ATLANTIC MUTUAL INSURANCE COMPANY, and NATIONAL UNION INSURANCE COMPANY, their respective assigns, divisions, subdivisions, controlling persona, insurers, partners, directors, agents, lawyers, servants, and employees (collectively "released parties") from any and all manner of claims, demands, liabilities, obligations, damages, causes of action or suits, whether known or unknown, whether suspected or unsuspected, which I, my heirs, executors, administrators, or assigns may have had or may have now. Without limiting the generality of the foregoing, this release in full includes all matters, claims, demands, liabilities, obligations, damages, causes of action or suits, whether known or unknown, whether suspected or unsuspected, arising out of or in any way connected with the incident arising on or about October 1, 1990, which is the subject matter of the lawsuit entitled James Randolph Deming v. Blaine School District No. 503 & Gordon L. Dolman, Superintendent, United States District Court for the Western District of Washington Cause No. C93-367WD.

It is further understood and agreed that this release in full is intended to cover any and all future injuries, damages or losses not known to the parties to this agreement, but which may later develop or be discovered in connection with the above referenced litigation, claims or demands which I, my heirs, executors, administrators or assigns can, shall or may have by reason of any matter, cause or thing whatsoever prior to the date hereof.

Indemnification Agreement

The undersigned in consideration of the settlement of the above referenced action, agrees to hold the above named released parties, Atlantic Mutual Insurance Co., National Union Insurance Company, Lee, Smart, Cook, Martin & Patterson, P.S., Inc., and Slater & Slater, their attorneys, free and harmless from any and all claims that may be asserted for tort feasor, medical liens, subrogation claims, public welfare liens, workmen's compensation liens, liens of the State of Washington or any of its subdivisions, Social Security subrogation and lien claims, and any federal agency or program such as Medicare, Medicaid, Veteran's Administration or Federal Workmen's Compensation programs and for any and all claims for doctors, hospitals, or other medical bills for services to myself or on behalf of myself, arising out of the incident on or about October 1, 1990, in Whatcom County, Washington, whether such claims be based on contract, tort or any other theory of law.

Not an Admission

It is further understood and agreed that neither this release nor the payment of the above mentioned sum is or shall be deemed to

be an admission of liability or responsibility on the part of any person and it is further understood and agreed that liability for any of the claims or demands or causes of action referred to herein is specifically denied.

Confidentiality

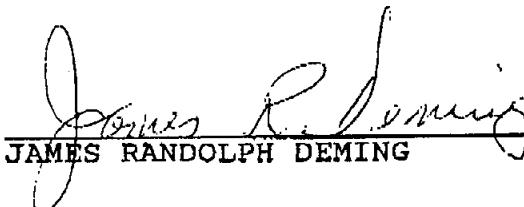
It is further understood and agreed that the terms of this settlement and/or agreement shall not be revealed, disclosed or discussed in any manner or form whatsoever to any persons, organizations, governmental entities or judicial tribunal, unless mutually agreed in writing by the attorneys for the parties herein, provided however that nothing contained in this paragraph shall preclude discussions of the terms of this settlement and/or agreement among the parties and their counsel and accountants. Any breech of this confidentiality agreement will result in damages of \$27,500.00 in that there is no adequate way to measure or to prove damages except upon the basis of liquidated damages.

Voluntary Signature

It is further understood and agreed that this release in full and agreement has been executed knowingly and voluntarily and that I have had full opportunity for legal counsel prior to signing this release and settlement agreement. This release contains the entire agreement between the parties hereto and that the terms of this agreement are contractual and not merely a recital. I further state that I have had the opportunity to read the foregoing release and settlement agreement and have had it fully explained to me by my attorney. I understand and appreciate the foregoing words and

terms and their effect and I sign this release and settlement agreement voluntarily of my own free will and accord.

IN WITNESS WHEREOF, I have caused this release and settlement agreement to be executed this 2<sup>nd</sup> day of Sept, 1994.

  
\_\_\_\_\_  
JAMES RANDOLPH DEMING

SUBSCRIBED AND SWORN to before me this 2<sup>nd</sup> day of Sept, 1994.

  
\_\_\_\_\_  
NOTARY PUBLIC in and for the State  
of Washington, residing at  
\_\_\_\_\_  
My Commission Expires: 03/09/97

The undersigned, attorney for plaintiff James Randolph Deming, in connection with the matters and things set forth in the foregoing settlement agreement, hereby:

1. Guarantees that the signature to this agreement is the signature of the plaintiff in this lawsuit and the individual named in this agreement.

DATED this 2<sup>nd</sup> day of Sept, 1994.

  
\_\_\_\_\_  
MARY E. ROBERTS