

SETTLEMENT AGREEMENT

THIS AGREEMENT is entered into by and between Grace Christian Life (“Grace Christian” or “Plaintiff”), and the North Carolina State University (the “University”);

WHEREAS, Plaintiff is a registered student organization at the University;

WHEREAS, Plaintiff filed a lawsuit against officers and employees of the University in the United States District Court for the Eastern District of North Carolina, Case No. 5:16-CV-00202-D, wherein Plaintiff alleges violation of Plaintiff’s constitutional rights (hereinafter the “Civil Action”);

WHEREAS, the University denies that it violated Plaintiff’s constitutional rights;

WHEREAS, Plaintiff and the University desire to resolve their disputes on mutually agreeable terms;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, Plaintiff and the University hereby agree to the following terms of settlement in full satisfaction of all claims or potential claims which have been, or could have been, asserted by Plaintiff against the University (or its officers, agents or employees) through the date of this Agreement:

I. WARRANTIES

- A. Each party to this Agreement warrants and represents to the other that it has been fully informed and has full knowledge of the terms, conditions and effects of this Agreement.
- B. Each party to this Agreement warrants and represents to the other that no promise or inducement has been offered or made except as herein set forth, and that this Agreement is executed without reliance upon any statement or representation by any other party or its agent.
- C. Each party to this Agreement warrants and represents to the other that they have been advised to consult with legal counsel and have consulted with legal counsel prior to executing this Agreement.

II. OBLIGATIONS

- A. Plaintiff will:
 - 1. File a stipulation of dismissal with prejudice of the Civil Action; and
 - 2. Agree to the terms of the releases and assurances in paragraph III of this AGREEMENT; and

B. Defendants will:

1. Adopt the attached regulation as its Revised Solicitation Regulation within three (3) business days of the effective date of this Agreement. Any future modifications to the Revised Solicitation Regulation's provisions related to noncommercial solicitation will be provided to the University's Student Government for review and comment prior to the University adopting such modifications; and

2. Pay Plaintiff's counsel, Alliance Defending Freedom ("ADF"), \$72,500 in attorney's fees within thirty (30) days of the date of this Agreement. This payment includes all litigation expenses and will be reported on Form 1099. ADF is responsible for any taxes on this amount; and

3. Agree to the terms of the releases and assurances in paragraph III of this AGREEMENT.

III. RELEASE

Plaintiff hereby releases, acquits and forever discharges The State of North Carolina; The University of North Carolina, the Board of Governors of the University of North Carolina, North Carolina State University and all current and former trustees, officers, agents and employees of the above-named entities (in both their official and individual capacities), and all successors of the above-named entities from all claims, actions, causes of action, demands, rights, damages, costs, sums of money, accounts, covenants, contracts, promises, attorney fees and all liabilities of any kind or nature whatsoever at law, in equity, or otherwise, arising from or related to the Civil Action which Plaintiff ever had, now has, or may have had against these entities through the date of this Agreement. For the avoidance of doubt, this Release does not preclude Plaintiff from enforcing this Agreement.

North Carolina State University and all current and former trustees, officers, agents and employees of the above-named entities (in both their official and individual capacities), and all successors of the above-named entities hereby releases, acquits and forever discharges Plaintiff and all of its individual members from all claims, actions, causes of action, demands, rights, damages, costs, sums of money, accounts, covenants, contracts, promises, attorney fees and all liabilities of any kind or nature whatsoever at law, in equity, or otherwise, arising from or related to the Civil Action which North Carolina State University ever had, now has, or may have had against Plaintiff or its individual members through the date of this Agreement. For the avoidance of doubt, this Release does not preclude North Carolina State University from enforcing this Agreement.

IV. COMPROMISE OF DISPUTED CLAIMS

Each party understands and agrees that this settlement is in compromise of disputed claims; that no covenant herein is to be construed as an admission of liability on the part of any party hereby released; that each party hereby released denies any liability for such claims; and

that each party intends merely to resolve the disputed claims between them without further litigation.

V. EFFECT OF AGREEMENT

A. This Agreement shall be binding upon and inure to the benefit of the parties or their agents, members, officers, employees, successors, assigns, heirs, executors, and administrators.

B. This Agreement constitutes the entire Agreement between the parties and supersedes previous discussions or agreements that the parties may have had or made regarding the settlement of their disputes.

VI. GOVERNING LAW AND FORUM SELECTION

It is agreed, between the parties, that this Agreement shall be governed by, construed and enforced in accordance with laws of the State of North Carolina, where all matters relating to the validity, construction, interpretation, and enforcement shall be determined.

VII. SIGNATURES AND EXECUTION

The parties agree that facsimile and electronic signatures shall be treated as original signatures. The Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same Agreement.

I have read, understand and agree with the terms and conditions stated in this Agreement, and by my signature I acknowledge my agreement and my opportunity to have consulted with counsel of my own choosing, and that in signing this Agreement I intend to be legally bound by it.

Grace Christian Life by:

Hannalee Alrutz 7-14-16
Hannalee Alrutz, President (Date)

North Carolina State University by:

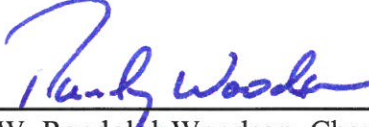
Chancellor Randolph Woodson (Date)

I have read, understand and agree with the terms and conditions stated in this Agreement, and by my signature I acknowledge my agreement and my opportunity to have consulted with counsel of my own choosing, and that in signing this Agreement I intend to be legally bound by it.

Grace Christian Life by:

Hannalee Alrutz, President (Date)

North Carolina State University by:



W. Randolph Woodson, Chancellor (Date)
July 15, 2016