# Exhibit A

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#### SETTLEMENT AGREEMENT

This Settlement Agreement ("the Agreement") is made and entered into by and between Mark Mullins ("Plaintiff"), on the one hand, and the Town of Richlands, Virginia ("the Town"), Timothy Taylor, Frank Dorton, Jerry Gilbert, and Randy Smith (collectively, the "Settling Defendants"), on the other hand. Mark Mullins and the Settling Defendants are referred to collectively as the "Parties."

#### **Recitals**

A. Mark Mullins filed a lawsuit in the U.S. District Court for the Western District of Virginia (the "Court"), entitled *Mullins v. Town of Richlands, et al.*, Case No. 1:19-cv-00017-JPJ-JMS (the "Action"), asserting claims for, among other things, violations of the First and Fourteenth Amendments of the United States Constitution, the Religious Land Use and Institutionalized Persons Act ("RLUIPA"), and the Virginia Religious Freedom Act, arising out of Mr. Mullins' attempts to obtain a license to read Tarot cards at his business, Mountain Magic & Tarot Reading ("Mountain Magic").

B. On August, 6, 2019, a settlement conference was held before United States Magistrate Judge Hon. Pamela Meade Sargent, at which the Parties entered into a Memorandum of Understanding ("MoU"), which is incorporated by reference into this Settlement Agreement, and whereby they agreed, among other things, to negotiate and submit a Settlement Agreement to the Court in full settlement of all issues in this case, including remedies for material breach of the agreement, and to request that the Court retain ongoing jurisdiction over the Action to enforce compliance with the settlement agreement.

C. By entering into this Agreement, the Parties intend to fully resolve all of the claims asserted against Settling Defendants in Plaintiff's Complaint filed in the abovementioned Action.

#### **Terms of the Agreement**

Based upon the foregoing recitals, which are incorporated herein by this reference, it is hereby agreed by the Parties to this Settlement Agreement that:

## I. Zoning Ordinance Changes

- 1. The Town Council will modify the zoning ordinance of the Town of Richlands ("Zoning Ordinance") in compliance with Virginia law and all applicable local ordinances and regulations to add "fortune telling / palmistry" as a permitted use in the B-2 district of the Town of Richlands' Zoning Ordinance ("Zoning Ordinance").
- 2. The "fortune telling / palmistry" use will be inclusive of Tarot reading (for free or for a fee) and associated retail and personal services.
- 3. The new use of "fortune telling / palmistry" will not be subject to additional legislative applications or approvals by the Town (such as a conditional use permit or additional zoning ordinance amendments), or other administrative requirements, approvals, or

performance criteria that are not consistent with, or typical of, all other permitted uses in the zoning ordinance.

4. The Town will complete its review and consideration of the zoning ordinance modification on or before November 14, 2019.

#### II. Granting of Authority to Operate Mountain Magic

- 1. The Town agrees to grant a business license to Mark Mullins, following the modification of the Zoning Ordinance as provided above, that allows him to engage in fortune telling/palmistry (for free or for a fee) at his place of business (or such future location in the B-2 district should his business relocate), Mountain Magic, subject only to those restrictions generally applicable to other businesses in the Town.
- 2. The Town agrees to allow Mark Mullins and Mountain Magic to advertise fortune telling and Tarot readings, subject only to those regulations generally applicable to other businesses in the Town.
- 3. The Town agrees to grant a zoning permit to Mark Mullins and Mountain Magic in accordance with the new use adopted by the Town.
- 4. The Town agrees not to impose any fee, charge, or tax on Mark Mullins or Mountain Magic for the right to operate or maintain a fortune telling or Tarot-reading business, beyond those generally applicable to other businesses in the Town.

#### III. Settlement

- 1. Within ten days after the Town's modification of the Zoning Ordinance in accordance with Part I of this Agreement, The Town's insurer, Virginia Risk Sharing Association ("VRSA"), agrees to pay Plaintiff \$40,000.
- 2. The Parties acknowledge that this lump sum payment constitutes damages for personal injuries within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1986, as amended, as well as attorney's fees and costs.

#### IV. Release

- Plaintiff agrees that, upon receiving a license to engage in fortune telling / palmistry and a zoning permit in accordance with the new use adopted by the Town, as well as payment of the settlement in accordance with Part III of this Agreement, he will release Settling Defendants with prejudice, subject to this Settlement Agreement, from any and all claims, demands, causes of actions, liabilities, injuries, damages, punitive damages, costs, expenses, attorney's fees, or compensation of every kind arising out of the events described in the allegations in the Complaint.
- 2. Plaintiff agrees that he has the sole right and exclusive authority to execute this Agreement and to receive the compensation described in Part III of this Agreement, and that he has not sold, assigned, transferred, conveyed, or otherwise disposed of any claims, actions, causes of action, demands, or rights referred to herein. Plaintiff represents that he is not aware of anyone other than Plaintiff who might have any claim arising out of the events described in the allegations in the Complaint.

3. This Agreement does not release the Parties from any claim that may arise after the date the Agreement is executed or from any claim arising from any obligation (or breach thereof) undertaken in this Agreement.

#### V. No Admission of Liability

1. It is understood and agreed that this Agreement is the compromise of potential and disputed claims; that the consideration referred to herein and paid hereunder is not and shall not be construed to be an admission of liability on the part of any of the Settling Defendants and that Settling Defendants deny liability therefore; and that the consideration paid hereunder is paid and received to compromise and settle disputed claims.

### VI. Dismissal and Request for Ongoing Jurisdiction

- 1. The Parties agree that, upon Plaintiff being granted a license to engage in fortune telling / palmistry and a zoning permit in accordance with the new use adopted by the Town, as well as compensation in accordance with Part III, above, the Parties will jointly move this Court to dismiss this Action pursuant to Rule 41(a)(1)(B)(2).
- 2. The Parties consent to the Court's exercise of jurisdiction over all disputes between the Parties and among the Parties arising out of this Settlement Agreement and its implementation, and that the Court shall retain jurisdiction for the purpose of enforcing the terms of this Settlement Agreement for a period of three (3) years.
- 3. The Parties agree to submit a stipulation of dismissal within 10 days following the satisfaction of the terms of this Settlement Agreement.

#### VII. Remedies; Enforcement

- 1. If Plaintiff believes that any of the Settling Defendants are not complying with the terms of this Agreement, he may initiate contempt or enforcement proceedings in the Court against Settling Defendants for an alleged failure to fulfill an obligation under this Agreement.
- 2. Before initiating judicial action to initiate contempt or other enforcement proceedings, Plaintiff shall notify Settling Defendants, in writing, of facts supporting his belief, and the Parties shall engage in good-faith discussions to resolve the dispute and may petition the Court for a status conference to assist in resolution.
- 3. Plaintiff reserves the right to seek any and all of the following remedies in the event one of the Settling Defendants violates any provision of this Agreement:
  - i. Specific performance of any provision that reasonably lends itself to such remedy;
  - ii. All other relief that the Court determines is appropriate to compensate Plaintiff for breach of this Agreement.
- 4. Remedies are cumulative; the exercise of one shall not foreclose the exercise of others.

#### VIII. **Miscellaneous Provisions**

- 1. This Agreement constitutes the entire agreement among the Parties as to all claims contained herein. This Agreement supersedes all prior agreements, whether written, oral, or implied. Each party represents it has full legal authority to enter into and execute this Agreement.
- 2. This Agreement will be binding on all successors, assigns, future councils of the Town, agents, employees, and all others working on behalf of Plaintiff and Settling Defendants.
- 3. Plaintiff represents that in entering into this Agreement, he has relied upon the advice of his attorney, who is the attorney of his own choice, concerning the legal consequences of this Release Agreement; that the terms of this Release Agreement have been completely read and explained to the undersigned by his attorney; and that the terms of this Release Agreement are fully understood and voluntarily accepted by the undersigned. The undersigned further declares and represents that no promises, inducements, or agreements not herein expressed have been made to the undersigned; that the undersigned is competent to execute this document; that the undersigned has read this document, understands its contents, and executes it voluntarily; and that this Release Agreement contains the entire agreement of the parties hereto.
- Should any provision of this agreement be held by a court of competent jurisdiction to be 4. unenforceable, or enforceable only if modified, that holding shall not affect the validity of the remainder of this agreement, the balance of which shall continue to be binding upon the undersigned, with any modification to become a part hereof and treated as though contained in this original agreement.
- 5. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement, and all of which, when taken together, will be deemed to constitute one and the same agreement. This Agreement may be executed by facsimile or by original. A facsimile transmission of a signed original shall have the same effect as delivery of a signed original.

The undersigned hereby acknowledges their voluntary execution of this Agreement and receipt of a copy hereof.

Executed this day of 9-18 , 2019. Mark Mullins

By: Timothy Taylon Position: Town Manager

Timothy Taylor

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Frank Dorton

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Randy Smith