

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This is a binding Settlement Agreement and Mutual Release made and entered into as of the Settlement Effective Date by and between the City of Ramsey, Minnesota and McDonald's USA, LLC.

DEFINITIONS

1. "Agreement" means this Settlement Agreement and Mutual Release and all exhibits hereto.
2. "Claims" means any and all past, present, or future claims, counterclaims, cross-claims, disputes, demands, actions and causes of action, petitions, suits, debts, liabilities, defenses, obligations, damages (whether general, special, consequential, punitive, exemplary, statutory, or other), penalties, costs, losses, expenses, and attorneys' fees (whether incurred prior to or after the date of the Agreement), whether known or unknown, liquidated or unliquidated, fixed or contingent, direct or indirect, suspected or unsuspected, premised on direct recovery, contribution, or indemnity, whether based on contract, tort, statute, or other legal or equitable theory of recovery, whether written or oral, among or between the Parties, that arise out of or relate to the Property or McDonald's Deed.
3. "City" means the City of Ramsey, Minnesota, a political subdivision, and its current, former and future City Council members, employees, representatives, affiliates, predecessors and successors, agents, assigns, attorneys, insurers, and anyone else who could be alleged liable on their behalves, individually and collectively.
4. "City Deed" means the Quit Claim Deed to be executed by McDonald's pursuant to this Agreement in the form attached hereto as Exhibit 2.
5. "HRA" means The Housing and Redevelopment Authority of the City of Ramsey.
6. "HRA Deed" means the Quit Claim Deed, dated as of August ___, 2017, and executed by the City, as successor-in-interest to the HRA, in favor of the City, to be recorded immediately prior to the City Deed.
7. "McDonald's Deed" means the Quit Claim Deed, dated as of February 26, 2014 and executed by the HRA, a copy of which is attached hereto as Exhibit 1.
8. "Party" means the parties to this Agreement, City and McDonald's, individually, and "Parties" means City and McDonald's, collectively.
9. "Property" means the real property that is legally described on Exhibit A to each of the McDonald's Deed and City Deed.
10. "Settlement Effective Date" means the date on which this Agreement is fully executed by all Parties.

11. "McDonald's" means McDonald's USA, LLC and its current, former and future affiliates, parent companies, predecessors, successors, subsidiaries, partners, related partnerships, and each of their respective members, shareholders, owners, corporate officers and directors, principals, employees, representatives, affiliates, predecessors and successors, parent and subsidiary companies, agents, assigns, attorneys, experts, insurers, and anyone else who could be alleged liable on their behalves, individually and collectively.

RECITALS

WHEREAS, on or about February 24, 2014, the HRA executed the McDonald's Deed with respect to the Property, which was recorded in the office of the Anoka County Registrar of Titles on March 3, 2014 as Document No. 522138.002;

WHEREAS, City is the successor-in-interest to the HRA with respect to the right of re-entry contained in the McDonald's Deed, as evidenced by the HRA Deed;

WHEREAS, the two conditions subsequent set forth in Exhibit B of the McDonald's Deed were not timely satisfied;

WHEREAS, the City has a right of re-entry for the Property and, upon exercise of such re-entry, title to the Property reverts to the City;

WHEREAS, the City has notified McDonald's of its exercise of the right of re-entry for the Property;

WHEREAS, the Parties recognize that McDonald's incurred substantial development costs in connection with the Property and that a partial reimbursement is appropriate;

WHEREAS, the Parties desire to avoid the time, burden and expense of potential litigation regarding the McDonald's Deed and/or the Property;

WHEREAS, the Parties have negotiated at arm's length and have entered into this Agreement in good faith; and

WHEREAS, the Parties desire to enter into this Agreement as a final settlement to document their final resolution of any and all disputes and Claims between the Parties.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants, mutual releases and other terms set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties hereby agree as follows:

1. Incorporation of Definitions and Recitals. The foregoing definitions and recitals are incorporated into this Agreement by reference.

2. Denial of Liability. This Agreement is entered into only for purposes of settlement and compromise of disputed Claims in order to avoid the uncertainties, risks and

expenses attendant upon litigation between the Parties. Neither this Agreement, nor anything contained herein, nor any act or thing done in connection herewith, is intended to be, or shall be construed or deemed to be, an admission by any of the Parties of any liability, fault or wrongdoing.

3. Reimbursement Payment. In consideration of the development costs incurred by McDonald's with respect to the Property, within ten (10) days of the Settlement Effective Date, City shall pay McDonald's the total sum of Ten Thousand and no/100s Dollars (\$10,000.00) (the "Reimbursement Payment"). The Reimbursement Payment shall be made via check made payable to "McDonald's USA, LLC" and sent to the following address:

ATTN: Monica J. Mosby, Esq.
Commercial Litigation Practice Group
McDonald's Corporation
2915 Jorie Blvd (Dept. 065)
Oak Brook, Illinois 60523

4. Execution of City Deed. Within five (5) days of its receipt of the Reimbursement Payment, McDonald's shall execute and deliver to the City the City Deed.

5. Release by McDonald's. Upon the Settlement Effective Date, McDonald's unconditionally and irrevocably, fully, finally, and forever waives, releases, acquits and forever discharges City from any and all Claims; provided, however, that nothing herein shall waive, release, acquit or discharge any claim that McDonald's may have for enforcement or breach of this Agreement or for any acts committed after the execution of this Agreement. McDonald's understands that by signing this Agreement, it is waiving any and all Claims against City released by this Agreement to the greatest extent allowable under law.

6. Release by City. Upon the Settlement Effective Date, City unconditionally and irrevocably, fully, finally, and forever waives, releases, acquits and forever discharges McDonald's from any and all Claims; provided, however, that nothing herein shall waive, release, acquit or discharge any claim that City may have for enforcement or breach of this Agreement or for any acts committed after the execution of this Agreement. City understands that by signing this Agreement, it is waiving any and all Claims against McDonald's released by this Agreement to the greatest extent allowable under law.

7. Covenants Not to Sue. Without limiting the generality of the foregoing releases, the Parties hereby covenant and agree that, upon and after the Settlement Effective Date, no Party shall institute, bring, commence or continue any action in any court, arbitration, or other forum against any other Party for any of the claims released pursuant to this Agreement; provided, however, that nothing herein shall waive, release, acquit or discharge any claim for enforcement or breach of this Agreement or for any acts committed after the execution of this Agreement.

8. Acknowledgement of Adequate Consideration. The Parties hereby acknowledge and agree that the foregoing mutual releases and covenants not to sue, as well as all other terms

of this Agreement, are supported by adequate consideration, and the Parties hereby waive any allegation, claim and/or defense to the contrary.

9. Costs and Expenses. The Parties shall bear their own costs and expenses, including without limitation attorneys' fees, incurred in connection with their disputes, this Agreement and the transactions contemplated by it. However, to the extent any transfer or deed tax or fees are assessed on any of the Parties in connection with the execution or recording of the City Deed, the City shall pay those taxes or fees.

10. Merger and Integration. The Parties agree and acknowledge that this Agreement, together with any exhibits hereto, constitutes the entire agreement of the Parties with respect to the subject matter contained herein. There are no other agreements, representations, warranties, or other understandings between the Parties with regard to the subject matter hereof which are not set forth in this Agreement. This Agreement is made and entered into without any reliance by the Parties on any statement, promise, inducement, or consideration not recited in this Agreement.

11. Advice of Counsel Obtained. Each Party acknowledges and represents that it has had the opportunity to consult with legal, financial, and other professional advisors as it deems appropriate in connection with the consideration and execution of this Agreement. Each Party is legally responsible for any and all of its own tax liabilities arising out of this Agreement. Each Party further represents and declares that in executing this Agreement, it has relied solely upon its own judgment, belief and knowledge, and the advice and recommendation of its own professional advisors, concerning the nature, extent and duration of its rights, obligations and claims; that it has reviewed its records, evaluated its position and conducted due diligence with regard to all rights, claims, or causes of action whatsoever with respect to the other Party; and that it has not been influenced to any extent whatsoever in executing this Agreement by any representations or statements made by any other Party or its representatives, except as expressly contained or referred to in this Agreement.

12. Severability. If any of the provisions, terms, clauses, or waivers or releases of claims or rights contained in this Agreement are declared illegal, unenforceable, or ineffective, the remaining provisions, terms, clauses, waivers, releases, and rights shall be severable and enforceable. However, the Parties agree to negotiate in good faith substitute provisions, terms, clauses, or waivers or releases that would have, to the maximum extent possible, identical effect and that would be enforceable.

13. Writing Required. This Agreement may not be altered or amended except in writing signed by all of the Parties.

14. No Waiver. No waiver by any Party of any condition, or the breach of any term, provision, warranty, representation, agreement or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed or construed as a further or continuing waiver of any such condition or breach or a waiver of any other condition or of the breach of any other term, provision, warranty, representation, agreement or covenant herein contained.

15. Execution. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same Agreement. The counterparts of this Agreement may be executed and delivered by facsimile or other electronic signature by any of the Parties to any other Party and the receiving Party may rely on the receipt of such document so executed and delivered by facsimile or other electronic means as if the original had been received.

16. Applicable Law, Jurisdiction, and Venue. This Agreement shall be construed under the substantive laws of the State of Minnesota, without regard to its choice of law rules. Each of the Parties submits to the jurisdiction of any state or federal court located in Anoka County, Minnesota for any claim to enforce, determine rights with respect to, or to interpret this Agreement.

17. Authority to Execute Agreement. Each Party represents that it has the authority to enter into this Agreement and has not assigned, encumbered or in any other manner transferred any portion of the Claims released by this Agreement. Each Party represents that this Agreement is legal, valid, binding and enforceable against it in accordance with its terms and that the person or persons executing this Agreement have the necessary and appropriate authority to do so and to legally bind such Party.

18. Additional Documents. Each of the Parties agrees to execute and deliver any further documents which may be required to effectuate and/or carry out the terms of this Agreement.

19. Binding Effect. The Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective legal representatives, insurers, heirs, successors and assigns. Each Party has had the opportunity to fully negotiate and modify the terms of this Agreement. Therefore, the terms of this Agreement shall be construed and interpreted without any presumption, inference, or rule requiring construction or interpretation of any provision of this Agreement against the interest of the party causing this Agreement or any portion of it to be drafted.

20. Settlement Effective Date. The effective date of this Agreement shall be the date on which it is fully executed by all Parties.

IN WITNESS WHEREOF, the Parties, by and through their duly authorized representatives, have hereunder set their hands and entered into this Agreement effective as of the Settlement Effective Date.

Dated: August 16, 2017

MCDONALD'S USA, LLC

BY: Hal Zmeskal

ITS: Vice President

Dated: _____, 2017

CITY OF RAMSEY, MINNESOTA

BY: _____

ITS: _____

EXHIBIT 1 TO SETTLEMENT AGREEMENT

McDonald's Deed

522138.002

(Top 3 inches reserved for recording data)

QUIT CLAIM DEED Business Entity to Business Entity Minnesota Uniform Conveyancing Blanks Form 10.3.5 (2010)

DEED TAX DUE: \$ 1,551.00

DATE: February 26, 2014 (month/day/year)

FOR VALUABLE CONSIDERATION, The Housing and Redevelopment Authority in and for the City of Ramsey (insert name of Grantor) a public body corporate and politic under the laws of the State of Minnesota ("Grantor"), hereby conveys and quitclaims to McDonald's USA, LLC (insert name of Grantee) a limited liability company under the laws of the State of Delaware ("Grantee"), real property in Anoka County, Minnesota, legally described as follows:

See attached Exhibit A

Check here if all or part of the described real property is Registered (Torrens) [X]

together with all hereditaments and appurtenances belonging thereto AND subject to Grantor's reservation of a Right of Re-Entry in the form attached as Exhibit B and the permitted encumbrances listed on Exhibit C attached hereto and made a part hereof.

Check applicable box:

- [X] The Seller certifies that the Seller does not know of any wells on the described real property.
[] A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: [redacted])
[] I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

Grantor

THE HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF RAMSEY (name of Grantor)

By: [Signature] (signature)

Its: Chair (type of authority)

By: [Signature] (signature)

Its: Deputy Executive Director (type of authority)

State of Minnesota, County of Anoka

This instrument was acknowledged before me on 02/25/2014 by Bandy Backeus
(month/day/year) (name of authorized signer)

as Chair
(type of authority)
and by Tim Gladhill
(name of authorized signer)

as Deputy Executive Director of The Housing and Redevelopment Authority of the City of Ramsey
(type of authority) (name of Grantor)

(Seal, if any)



[Signature]
(signature of notarial officer)

Title (and Rank): City Clerk

My commission expires: 01-31-2015
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:
(insert name and address)

Briggs and Morgan, P.A. (TLB)
2200 IDS Center
80 South Eighth Street
Minneapolis, MN 55402-2157

TAX STATEMENTS FOR THE REAL PROPERTY
DESCRIBED IN THIS INSTRUMENT SHOULD BE SENT
TO:
(insert name and address of Grantee to whom tax statements should be sent)

McDonald's USA, LLC
McDonalds' Corporation (L/C: 22-575)
P.O. Box 182571
Columbus, OH 43218-2571

RETURN TO: Sam # 233668
Chicago Title Insurance Company
222 South Ninth Street, Suite 3060
Minneapolis, MN 55402

APPROVED FOR FILING

Certificate of Title No. 125059
as to Deed from Housing & Redevelopment Authority pursuant to resolution

[Signature]
Deputy Examiner of Titles 3/3/14

Exhibit A
(Legal Description)

Parcel 1:

Lot 2, Block 1, COR TWO, Anoka County, Minnesota.

Torrens Property (Certificate No. 125059)

Parcel 2:

Together with the benefits of the Easements granted in the Declaration of Easements, Covenants and Restrictions for COR TWO, dated December 20, 2013, recorded December 27, 2013, as Document No. 521084.003.

Parcel 3:

Together with the benefits of the Easements granted in the Declaration of Signage and Related Electrical Line Easements, dated December 20, 2013, recorded December 27, 2013, as Document No. 521084.004.

EXHIBIT B

(Right of Re-Entry)

Grantor hereby reserves a right of re-entry in favor of Grantor for the property that is the subject of this deed (the "Property"), which right of re-entry will be superior to any mortgage on the Property, for breach of conditions subsequent in favor of Grantor pursuant to which Grantor may commence an action in Anoka County District Court seeking an order re-vesting title to the Property in Grantor if: (1) Grantee does not commence construction of the improvements on the Property (the "Grantee's Improvements") within 720 days after the date of this deed, or (ii) Grantee does not substantially complete the construction of Grantee's Improvements within 1080 days after the date of this deed. For purposes of this right of re-entry, Grantee will be deemed to have commenced construction when Grantee has (a) obtained building permits for the construction of Grantee Improvements; and (b) caused material or labor to be furnished to the Property in a manner and to an extent sufficient that a mechanic's lien for such work would attach and take effect pursuant to Minn. Stat. §514.05, and Grantee will be deemed to have substantially completed construction of Grantee Improvements when Grantee opens for business on the Property. Grantor may redeem the Property from foreclosure, as an owner, within the time allowed by law.

EXHIBIT C

(Permitted Encumbrances)

1. Real estate taxes and special assessments not yet due and payable.

2. Drainage and utility easements as shown on the plat, COR TWO, recorded as Document No. 517025.005 on July 3, 2013.
3. Right of access onto County State Aid Highway Numbers 83 and 116 as shown on the plat, COR TWO, recorded as Document No. 517025.005 on July 3, 2013.
4. Grant of Temporary Easement, dated November 27, 2013, recorded December 27, 2013 as Document No. 521084.002.
5. Declaration of Easements, Covenants and Restrictions for COR TWO, dated December 20, 2013, recorded December 27, 2013 as Document No. 521084.003.
6. Declaration of Signage and Related Electrical Line Easements, dated December 20, 2013, recorded December 27, 2013 as Document No. 521084.004.

EXHIBIT 2 TO SETTLEMENT AGREEMENT

City Deed

(Top 3 inches reserved for recording data)

QUIT CLAIM DEED

Business Entity to Business Entity

**Minnesota Uniform Conveyancing Blanks
Form 10.3.5 (2013)**

eCRV Number: _____

DEED TAX DUE: \$33.00 _____

DATE: _____, 2017
(month/day/year)

FOR VALUABLE CONSIDERATION, _____ McDonald's USA, LLC _____
(insert name of Grantor)

a limited liability company _____ under the laws of Delaware _____ ("Grantor"),
hereby conveys and quitclaims to City of Ramsey _____
(insert name of Grantee)

a municipal corporation _____ under the laws of Minnesota _____ ("Grantee"),
real property in Anoka _____ County, Minnesota, legally described as follows:

See attached Exhibit A.

Check here if all or part of the described real property is Registered (Torrens)

together with all hereditaments and appurtenances belonging thereto.

Grantee is the holder of a right of re-entry under that certain Quit Claim Deed recorded in the office of the Anoka County Registrar of Titles on March 3, 2014 as Document No. 522138.002, as transferred to Grantee pursuant to that certain Quit Claim Deed recorded in the office of the Anoka County Registrar of Titles on _____, 2017, as Document No. _____. Grantor has breached the conditions subsequent which triggered the right of re-entry. In lieu of judicial enforcement of the right of re-entry, Grantor has agreed to transfer property to Grantee pursuant to this Quit Claim Deed.

Check applicable box:

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: _____.)
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

Grantor

McDonald's USA, LLC
(name of Grantor)

By: _____
(signature)

Its: Senior Counsel
(type of authority)

By: _____
(signature)

Its: _____
(type of authority)

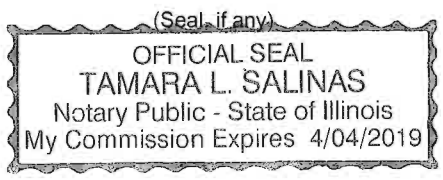
State of Illinois, County of DuPage

This instrument was acknowledged before me on 8/16/2017, by Tony Valericius

as Senior Counsel

and by _____

as _____ of McDonald's USA, LLC



Tamara R. Salinas

Title (and Rank): Notary Public

My commission expires: 4/4/2019

THIS INSTRUMENT WAS DRAFTED BY:
(insert name and address)

Briggs and Morgan, P.A. (SES)
2200 IDS Center
80 South Eighth Street
Minneapolis, MN 55402-2157

TAX STATEMENTS FOR THE REAL PROPERTY
DESCRIBED IN THIS INSTRUMENT SHOULD BE SENT
TO:

(insert name and address of Grantee to whom tax statements should be sent)

City of Ramsey
Attn: City Administrator
7550 Sunwood Drive NW
Ramsey, MN 55303

Exhibit A

(Legal Description)

Parcel 1:

Lot 2, Block 1, COR TWO, Anoka County, Minnesota.

Torrens Property (Certificate of Title No. 126722)

Parcel 2:

Together with the benefits of the Easements granted in the Declaration of Easements, Covenants, and Restrictions for COR TWO, dated December 20, 2013, recorded December 27, 2013, as Document No. 521084.003.

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Together with the benefits of the Easements granted in the Declaration of Signage and Related Electrical Line Easements, dated December 20, 2013, recorded December 27, 2013, as Document No. 5212084.004.

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