

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (“Amendment”), dated as of this _____ day of _____, 2025, is made by and between **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government created pursuant to KRS Chapter 67A, whose principal address is 200 East Main Street, Lexington, Kentucky 40507 (“LFUCG”); **CHILD NEUROLOGY EDUCATION AND RESEARCH FOUNDATION CORPORATION**, a Minnesota Non-Profit Corporation, whose principal address is 249 East Main Street, #205, Lexington, KY 40507 (“Borrower”).

WITNESSETH:

WHEREAS, LFUCG, and the Borrower (collectively, “the Parties”) entered into a certain Incentive Agreement dated February 23, 2021, and related documents (“Incentive Agreement”), which are attached and incorporated herein as **Exhibit A**.

WHEREAS, due to the Borrower’s current default, the Borrower wishes to accelerate payment on the Loan and remove all jobs and wage requirements provided in the Agreement during this accelerated repayment schedule.

WHEREAS, the Parties wish to settle LFUCG’s claims against Borrower.

NOW, THEREFORE, the Parties agree to the following:

1. All terms used and not otherwise defined in this Settlement Agreement shall have the respective meanings ascribed to them in the Incentive Agreement.
2. The Parties understand that, as of the date of this Settlement Agreement, the Borrower owes \$70,000.00 due to its noncompliance with the Agreement. To assist in repayment and to settle LFUCG’s claim against Borrower, the Parties agree that this remaining amount shall be repaid in twenty (20) quarterly installments on the fifteenth (15th) day of the first month of each quarter. The first payment shall be due immediately upon execution of the First Amendment.
3. For as long as the Borrower timely repays the Incentive under the revised payment plan (twenty (20) remaining quarterly payments), LFUCG agrees to:
 - a) Waive all interest and penalties owed pursuant to the Incentive Agreement; and
 - b) suspend the Jobs and Wage Requirements contained within the Agreement.
4. Failure to abide by the requirements of this Settlement Agreement shall result in the Job and Wage Requirements, and resulting penalties, as well as all penalties, fees, and interest provided in the Incentive Agreement being reinstated retroactive to the date of Borrower’s default of the Incentive Agreement. Penalties accrued pursuant to the Incentive Agreement during the twenty (20) remaining quarterly repayments shall not be a credit to the Borrower’s account and such amounts shall not be deducted from the sums owed under the Incentive Agreement.

5. All terms of the Incentive Agreement not provided for herein shall remain unchanged and in full force and effect.

6. In the event of a conflict between the terms of this Settlement Agreement and the terms of the Incentive Agreement, this Settlement Agreement shall control.

IN WITNESS WHEREOF, the Lexington-Fayette Urban County Government and the Borrower have executed this Settlement Agreement as of the day, month and year first above written.

**LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT**

ATTEST:

Council Clerk

By: _____

Printed Name: Linda Gorton

Title: Mayor

COMPANY:

CHILD NEUROLOGY EDUCATION AND RESEARCH FOUNDATION CORPORATION

By: _____

Printed Name: _____

Title: _____

The foregoing First Amendment to the Loan Agreement was sworn to, subscribed and acknowledged before me on this ____ day of _____, 2025 by _____ of **Child Neurology Education and Research Foundation Corporation**, for and on behalf of said company, which is registered to do business in Kentucky.

Notary Public

My commission expires: _____

Notary # _____