

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (hereinafter "Settlement Agreement") is entered into by and between Landmark Education Corporation ("Landmark"), on the one hand, and Margaret Thaler Singer ("Singer") and Janja Lalich ("Lalich") on the other.

WHEREAS, on or about February 13, 1996, Landmark commenced an action captioned Landmark Education Corporation v. Margaret Thaler Singer, et al., bearing San Francisco Superior Court Case No. 976037 ("Litigation"), for libel based on the publication of the book entitled *Cults In Our Midst: The Hidden Menace In Our Everyday Lives* (the "Book"), which was authored by Singer and Lalich;

WHEREAS, Singer and Lalich deny the allegations made against them in the Litigation;

WHEREAS, the parties hereto wish to resolve their disputes and claims without resort to further litigation;

NOW, THEREFORE, for good cause and valuable consideration, including the covenants contained herein, it is agreed as follows:

1. Settlement and Releases

a. Except as to the enforcement of the terms of this Settlement Agreement, in consideration of the covenants and conditions contained herein, Landmark, Singer and Lalich hereby release and give up any and all claims and rights both known and unknown, foreseen and unforeseen, which either party had, has, or may have in the future against each other concerning any cause whatsoever, from the beginning of time to the date of this Settlement Agreement and Mutual Release.

Landmark also hereby releases and gives up any and all claims and rights both known and unknown, foreseen and unforeseen, which it had, has, or may have in the future against Simon & Schuster, Inc., Jossey-Bass, Inc., their predecessors, successors, assigns, parent corporations, sister corporations, subsidiaries, affiliates, assignors, heirs, legatees, devisees, executors, administrators, estates, receivers and trustees, officers, directors, shareholders, employees, servants, agents, partners, insurers, representatives, attorneys, legal representatives, and all persons acting by, through, under or in concert with them or any of them, jointly and severally (hereinafter "Simon & Schuster" and "Jossey-Bass," publishers of the Book), concerning any cause whatsoever, from the beginning of time to the date of this Settlement Agreement and Mutual Release.

b. The enforcement of the terms of this Settlement Agreement will be governed by California law. All rights under California Civil Code § 1542 with respect to any claims arising in or from the Litigation, and the relationships among the parties, Simon & Schuster and Jossey-Bass, are expressly waived. Cal. Civ. Code § 1542 provides:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR EXPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTION OF THE RELEASE, WHICH, IF KNOWN BY HIM, MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

c. Each party agrees that no fact, evidence, event or transaction currently unknown, but which may hereafter become known to such party, shall affect in any manner the final and unconditional nature of the releases set forth above.

2. Recitals

The following recitals are made by Singer and/or Lalich:

a. Neither Singer nor Lalich have participated in or attended the Landmark Forum or any other program presented by Landmark and thus have no personal, firsthand knowledge of Landmark or its programs.

b. Regarding the publication of the Book, neither Singer nor Lalich intended to defame Landmark or to cause it any damage whatsoever.

c. Singer does not believe that either Landmark or the Landmark Forum is a cult, sect, or meets the criteria of a cult or sect.

d. Singer and Lalich will use their best efforts to delete references to Landmark and the Landmark Forum in any future edition or revision of the Book.

3. Dismissal of Litigation with Prejudice:

Upon execution of the Settlement Agreement, Landmark shall promptly and with prejudice dismiss the Litigation.

4. Parties Bound:

This Settlement Agreement is binding upon and shall inure to the benefit of the parties hereto, Simon & Schuster, Jossey-Bass and their respective attorneys, agents, principals, partners, shareholders, employees, heirs, administrators, successors, assigns and executors.

5. No Assignment:

Except as expressly stated herein, the parties warrant that they have not assigned any of their claims against any other party to this Settlement Agreement, and hereby promise and covenant to indemnify and hold harmless any party against whom a claim may be made by any such assignee of any party.

6. Costs:

Each party shall bear her or its own costs, expenses and attorneys' fees heretofore incurred in the Litigation. However, in the event it becomes necessary for any party to take any action to compel enforcement of the terms of this Settlement Agreement, the prevailing party shall be entitled to all reasonable attorneys' fees and costs incurred to compel such enforcement. The parties agree that in the event of any disagreement, dispute or controversy regarding this Settlement Agreement, the parties shall be considered joint authors of this Settlement Agreement, and no provision shall be interpreted against any party because of authorship.

7. Authority:

All parties who have executed this Settlement Agreement in their representative capacities hereby warrant and guarantee that they possess requisite authority to execute this Settlement Agreement in said capacities on behalf of his or her principal(s).

8. Execution:

This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

9. Severability:

If it is determined by a court of competent jurisdiction that any provision hereof is unlawful or unenforceable, the remaining provisions hereof shall remain in full force and effect.

10. Integration:

This Settlement Agreement constitutes the entire Settlement Agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and other signings between the parties. This Settlement Agreement shall be valid upon its execution by both parties. No supplement, modification, wavier or termination of this Settlement Agreement shall be binding unless executed in writing by the parties to be bound thereby. Neither of the parties is relying on any statement or representation not specified in this Settlement Agreement.

DATED: May 13, 1997

LANDMARK EDUCATION CORPORATION

By: *Arthur Keller*

Its: CHAIRMAN OF BOARD OF DIRECTORS

DATED: 7 May 97

*Margaret Thaler Singer*  
Margaret Thaler Singer

DATED: 7 May 1997

*Janja Lalich*  
Janja Lalich

1 **PROOF OF SERVICE**

2 Case No: 989890

3 I, Diana Dearing, declare as follows:

4  
5 I am a citizen of the United States and a resident of the State of California. I am  
6 employed in Santa Clara County, State of California, in the office of a member of the bar of  
7 this Court, at whose direction the service was made. I am over the age of eighteen years, and  
8 not a party to the within action. My business address is 160 West Santa Clara Street, Suite  
9 1300, San Jose, California 95113. On the date set forth below I served:

10 **DECLARATION OF JAMES CHADWICK IN REPLY TO**  
11 **OPPOSITION TO MOTION TO STRIKE AND DEMURRER**

- 12  By placing such a copy enclosed in a sealed envelope, postage thereon fully  
13 prepaid, in the United States Postal Service for collection and mailing this day  
14 in accordance with ordinary business practices at the Genesis Law Group,  
15 LLP.
- 16  By consigning such a copy to a messenger for guaranteed hand delivery on  
17 this date only.
- 18  By consigning such copy to an overnight courier for guaranteed next day  
19 delivery.
- 20  By consigning such copy to a facsimile operator for transmittal on this date.

21 I served the above documents on the following persons:

22 **Carol P. LaPlant, Esq.**  
23 **Ropers, Majeski, Kohn & Bentley**  
24 **670 Howard Street**  
25 **San Francisco, CA 94105**

26 I am readily familiar with the Genesis Law Group's practice for collection and  
27 processing of correspondence for delivery according to instructions indicated above. In the  
28 ordinary course of business, correspondence would be handled accordingly.

I declare under penalty of perjury that the foregoing is true and correct to the best of  
my knowledge. Executed at San Jose, California, on January 14, 1998.

29   
30 \_\_\_\_\_  
31 Diana Dearing