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CONDITIONAL SETTLEMENT AGREEMENT AND RELEASE

This Conditional Settlement and Release Agreement ("Agreement") is entered into by and between Plaintiffs Yes In My Back Yard, Sonja Trauss and Andrew Slocum ("Plaintiffs") and Defendants City of Malibu ("City") and City Council of Malibu (collectively "Defendants"). Plaintiffs and Defendants are referred to sometimes individually as "Party" and collectively as the "Parties."

RECITALS

This Conditional Settlement Agreement is made with reference to the following facts:

A. Whereas, on July 30, 2025, the State of California's Governor, Gavin Newsom signed Executive Order N-32-25 following Governor Newsom's proclaimed State of Emergency in Los Angeles and Ventura Counties, due to fire and windstorm conditions that caused multiple fires in those counties in January 2025. Executive Order N-32-25 ordered/purported to order Government Code sections 65852.21 and 66411.7 suspended in very high fire hazard severity zones, which included areas within the City of Malibu.

B. Whereas, the City Council of Malibu adopted a policy declaring that the City of Malibu would not accept or process applications under Government Code sections 65852.21 and 66411.7, for any project within a very high fire hazard severity zone within the boundaries of the Palisades Fire areas. The policy was adopted as part of a LCP and Zoning Code Interpretation (LPC No. 24, Zoning Code No. 15) of the City's Ordinance No. 524, on October 15, 2025 and specifically it consists of the City's policy for Issue No. PF4 (the "Policy").

C. Whereas, on or about December 11, 2025, Plaintiffs filed a Verified Petition for Writ of Mandate and Complaint in the Los Angeles County Superior Court, Case No. 25STCP04761 (the "Subject Action"). The Petition for Writ of Mandate and Complaint (collectively "Complaint") are the operative pleadings at this time. The Complaint specifically as to these Defendants sought to have the City's Policy rescinded and to have applications under Government Code sections 65852.21 and 66411.7 and applicable California law processed.

D. Whereas, on or about March 20, 2026, the Parties reached an agreement to settle and resolve the Subject Action in its entirety subject to certain conditions detailed in this Settlement Agreement.

E. Whereas, Plaintiffs and Defendants now desire to fully and finally settle and resolve any and all rights, claims, disputes, causes of action and alleged claims which currently arise out of and as set forth in the Subject Action and Complaint. The Parties expressly intend that this settlement shall further pertain to any claims for attorneys' fees, witness fees, and/or other costs.

NOW, THEREFORE, in consideration of the foregoing recitals and promises, mutual covenants and warranties set forth herein, and for other good and valuable consideration, the receipt of which are hereby acknowledged, the Parties agree as follows:

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CONDITIONAL SETTLEMENT AGREEMENT AND RELEASE

In consideration of the matters recited above, which are incorporated by reference here, and in consideration of the mutual covenants and representations set forth below, the Parties agree as follows:

1. Recitals. The Recitals are incorporated into and are a part of this Conditional Settlement Agreement.

2. In consideration of this Conditional Settlement Agreement, and the promises set forth herein, Defendants agree the City Council of Malibu will bring an agenda item in public session within the next three months to consider rescinding the Policy. Should the Council act, in its discretion, to rescind the Policy with an effective date on or before September 29 , 2026, this Settlement Agreement shall be valid and all of its terms shall apply. Should the Council fail to rescind the Policy within this period of time this Settlement Agreement shall be null and void. In addition, should the Council act to rescind the Policy, the City shall process, in accordance with the requirements of State law, any application the City has already received pursuant to Government Code sections 65852.21 and 66411.7, since the adoption of the Policy within 60 days of the Policy being rescinded. Upon the City Council's action to rescind the Policy, Defendants agree that Executive Order N-32-25 and the Policy will not apply to the processing of SB 9 applications or SB 9 projects within the City's control. The Settlement Agreement will become "Effective" on the date that all Parties have signed this Settlement Agreement.

3. Upon execution of this Agreement, Plaintiffs shall file a notice of conditional settlement in the Subject Action. In consideration for Defendants' agreements set forth herein, and expressly conditioned upon Defendants' rescission of the Policy with an effective date on or before September 29, 2026, the Parties shall file a stipulated request to dismiss the Subject Action with prejudice as to Defendants and to retain jurisdiction pursuant to Code of Civil Procedure section 664.6 within 10 days of City Council's action to rescind the Policy.

4. Release and Waiver of Claims. Except for the obligations of this Agreement, and conditioned on the rescission of the Policy on or before September 29, 2026, Plaintiffs and Defendants, on behalf of themselves and their members, successors, assignees, agents, insurers, attorneys, and other representatives, hereby waives and releases any and all demands, causes of action, claims for relief, obligations, damages, losses, costs, expenses and/or liabilities of any kind or nature whatsoever, known or unknown, anticipated or unanticipated, fixed or contingent, which they may now have, claims to have, or may hereafter have or claim to have against each other and their successors, assignees, elected officials, agents, insurers, employees, directors, attorneys or officers (the "Released Parties"), including but not limited to claims relating to or arising out of or alleged in the Lawsuit, or issues of fact or law alleged, or that could have been alleged, in the Lawsuit. The claims released in this paragraph are collectively referred to below as the "Released Claims."

5. Attorneys' Fees and Costs. The Parties to this Agreement will bear their own attorneys' fees and all costs in the Lawsuit, including all attorneys' fees and costs arising from this Agreement. Each Party waives the right, if any, to otherwise recover attorneys' fees and costs from the other Party or Parties.

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6. Civil Code § 1542 Release. New Facts and Law. Plaintiffs understand that if the facts giving rise to this Agreement are found later to be other than or different from the facts now believed by it to be true, or if new facts or law come to the attention of the Parties, or any of them, they accept and assume the risk of such possible difference in the facts or law, and Plaintiffs agree that the release above shall be and remain effective, notwithstanding such different or new facts or law. Therefore, Plaintiffs acknowledge that they have been informed of and are familiar with the provisions of California *Civil Code* § 1542, which provides as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiffs expressly assume the risk that, after the execution of the Settlement Agreement, additional or further damages, which are currently unknown or undiscovered, may manifest in relation to the Incident. This Settlement Agreement specifically releases and extinguishes forever all claims against the Defendants of every kind, nature and description whatsoever, known or unknown, suspected or unsuspected, and any and all rights of the Plaintiffs which might otherwise accrue pursuant to California *Civil Code* § 1542 and any comparable state or federal statute or rule of law. By this Settlement Agreement, Plaintiffs expressly acknowledge that they are familiar with and expressly waives and relinquishes the benefits and protections afforded by *Civil Code* § 1542 and any comparable state or federal statute or rule as to the claims described herein.

7. Negotiated Agreement. The Parties acknowledge that the terms of this Agreement, including the waiver and release described in Section 4, was negotiated and drafted by the Parties with the assistance of counsel. Accordingly, any rule of construction to the effect that any ambiguity is to be construed against the drafting party shall not apply to the interpretation of this Agreement

8. City Reservation of Discretion. The Parties recognize and acknowledge that the City is under no obligation to rescind the Policy, and that the City reserves all of its discretion and the full measure of its police powers to evaluate the proposal to rescind the Policy in accordance with applicable procedures, standards and requirements. It is understood and agreed by the Parties that this Agreement shall not be construed in any fashion as an advance determination and does not provide the Parties with any expectation as to the outcome of the legislative review process. Failure of City to rescind the Policy as above described will not constitute a default of this Agreement, but instead will constitute a terminating event for this Agreement.

9. Entire Agreement. Each Party warrants that no promise, inducement, or agreement not expressed herein has been made to it in connection with this Agreement, and that this Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings of the Parties relating to the subject matter hereof.

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10. Written Modification. It is expressly understood and agreed that this Agreement may not be altered, amended, modified or otherwise changed in any respect whatsoever except by an executed written agreement signed by all Parties. The Parties hereto agree that they will make no claim at any time or place that this Agreement has been orally altered or modified or otherwise changed by oral communication of any kind or character.

11. Severability. If for any reason any provision of this Agreement is determined to be invalid, unenforceable or contrary to any existing or future law to any extent, such provision shall be enforced to the extent permissible under the law and such invalidity, unenforceability or illegality shall not impair the operation of or otherwise affect those portions of this Agreement which are valid, enforceable and legal.

12. Binding Effect. This Agreement is and shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, affiliates, predecessors, successors and assigns. Each person executing this Agreement represents and warrants for the benefit of the Parties that it, he or she is authorized to enter into this Agreement and to bind itself, his or her principal(s) to this Agreement.

13. Titles and Captions. Paragraph titles or captions contained in this Agreement are stated only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or any provision within it.

14. Choice of Law. This Agreement shall be construed and enforced pursuant to the laws of the State of California.

15. Venue. The Parties stipulate that the Superior Court in the County of Los Angeles shall continue to have jurisdiction over this matter to enforce this Settlement Agreement and the terms herein pursuant to California *Code of Civil Procedure* § 664.6.

16. Assistance of Counsel. Each of the Parties warrants and represents to the others that it has read and understands this Agreement, and has been represented by counsel of its choice in the negotiation and preparation of this Agreement and that this Agreement is executed voluntarily and without duress or undue influence on the part of, or on behalf of, any of the Parties.

17. Cooperation. The Parties to this Agreement agree to cooperate with each other and to execute such additional documents, papers and pleadings as may be necessary to give effect to the Agreement.

18. Counterparts; Electronic Signatures. This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument. The Parties further agree that this Agreement may be transmitted by facsimile or other electronic means and that the reproduction of signatures by facsimile, PDF or other electronic means will be treated as binding as if originals.

WHEREFORE, EACH OF THE UNDERSIGNED HEREBY DECLARES THAT THE TERMS OF THIS SETTLEMENT AND RELEASE AGREEMENT HAVE BEEN COMPLETELY READ AND ARE FULLY UNDERSTOOD, AND BY EXECUTION

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HEREOF VOLUNTARILY ACCEPTS THE TERMS WITH THE INTENT TO BE LEGALLY BOUND THEREBY.

I HEREBY DECLARE THAT THIS SETTLEMENT AGREEMENT AND RELEASE HAS BEEN CAREFULLY READ AND IS FULLY UNDERSTOOD.

Dated: 7/17/2026

PLAINTIFF, Yes In My Back Yard

Signed by:
26D02161C640430...
By: Sonja Trauss
Its: Executive Director

Dated: 7/19/2026

PLAINTIFF, Sonja Trauss

Signed by:
26D02161C640430...
Sonja Trauss

Dated: 7/19/2026

PLAINTIFF, Andrew Slocum

Signed by:
ANDREW SLOCUM
1F2DFD9B2E624B2...
Andrew Slocum

Dated: 7/28/2026

DEFENDANTS, CITY OF MALIBU and CITY COUNCIL OF MALIBU

Signed by:
By: Bruce Silverstein
7F6374271E434D8...
Bruce Silverstein, Mayor

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APPROVED AS TO FORM:

Dated: 7/19/2026

PATTERSON & O'NEILL, PC

Signed by:
By: Ryan Patterson
80999E2CE01F4A3...

RYAN J. PATTERSON
Attorneys for Plaintiffs
YES IN MY BACK YARD, SONJA TRAUSS and ANDREW SLOCUM

Dated: 7/23/2026

BEST, BEST & KRIEGER, LLP

Signed by:
By: Trevor L. Rusin
07B770AC32A2423...

TREVOR RUSIN
Attorneys for Defendants
CITY OF MALIBU and CITY COUNCIL OF MALIBU