

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into by and between Kenneth Desormes (“Desormes”), Charlotte School of Law, LLC (“CSL”) and Infilaw Corporation (“Infilaw”) (the “CSL Parties”) (sometimes collectively referred to as the “Parties”) and is effective as of the date set forth below.

WHEREAS, Desormes filed a Chapter 7 bankruptcy on January 14, 2010, United States Bankruptcy Court, District of Connecticut, Case No. 10-50079, for which Ronald Chorches was appointed as Chapter 7 Trustee;

WHEREAS, at the time of the filing, Desormes was indebted to the Charlotte School of Law, LLC in the amount of \$12,122.00 pursuant to a promissory note dated August 25, 2008;

WHEREAS, in same bankruptcy Desormes commenced three different adversary proceedings against the CSL parties, among others, bearing Docket Nos. 10-05014, 10-05025, and 10-05094, all bearing the caption Desormes v. Charlotte School of Law, which were later consolidated into one adversary proceeding bearing all three docket numbers (collectively the “Adversary Proceeding”).

WHEREAS, CSL has purchased all of Desormes’ causes of action in the above Adversary Proceeding from the Chapter 7 Trustee for the sum of \$15,000 (the “Claims Purchase”) pursuant to order of the Court dated July 31, 2012, to which Desormes has appealed;

WHEREAS, the Parties are desirous of settling all claims between them,

NOW, THEREFORE, in consideration of these promises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties mutually agree as follows:

1. CSL agrees to pay Desormes the sum of \$25,000, payable upon the later of:
 - a. The complete execution of this Settlement Agreement (the “Agreement”) and all related releases;
 - b. The expiration of fifteen (15) days after the dismissal, with prejudice, of the Adversary Proceeding;
 - c. Desormes’ return to the CSL Parties, through delivery to their counsel, 1) a list of all documents Desormes obtained from any party related to the CSL Parties, including without limitation any documents obtained through discovery requests made in the Adversary Proceeding, any documents obtained from any governmental authority, and any documents

obtained through any Freedom of Information Act requests, 2) all originals and copies of such documents within Desormes' possession, custody, or control, 3) a certification signed under oath, in a form reasonably acceptable to the CSL Parties, that Desormes has complied with the provisions of this paragraph;

d. CSL being excused from its obligations to fulfill the terms of the Claims Purchase as described in paragraph 3 below, and/or

e. The Parties exchange mutual general releases as described in paragraph 5 below.

2. CSL shall place said amount in escrow with its below identified counsel upon the full execution of this Agreement and execution and delivery of all releases contemplated by the Agreement.

3. This Agreement shall be null and void, and of no force and effect, unless:

a. CSL is excused, without cost other than its own attorney's fees, from any and all obligations to complete and fulfill the terms of the Claims Purchase; and

b. The Parties fully execute the Agreement by August 24, 2012, 5:00 PM, time being of the essence.

4. Desormes, on his own behalf and on behalf of his agents, employees, representatives, attorneys, successors and assigns as debtor-in-possession, hereby agrees to release, acquit and forever discharge CSL, Infilaw and any and all of their subsidiaries, affiliates officers, directors, predecessors, heirs, executors, administrators, successors, assigns, employees, attorneys, and representatives pursuant to the terms of a general release in the form set forth in Exhibit B, **EXCEPT THAT** Desormes retains his rights to seek compliance with the terms and provisions of this Agreement. The Parties shall execute and cause to be executed any and all general releases necessary to fulfill the intent of this paragraph.

5. CSL and Infilaw, and any and all of their subsidiaries, affiliates officers, directors, predecessors, heirs, executors, administrators, successors, assigns, employees, attorneys, and representatives agree to release, acquit and forever discharge Desormes and each of his representatives, successors and assigns pursuant to the terms of a general release in the form set forth in Exhibit A, **EXCEPT THAT** the CSL Parties retain their rights to seek compliance with the terms and provisions of this Agreement. The Parties shall execute and cause to be executed any and all general releases necessary to fulfill the intent of this paragraph.

6. Each party hereto assumes the risk of any misinterpretation or mistake, and if any party hereto should subsequently discover that any fact relied upon in entering this Stipulation was untrue, or that its understanding of the facts and law was incorrect, it shall not be entitled to set aside this Stipulation or any Court order approving it by reason thereof.

7. Should any provision of this Agreement be declared or determined by any court to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, such provisions shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision, had never been a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision, or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be deemed added automatically as a part of this Agreement, a provision as similar in terms to such illegal, invalid or enforceable provision as may be possible and be legal, valid and enforceable.

8. This Agreement contains the entire agreement between and among the Parties and supersedes any and all prior agreements, arrangements, or understandings between or among the Parties related to the subject matter of this Agreement. All prior and contemporaneous negotiations and agreements are deemed incorporated into this Agreement or to have been abandoned if not so incorporated into this Agreement. No oral understandings, statements, promises, or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally and may be amended or modified only in writing signed by all Parties.

9. **NONDISPARAGEMENT, NON-DISCLOSURE, NO COOPERATION**

a. The Parties agree to keep confidential, and not disclose to any person other than their own accountants and attorneys, any information relating to the Parties' relationship, the underlying matter and disputes between the Parties, and the term and provisions of this Agreement, including but not limited to the amount of the settlement and the content and substance of any discussion between the parties or their respective representatives regarding the Agreement, except as reasonably required in response to a lawful request from a governmental authority or to file necessary documents with taxing authorities. Desormes acknowledges and understands that this provision applies to a response to a lawful subpoena in connection with any

administrative, legislative or judicial proceeding, except as ordered by a Court or other governmental authority. Should any Party receive such a lawful subpoena, each party agrees to give reasonable notice of such subpoena or request to the other at the Notice Address. The terms of this subparagraph shall apply immediately, even if the Agreement is not yet executed, and the CSL parties are relying to their detriment on same in extending this offer.

b. In addition, the Parties agree not to make any statements, written or verbal, or cause or encourage others to make any statements, written or verbal, that defame, disparage or in any way criticize the personal or business reputation, practices or conduct of Desormes or of the CSL parties, any and all subsidiaries or affiliates of such entities, and any and all of their officers, directors, predecessors, shareholders, agents, employees, representatives, attorneys, successors and assigns. The Parties acknowledge and agree that this prohibition extends to statements, written or verbal, made to anyone.

c. In addition, Desormes acknowledges that there are currently proceedings in other courts involving the CSL Parties, and acknowledges and agrees that the provisions of this paragraph prohibit him from cooperating, in any manner, with the parties involved in said proceedings, except as provided herein.

d. The Parties mutually agree, that in the event that Desormes breaches this provision of the Agreement, that actual damages to the CSL Parties and their officers, directors, predecessors, shareholders, agents, employees, representatives, attorneys, successors and assigns will cause irreparable harm to same persons and will be difficult to determine. Therefore, upon such default the CSL Parties shall be entitled to the amount of \$25,000 as liquidated damages, plus any costs incurred in enforcing this provision, including reasonable attorneys' fees and any other costs of litigation. The Parties also agree that these liquidated damages are intended to compensate the CSL Parties for their losses and not coerce performance from Desormes, and that the CSL Parties shall have all applicable equitable remedies available to them in addition to these liquidated damages.

10. Attorneys and Notice Address: Any notices that must be given under this Agreement shall be sent by regular mail or fax to the Parties' attorneys, who are identified as follows:

The CSL Parties: Scott M. Charmoy, Esq., Charmoy & Charmoy, P.O. Box 804, 1261 Post Road, Fairfield, CT 06824, phone 203-255-8100 Fax number 203-255-8100, email scottcharmoy@charmoy.com.

Desormes (pro se): 4-21 Armstrong Court, Greenwich CT 06830, email kdesormes@gmail.com

Both parties agree to reasonably advise the other of any change of attorney or that attorney's address.

11. The Parties generally agree to cooperate and take all actions reasonably necessary to consummate the terms of this Agreement. In this regard, Desormes agrees, unless both parties mutually agree otherwise, to not file any further motions or objections, to not prosecute any appeals, and to reasonably agree to any continuances or extensions of time as to any deadlines, motions, or other matters so that the CSL parties may preserve their rights until the Parties have consummated the Agreement. In addition, while each Party agrees to use reasonable efforts to consummate the Agreement within a reasonable time, except as set forth in paragraph 3 above time is not of the essence in complying with the provisions of this Agreement, and Desormes agrees he will not impose any deadlines on the performance of this Agreement other than those set forth in paragraph 3 above.

12. Each person executing this Agreement hereby acknowledges that such person has full authority to so execute, that the party has executed this Agreement of its, his or her own free will after consulting with its legal counsel, or has declined to seek such advice, and that no claim released in this Agreement previously has been assigned or otherwise transferred to any person or entity.

13. The Parties each acknowledge and warrant that their execution of this Agreement is free and voluntary.

14. The Parties each acknowledge and represent that they have been apprised of sufficient, relevant information and data furnished by their own lawyers and other information relevant to their respective claims and the releases set forth herein. The Parties each further acknowledge and represent that, in executing this Agreement, they have not relied on any inducements, promises or representations made by the other parties hereto or any person representing or serving such other parties, except as such are contained in this Agreement.

15. This Agreement pertains to disputed claims and does not constitute an admission of liability or of any fact by any of the Parties.

16. The Parties each certify that they have read this Agreement in its entirety and fully understand its contents and effect.

17. Whenever the context so requires herein, the masculine shall include the feminine and neuter, and the singular shall include the plural, and conversely. Likewise, any misspellings or other misidentification of the parties, entities, or other names contained herein shall not affect the validity of this agreement as to the provisions affecting same, and any other reasonable dispute regarding the terms and provisions contained herein shall be construed according to the parties stated intent.

18. This Agreement may be executed in counterpart originals, and the signature pages thereof may be combined to form a complete original hereof. Faxed signatures shall have the same force and effect as original signatures.

19. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective representatives, heirs, executors, administrators, successors and assigns.

20. This Agreement shall not be effective until signed by the last of the Parties. .

<hr/> Kenneth Desormes	<hr/> Frank Toliver For Charlotte School of Law, LLC Associate Dean for Business and Finance Duly Authorized
	<hr/> Chidi Ogene For Infilaw Corporation General Counsel Duly Authorized

EXHIBIT A

GENERAL RELEASE

Greeting: Know Ye, That Kenneth Desormes, Of Greenwich, Connecticut (“Releasor”) for and in consideration of TWENTY FIVE THOUSAND DOLLARS AND NO CENTS (\$25,000.00) lawful money of the United States of America in hand paid by Charlotte School of Law, LLC, Charlotte School of Law, Inc., Charlotte School of Law B Corp., Infilaw Holdings, LLC, Infilaw Corporation, and Infilaw System, (“Releasees”), the receipt whereof is hereby acknowledged, has remised, released and forever discharged and by these presents does for his heirs, executors, administrators, successors, assigns and representatives remise, release and forever discharge the said Releasee, their subsidiaries, affiliates, officers, directors, predecessors, heirs, executors, administrators, successors, assigns, employees, attorneys, and representatives, including without limitation Frank Toliver and Lauren Mack, of and from all, and all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckoning, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, injuries, negligence, judgments, extents, executions, claims and demands whatsoever, in law or in equity, which against the said Releasees the Releasor ever had, now has or which his, executors, administrators, successors, assigns and representatives hereafter can, shall or may have for, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of these presents, particularly from three adversary proceedings filed in Releasor’s Chapter 7 Bankruptcy case, Case No. 10-50079, bearing Docket Nos. 10-05014, 10-05025, and 10-05094, all bearing the caption Desormes v. Charlotte School of Law, which

were later consolidated into one adversary proceeding bearing all three docket numbers.

Kenneth Desormes

State of Connecticut)
)
County of Fairfield) SS.

On this date personally appeared before me, the undersigned, Kenneth Desormes, Signer and Sealer of the foregoing instrument, who acknowledged the same to be his free act and deed.

Date

Name:
Notary Public
My Commission Expires:
Commissioner of the Superior Court

EXHIBIT B

GENERAL RELEASE

Greeting: Know Ye, That Charlotte School of Law, LLC and Infilaw Corporation (“Releasers”) for and in consideration of ONE DOLLAR AND NO CENTS (\$1.00) lawful money of the United States of America in hand paid by Kenneth Desormes, of Greenwich, Connecticut (“Releasee”), the receipt whereof is hereby acknowledged, have remised, released and forever discharged and by these presents does for their executors, administrators, agents, employees, successors, assigns and representatives remise, release and forever discharge the said Releasee, his heirs, executors, administrators, successors, assigns and representatives of and from all, and all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckoning, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, injuries, negligence, judgments, extents, executions, claims and demands whatsoever, in law or in equity, which against the said Releasee the Releasers ever had, now has or which their heirs, executors, administrators, successors, assigns and representatives hereafter can, shall or may have for, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of these presents, particularly from particularly from three adversary proceedings filed in Releaser’s Chapter 7 Bankruptcy case, Case No. 10-50079, bearing Docket Nos. 10-05014, 10-05025, and

10-05094, all bearing the caption Desormes v. Charlotte School of Law, which were later consolidated into one adversary proceeding bearing all three docket numbers.

Name (Releasor)

State of Connecticut SS.
County of Fairfield

On this, the __ day of _____, 2012, before me, the undersigned, personally appeared _____, who acknowledged himself to be the (title) _____ of (NAME) a Connecticut (entity), and that he, as such (title) _____, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as _____, and acknowledged the same to be the (ENTITY'S) free act and deed.

In witness whereof, I hereunto set my hand.

Name:
Notary Public
My Commission Expires:
Commissioner of the Superior Court