

Resolution 22-21

**SETTLEMENT AGREEMENT BETWEEN STATELINE COOPERATIVE AND THE
EMMET COUNTY BOARD OF SUPERVISORS**

This **SETTLEMENT AGREEMENT** (the “Agreement”) is made and entered into effective as of the ____ day of _____, 2022 (the “Effective Date”), by and between Stateline Cooperative (“**SLC**”), on the one part, and the Emmet County, Iowa, Board of Supervisors (“**ECBOS**”), on the other part. The foregoing parties may be referred to individually herein as “Party” and collectively herein as “Parties.”

WITNESSETH:

WHEREAS, SLC owns and pays taxes on the following relevant properties in Emmet County, Iowa Halfa Feed Mill (Parcel No. 08-31-427-002) (“Halfa”); and

WHEREAS, the Parties dispute the appropriate property tax assessment for Halfa for assessment years 2014-2022. For the 2015-2016 assessment years, **SLC** did not protest the 2015-2016 assessments to the Emmet County Board of Review, the Iowa Property Assessment Appeal Board, or to the Iowa District Court for Emmet County. However, following the Iowa Supreme Court’s opinion regarding the 2014 assessment, **SLC** submitted a Claim of Refund to the **ECBOS**, which denied the Claim of Refund.

As noted below, **SLC** intends to challenge that denial to the Emmet County District Court. The Parties have been unable to settle the dispute related to the Halfa assessment for assessment years 2015-2016 regarding the value assigned to overhead ingredient bins. As part of this settlement, the Parties have agreed to value the exemption for the overhead ingredient bins at \$680,000 per year for the purposes of that litigation, and that litigation alone.

This agreement of valuation for the overhead ingredient bins at \$680,000 does not bind, nor should it be taken as an admission by the **ECBOS** that the assessment of the Halfa property for the tax years 2015-2016 is anything other than a settled matter, and does not preclude the **ECBOS** from asserting any claim or defense against **SLC**’s anticipated claims regarding same. This agreement is for the sole purpose of removing the issue of fact as to the value of the overhead bins for the 2015-16 tax years, and should not be construed or considered as any admission, ratification, or concession of any other claim or defense that pertains to **SLC**’s anticipated claims for a refund brought regarding the 2015-16 tax years.

Further Documentation and Action. To the extent necessary, each Party agrees to execute all additional documents and take all further actions necessary to effectuate the purpose of, and promises, obligations and the like set forth in, this Agreement.

No Admission of Liability. This Agreement shall not be interpreted, asserted or construed as an admission of any wrongful acts or liability by any Party hereto.

Integrated Agreement; Severability. This Agreement constitutes the entire understanding between the Parties concerning the subject matter hereof. No other prior representations, inducements, promises, or agreements, oral or otherwise, between the Parties relating to the subject matter hereof shall be of any force or effect. This Agreement shall not be modified except in a writing signed by all Parties hereto. If any provision of this Agreement shall for any reason be held to be invalid, unenforceable, or contrary to public policy, whether in whole or in part, the remaining provisions shall not be affected by such holding.

Binding Effect. This Agreement is binding upon, and shall inure to the benefit of, the Parties hereto and their respective heirs, successors and assigns.

Review by Counsel. The Parties hereto acknowledge and agree that they have carefully read and fully understand the terms, provisions and legal effect of this Agreement, and they are signing the Agreement of their own free will, after having consulted independent legal counsel, or having the opportunity to consult with independent legal counsel, with full knowledge of its significance, and solely in reliance on their own knowledge, belief and judgment and that of their legal counsel.

No Construction Against Party Drafting. The Parties expressly acknowledge and agree that this Agreement represents a negotiated agreement, having been drafted, negotiated, compromised and agreed upon by the Parties. Therefore, the fact that one Party or the other may have been primarily or exclusively responsible for drafting or editing this Agreement shall not, in any dispute over the terms, construction or meaning of this Agreement, be held, interpreted or construed against such Party.

Attorney Fees and Costs. Each Party shall bear its own attorney fees and costs incurred with respect to the negotiation and preparation of this Agreement.

Applicable Law, Jurisdiction and Venue. This Agreement shall in all respects be governed by the laws of the State of Iowa. All actions commenced to enforce this Agreement shall be commenced and prosecuted in the Iowa District Court for Emmet County, and all Parties hereto consent to jurisdiction and venue in that Court.

Due Authority. Each Party respectively warrants and represents, which warranty and representation shall survive the date of this Agreement, that: (i) it has good right, title and authority to enter into this Agreement and perform its respective obligations hereunder; (ii) the execution and delivery hereof by the individuals set forth below, and the consummation of the transactions herein provided, have been duly authorized and approved by such Parties; and (iii) this Agreement, upon execution and delivery by the individuals set forth below, will constitute a valid and binding obligation, enforceable against it in accordance with its terms.

Counterparts. This Agreement may be executed in one or more counterparts, all of which shall together constitute one and the same instrument and shall become effective when one or more counterparts have been signed by each and every Party hereto and delivered to each and every other Party hereto.

