

SETTLEMENT AND RELEASE

This Settlement and Release Agreement (“Agreement”) is made as of this 9 day of January , 2025 (the “Execution Date”), between and among the New Mexico State Ethics Commission (“Commission” or “Releasor”), and Carristo Creative Consulting, LLC (“Releasee”, or “Released Party” or “Carristo”). Each of the Releasor or Releasee may be referred to herein as a “Party” and collectively as the “Parties.”

WHEREAS, on May 24, 2024, the Commission authorized its attorney staff to commence a civil enforcement action to pursue a claim against the Released Party, which claim has been disputed by the Released Party at all times;

WHEREAS, the Commission filed a complaint against the Released Party on June 20, 2024, in New Mexico State District Court, Eighth Judicial District, County of Colfax, captioned *State Ethics Commission ex rel. Village of Angel Fire v. Lindsey, et al.*, No. D-809-CV-2024-00091 (“the Lawsuit”), alleging, inter alia, that the Released Party received payments in violation of certain provisions of the Procurement Code, NMSA 1978, Sections 13-1-28 to 13-1-99 (1984, as amended through 2023), including NMSA 1978, Section 13-1-158(A) (1997), which provisions prohibit prepayment for services or items of tangible personal property, and the Commission, therefore, that the Released Party would be subject to a civil penalty pursuant to NMSA 1978, Section 13-1-197 (1984);

WHEREAS, Carristo categorically denies Releasor’s allegations as stated herein, and Carristo categorically denies all claims of wrongdoing, of causing damages, and of any liability whatsoever, including but not limited to violations of the Procurement Code;

WHEREAS, Carristo affirmatively states that Carristo performed work for the Village of Angel Fire before any payment whatsoever was ever made to Carristo by the Village of Angel Fire;

WHEREAS, the Parties have agreed to amicably resolve this matter, including any and all issues, claims, demands, and/or damages, of whatever nature, that exist, or could exist, by and among them, relating in any way to claims made or which could have been made in the Lawsuit, without the need for further litigation;

WHEREAS, without conceding the merit or lack of merit of any claim or defense or the existence of any liability whatsoever, the Parties wish to settle, compromise, and finally and forever resolve all matters, controversies, disputes, and claims that may exist between the Parties relating to facts underlying the claims that were or could have been raised in the Lawsuit; and

WHEREAS, the Releasor State Ethics Commission’s Executive Director has authority to enter the Agreement on the Commission’s behalf;

NOW, THEREFORE, without trial or adjudication of issue of fact or law, without this Settlement Agreement constituting evidence against Carristo or the Commission, without any admission by Carristo or the Commission of any wrongdoing, in consideration of the foregoing recitals and the mutual promises hereinafter set forth, the Parties agree as follows:

1. **Execution Date.** As used in this Agreement, the “Execution Date” shall mean the date as of which the Agreement is fully executed.

2. **Consideration.** In consideration for Releasor State Ethics Commission’s Release of claims against the Released Party within seven (7) days after the Execution Date:

(a) The Released Party will transmit to the Village of Angel Fire \$9,226.72.

(b) The Released Party will provide to the Releasor evidence sufficient to establish that the Released Party transmitted \$9,226.72 to the Village of Angel Fire.

3. **Release.** In consideration of satisfaction of the conditions set forth in Paragraph 2 and more fully contained herein, Releasor hereby releases, acquits, and forever discharges Releasees from any and all claims, demands, and damages, of whatever nature, actions and causes of action of any kind whatsoever, known or unknown, suspected or unsuspected, which Releasor could have asserted as part of the Lawsuit (“Released Claims”). Any action by one Party to enforce this Agreement against the other shall not be included in the Released Claims.

4. **Dismissal of Claims.** The Parties agree that, within seven (7) days after the Released Party’s performance under Paragraph 2 above, Releasor will dismiss, with prejudice, all claims against the Released Party which Releasor asserted as part of the Lawsuit.

5. **Final Settlement and Adequate Consideration.** The Parties agree that Releasee’s satisfaction of the conditions set forth in Paragraph 2 of this Agreement shall represent final and full satisfaction and settlement of the Released Claims. It is the intent of the Parties to fully and effectively release the Released Claims. This Agreement is intended to have the broadest possible effect so that the allegations arising from the Released Claims be finally and forever put to rest. The Parties agree that the consideration noted in Paragraph 2 represents adequate consideration for this Agreement.

6. **No Admission of Wrongdoing.** This Agreement (whether or not consummated), the settlement reflected herein, and all communications or other actions relating to this settlement or negotiation preceding this settlement, shall not constitute evidence of any admission of fault, liability or wrongdoing by either of the Parties. Notwithstanding the foregoing, the Parties may refer to this Agreement to enforce this Agreement.

7. **Construction.** The terms, provisions, and conditions of this Agreement are the result of negotiations in good faith and at arm’s length between the Releasor State Ethics Commissions and the Releasee, each of which has been represented by legal counsel of their own choosing. Accordingly, the terms, provisions and conditions of this Agreement shall be

interpreted and construed in accordance with their usual and customary meanings, without application of any rule of interpretation or construction suggesting that ambiguous or conflicting terms, conditions, or provisions shall be interpreted or construed against the Party whose legal counsel prepared the executed version of any prior drafts of the Agreement.

8. **Warranty of Capacity to Execute Settlement Agreement.** The Parties represent and warrant that each has the right and authority to execute this Agreement. Further, the Parties represent and warrant that the execution of this Agreement violates no law, rule, agreement or instrument by which they may be bound or to which they are a party.

9. **Compromise of a Disputed Claim.** The Parties agree that this Agreement represents a compromise of disputed rights, demands, claims, actions and causes of action, taking into account, among other things, the costs, inconvenience, expenditure of time and energy, and risks associated with litigation. It is further agreed that nothing contained within this Agreement shall be considered an admission for any such claims, demands, damages, actions, or causes of action, such liability or wrongdoing being expressly denied. Nothing in this Agreement constitutes an admission of liability or wrongdoing by Releasees.

10. **Entire Agreement.** The Parties acknowledge and agree that:

(a) no promises, representations, or agreements have been made in connection with this Agreement other than those set forth herein, and that they intend this to be the final and binding settlement and release of all of Releasor State Ethics Commission's Released Claims against the Released Party, on the terms set forth herein, whether or not they have been previously asserted or articulated; and

(b) except as expressly stated in this Agreement, none of the Parties has made any promise, statement, or representation of law or fact that has been relied upon by any of the other such signatories in entering into this Agreement.

11. **Governing Law.** This Agreement shall be construed and interpreted in accordance with the laws of the State of New Mexico.

12. **Severability.** If, after the effective date hereof, any provision of this Agreement is held to be illegal, invalid or unenforceable, such provision shall be fully severable and shall be unenforceable between the Parties only to the extent of such prohibition or ineffectiveness without invalidating the remainder of the provision or of this Agreement.

13. **Amendment.** This Agreement shall not be modified or amended except in writing signed by the Parties.

14. **Effective Date.** This Agreement shall become effective on the Execution Date, immediately upon execution by the Parties.

15. **Effective in Counterparts.** To expedite the conclusion of this matter, the Parties agree that this Agreement may be executed by electronic signature and further may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. By so proceeding, the Parties further agree that the Agreement shall be and is binding upon each of them, just as if the Agreement had been executed otherwise. Faxed or scanned and emailed copies of manually executed signature pages to this Agreement shall be enforceable without the need for delivery of an original signature.

16. **Fees and Costs.** Each Party agrees to pay its own attorneys' fees, and costs.

17. **Notices.** All notices, requests, demands or other communications required or contemplated hereunder or relating hereto shall be in writing and forwarded by overnight delivery or by hand, with a copy by email, and addressed as follows:

(a) If to Releasor State Ethics Commission: Executive Director

State Ethics Commission
c/o jeremy.farris@sec.nm.gov
800 Bradbury Dr. Ste. 215
Albuquerque, NM 87106


(b) If to Releasee:

Carristo Creative Consulting, LLC
c/o Samantha M. Adams
Adams + Crow Law Firm
5051 Journal Center Blvd. NE, Ste. 320
Albuquerque, NM 87109
Telephone: (505) 582-2819
sam@adamscrow.com

*Attorneys for Carristo Creative
Consulting, LLC*



Jeremy Farris, Executive Director, State Ethics Commission,
on behalf of the New Mexico State Ethics Commission



(Date)



On behalf of Carristo Creative LLC

1/9/2025

(Date)