

CAUSE NO. D-1-GN-10-001929

TEXAS ETHICS COMMISSION	§	IN THE DISTRICT COURT
Plaintiff,	§	
	§	
v.	§	OF TRAVIS COUNTY, TEXAS
	§	
SHARON KELLER	§	
Defendant.	§	200 <sup>TH</sup> JUDICIAL DISTRICT

**SETTLEMENT AGREEMENT  
AND FULL AND FINAL RELEASE OF ALL CLAIMS**

This SETTLEMENT AGREEMENT AND FULL AND FINAL RELEASE OF ALL CLAIMS ("Agreement") is entered into by and between TEXAS ETHICS COMMISSION ("TEC") and SHARON KELLER ("KELLER"). Collectively, TEC and KELLER comprise "the Parties" to this Agreement.

**WHEREAS**, disputes and controversies exist between TEC and KELLER as detailed in the Second Amended Statement of Claims filed in Case No. D-1-GN-10-001929, *Texas Ethics Commission v. Keller*, filed in Travis County District Court ("the Lawsuit").

**WHEREAS**, on April 28, 2010, TEC issued a Final Order in *In the Matter of Sharon Keller*, SC-290354 ("Final Order"), in which TEC made findings of fact and conclusions of law that Keller violated certain reporting obligations in Chapter 572 of the Texas Government Code when she omitted certain information from her original 2006 and 2007 Personal Financial Statements filed with TEC.

**WHEREAS**, on June 10, 2010, Keller filed a *de novo* appeal of the Final Order in the Travis County District Court, pursuant to Texas Government Code § 571.133, and that this appeal had the effect of vacating the Final Order.

**WHEREAS**, in now resolving this matter by agreement, KELLER admits that, after she was provided notice that a Sworn Complaint was filed with TEC alleging she had improperly omitted beneficial interests in real property from her Personal Financial Statements, KELLER voluntarily amended her Personal Financial Statements for 2006 and 2007 to include, among other things, eight beneficial interests in real property that were omitted from her originally filed Personal Financial Statements for those years; KELLER further admits that her omission of these interests constituted violations of her reporting obligations under Chapter 572 of the Texas Government Code.

**WHEREAS**, KELLER now agrees to pay a fine of \$25,000 to TEC to resolve these reporting violations and accepts the findings by TEC in the Final Order that the foregoing eight omissions from her Personal Financial Statements for 2006 and 2007 constituted reporting violations of Chapter 572 of the Texas Government Code.

**WHEREAS**, the purpose of this Agreement is to provide for the dismissal of the Parties' claims in the Lawsuit and resolve any and all claims or complaints existing at the time of the settlement and related to the Lawsuit, whether in the Lawsuit or in the jurisdiction of the TEC; memorialize the Parties' covenants not to sue and their full and final release of any and all claims, existing at the time of the settlement and related to the Lawsuit, that they have or could possibly have against each other or any of their representatives; provide for the payment by KELLER of an agreed fine amount remitted to TEC in exchange for the abandonment and release of all claims against KELLER arising from the allegations made in the Lawsuit and resolve any and all claims or complaints existing at the time of the settlement and related to the Lawsuit, whether in the Lawsuit or in the jurisdiction of the TEC; avoid any additional litigation; and buy peace.

**NOW THEREFORE**, in consideration of these premises and the promises and agreements described and contained herein, the receipt and sufficiency of which is hereby acknowledged and confessed by the Parties, TEC and KELLER further covenant, promise, and agree as follows:

(1) Within thirty (30) days after this Agreement becomes final and enforceable, as described in paragraph 10 of this Agreement, KELLER will remit to TEC the following:

- a. A payment by check made out to the TEXAS ETHICS COMMISSION, which includes a reference to matter number SC-290354, in the amount of \$25,000.

(2) In exchange for the consideration described in this Agreement, the Parties acting for themselves and their current and future representatives, irrevocably, knowingly, voluntarily, and mutually release, waive, and forever discharge any and all claims, demands, actions, or causes of action, of any kind whatsoever, known or unknown, accrued or unaccrued, foreseen or unforeseen, foreseeable or unforeseeable, and any consequences thereof based on the facts set forth in TEC's Second Amended Statement of Claims, which they have or may have against each other and their agents, servants, officers, employees and attorneys (hereafter, the "Released Parties"), who may have played any role whatsoever in the events alleged in the Lawsuit. The disputes released by the Parties include those known or unknown, actual or contingent, in law, in equity, or otherwise, and whether based in tort, contract, statute, or any other basis, but are limited to the facts and circumstances set forth in TEC's Second Amended Statement of Claims. The Parties' release includes all disputes by which the Parties could seek any type of equitable relief; actual, compensatory, consequential, punitive, special, multiple or other damages; expenses (including attorneys' fees and costs); and all other reimbursements or charges of any kind that are based on the facts set forth in TEC's Second Amended Statement of Claims. The disputes released by the Parties include, but are not limited to, claims in contract or at common law, including, but not limited to, breach of any oral, written and/or implied contract, breach of any implied covenant of good faith and fair dealing, intentional and negligent infliction of emotional distress, battery, negligence, misrepresentation or fraud of any kind, duress, unfair dealing, breach of fiduciary or other duty, invasion of privacy, defamation, abuse of process, deprivation or violation of rights to substantive or procedural due process, and interference with contract and/or prospective economic advantage based on the facts set forth in TEC's Second

Amended Statement of Claims. All of the claims outlined in this paragraph are referred to hereinafter as the "Released Claims".

(3) The Parties promise and agree not to institute or to have instituted on their behalf any lawsuit or claim against each other based upon any of the Released Claims, as defined in this Agreement, and forever waive any right they have or may have to bring any such lawsuit or claim against each other, except for any claim to enforce this Agreement. The Parties agree that, with respect to all Released Claims, they are not only waiving their right to recover money or other relief in any action that it might institute against each other, but also that they are waiving their right to recover money or other relief in any action that might be brought against each other on their behalf by any other person or entity.

(4) Within ten (10) days after execution of this Agreement and the receipt by TEC of the sums specified in paragraph 1, above, the Parties agree to file a Joint Motion to Nonsuit the Lawsuit.

(5) Within ten (10) days after execution of this Agreement and the receipt by TEC of the sums specified in paragraph 1, above, TEC will post on its website a link to a copy of this Agreement. This link will be placed on TEC's webpage for Orders on Sworn Complaints, alongside a link the Final Order, which will remain posted on TEC's website.

(6) The Parties acknowledge, warrant and represent to each other that (a) their agents and attorneys have had sufficient time to investigate the relevant facts and legal issues in this dispute in order to make an informed decision about the merits and weaknesses of the Parties respective positions, claims and defenses, (b) they enter into this Agreement upon the legal advice of their attorney, (c) their attorney has explained to their satisfaction the terms, effect, and legal consequences of this Agreement, (d) they fully understand and voluntarily accept the terms of this Agreement, (e) no promise or agreement—other than what is expressed in this Agreement itself—has been made to each other to sign this Agreement and release the Released Claims, (f) they have been advised in writing to consult with an attorney before executing this Agreement and have done so, and (g) in deciding to sign, accept the terms of, and be bound by this Agreement, they are not relying upon any statement or representation or promise which is not expressly set out in this Agreement made by each other or of any agent, employee, representative, officer, or attorney of the Parties. Instead, the Parties are relying on their own judgment and the advice of their attorneys.

(7) The Parties acknowledge and agree that this document contains the entire agreement between the Parties as to the subject matter hereof and that all prior agreements or understandings between them about these matters are nullified by this Agreement and that there are no others. The Parties further agree that any changes or modifications to this Agreement must be made in writing, signed by the party to be charged, and that the provisions in this sentence of this Agreement may not be waived orally or by conduct.

(8) This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. The language of this Agreement shall be construed as a whole and according to its fair meaning, and shall not be strictly construed for or against either party. To the extent any

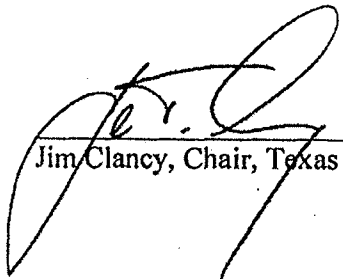
provision(s) of this Agreement may be found by a court of competent jurisdiction to be invalid or unenforceable, the Parties agree that such provision(s) will not affect the validity or enforceability of the remaining provisions of the Agreement.

(9) The Parties understand that this Release and Settlement Agreement is subject to the approval of the Attorney General. TEC's counsel will use best efforts to expeditiously secure the aforementioned approval and approval of any other party necessary to complete this Agreement

(10) The Parties understand that this Release and Settlement Agreement is not final and enforceable unless and until it is ratified by the approval of a majority of a quorum of the TEC in open meeting. The approval of this agreement will be scheduled for a vote of the TEC at the next regularly scheduled meeting occurring after signatures from all signatories to this Agreement are obtained.

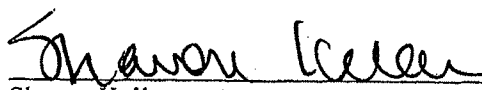
(11) The Parties acknowledge and agree that this Agreement is to be signed by all of the Parties. It is understood and agreed that this Agreement may be executed in multiple counterparts, each of which shall be deemed an original for all purposes. A faxed or photocopied signature hereon shall be as valid as an original.

For Texas Ethics Commission:

  
\_\_\_\_\_  
Jim Clancy, Chair, Texas Ethics Commission

6/19/13  
Date

For Sharon Keller:

  
\_\_\_\_\_  
Sharon Keller

6.24.13  
Date