

SETTLEMENT AGREEMENT AND GENERAL RELEASE

1. **Definition of Terms.** This Settlement Agreement and General Release (“Agreement” or “Release”) is executed by and between Isabel Santa (“Santa”) and Project Veritas, a Virginia corporation (“Project Veritas”) and James O’Keefe (“O’Keefe”) collectively (“the Parties”), on their own behalf.

2. **Non-Admission.** This Agreement does not constitute an admission by Project Veritas or O’Keefe of any violation of any law or statute and the Parties agree that neither this Agreement nor the furnishing of consideration shall be deemed or construed for any purposes as evidence or an admission of liability or wrongful conduct of any kind.

3. **Matters Resolved.** Santa submitted a demand letter to O’Keefe on October 20, 2010 alleging complaints against Project Veritas and O’Keefe; this letter was followed by another demand letter dated November 10, 2010 (all of these letters and the allegations contained therein are collectively referred to as the “Demand”). The Parties desire fully and finally to resolve the Demand and any and all other claims or disputes, whether known or unknown, that have been made or could have been made by or on behalf of Santa against Project Veritas and O’Keefe, relating to conduct or events occurring at any time prior to and including the date on which this Agreement is executed. The Parties represent that no other charges, actions, or claims against each other are pending on their behalf, other than the Demand set forth in this paragraph.

4. **Payment to Santa.** In consideration of the Release set forth in this Agreement, Project Veritas and/or O’Keefe agrees to pay to Santa, for Santa’s benefit, the sum of twenty thousand dollars (\$20,000.00), within 15 days of O’Keefe’s receipt of the executed Agreement, made payable to Isabel Santa and delivered to Christopher L. Markham, Esq., The Law Office of Christopher L. Markham L.L.C., 751 Rockville Pike, Suite 4A, Rockville, MD 20852. No other monies will be paid to Santa or Santa’s attorney, or for the benefit of Santa or her attorney by Project Veritas and/or O’Keefe.

This sum reflects an agreement to pay, for the benefit of Santa, compensation in lieu of damages for any and all claims Santa has or may have had through the date of this Agreement, including, but not limited to, claims for wrongful termination and breach of contract, intentional misrepresentation, negligent misrepresentation, fraud, harassment, negligence, conspiracy, or detrimental reliance, and any exemplary (i.e., punitive) damages. Santa expressly acknowledges and warrants that she is, and shall be, responsible for all federal, state, and local tax liabilities that may result from the payment described in this section and she hereby warrants that Project Veritas and/or O’Keefe shall bear no responsibility for any such tax liabilities. Santa further agrees and acknowledges that she shall indemnify and hold harmless Project Veritas and/or O’Keefe for any possible federal, state, or local tax liabilities resulting from such payment and that she shall reimburse any taxes, interest and/or penalties assessed against Project Veritas and/or O’Keefe for any such tax liabilities caused by such payments.

5. Release of Claims By Santa. Santa hereby irrevocably and unconditionally waives, releases, and forever discharges Project Veritas and O’Keefe, as well as any agents, and assigns, individually and in their representative capacities, and including all past and present trustees, officers, directors, owners, employees, and contractors (including specifically, but not limited to, the members of the Board of Project Veritas: Francisco Gonzalez, Greg Walker, and Colin Sharky as well as former members of the board such as Maureen Wagner) (as well as consultants, donors and/or fundraisers to Project Veritas including, but not limited to, Kate Doner, Eric O’Keefe and Denis Calabrese) (hereinafter the “Released Parties”), from any and all claims and causes of action which Santa had, has, or may have against the Released Parties, whether or not known to Santa, based upon, arising from, or relating to any and all acts, events, and omissions occurring on or prior to the date Santa signs this Agreement. The claims being waived and released include, but are not limited to:

- a. any and all claims arising from or relating to Santa’s recruitment, hire, employment, and separation from employment or contractual relationship with Project Veritas and/or O’Keefe;
- b. any and all claims for monetary damages, wages, severance pay, vacation pay, sick pay, bonuses, commissions, and other compensation and benefits;
- c. any and all claims of discrimination or harassment based on race, color, national origin, religion, veteran status, sex, disability, age, marital status, or other characteristic or conduct protected under any applicable federal, state or local laws and regulations;
- d. any and all claims of wrongful discharge, emotional distress, defamation, misrepresentation, fraud, detrimental reliance, breach of contractual obligations, promissory estoppel, negligence, unlawful retaliation or reprisal, including but not limited to claims for wrongful and/or constructive discharge based on public policy;
- e. any and all claims of unlawful discrimination, harassment and retaliation under any applicable federal, state, and local laws and regulations;
- f. any and all claims arising under: (i) the Age Discrimination in Employment Act (as amended by the Older Workers Benefit Protection Act of 1990); (ii) Title VII of the Civil Rights Act of 1964 as amended; (iii) the Americans with Disabilities Act; (iv) the Family and Medical Leave Act; (v) 42 U.S.C. § 1981; (vi) the Sarbanes-Oxley Act; (vii) the Employee Retirement Income Security Act (except as to rights which already may have vested); (viii) the Health Insurance Portability and Accountability Act of 1996; (ix) the Equal Pay Act; (x) the Virginia Human Rights Act; (xi) the common law of the Commonwealth of

Virginia; and (xii) any other applicable state or local law or regulation, in all cases except to the extent such claims cannot be waived as a matter of law;

- g. any and all claims in contract, tort, public policy, or common law;
- h. any other claims alleged in the Demand; and
- i. any and all claims for costs and attorneys' fees.

6. **Release of Unknown Claims by Santa**. In waiving and releasing any and all claims against the Released Parties, *whether or not now known* to Santa, Santa understands that this means that, if Santa later discovers facts different from or facts in addition to those facts currently known by Santa, or believed by Santa to be true, the waivers and releases of this Agreement will remain effective in all respects – despite such different or additional facts and Santa's later discovery of such facts, even if Santa would not have agreed to this Agreement if Santa had prior knowledge of such facts.

7. **Exceptions for Claims Not Being Waived or Released by Santa**. The only claims that are not being waived and released by Santa under this Agreement are claims Santa may have for:

- a. Unemployment benefits, workers' compensation benefits, state disability benefits and/or paid family leave insurance benefits pursuant to the terms of applicable state law;
- b. violation of any federal, state or local statutory and/or public policy right or entitlement that, by applicable law, is not waivable;
- c. any wrongful act or omission occurring after the date Santa signs this Agreement;
- d. any claim under the Fair Labor Standards Act or claim for health insurance benefits under the Consolidated Omnibus Budget Reconciliation Act ("COBRA");
- e. any claim Santa may have to challenge the knowing and voluntary nature of this Agreement under the Older Workers' Benefit Protection Act ("OWBPA");
- f. or any other claim, as determined by a Court of competent jurisdiction, that cannot be waived as a matter of law.

8. **Government Agency Claims Exception**. Nothing in this Agreement prevents or prohibits Santa from filing a claim with a government agency, such as the U.S. Equal Employment Opportunity Commission, that is responsible for enforcing a law on behalf of the government. However, Santa understands that, because Santa is waiving and releasing all claims for monetary damages and any other form of personal relief, except

as set forth in Section 7 above, Santa may only seek and receive non-personal forms of relief through any such claim.

Nothing in this Agreement prohibits or restricts Santa from: (i) making any disclosure of information required by law; and (ii) providing information to, or testifying or otherwise assisting in any investigation or proceeding brought by, any federal regulatory or law enforcement agency or legislative body.

9. **No Representation as to Tax Consequences.** Santa and her attorneys are and shall be solely responsible for all federal, state and local taxes that may be owed by Santa and her attorneys, respectively, by virtue of the receipt of any portion of the monetary payment provided under this Agreement. Santa agrees to indemnify and hold the Released Parties harmless from any and all liability, including, without limitation, all penalties, interest and other costs that may be imposed by the Internal Revenue Service or other governmental agencies regarding any of Santa's tax obligations that may arise from the monetary consideration made to Santa under this Agreement.

10. **Transfer of Claims.** Santa represents and warrants that Santa has not assigned, transferred, or purported to assign or transfer, to any person, firm, corporation, association or entity whatsoever, any released claim. Santa agrees to indemnify and hold the Released Parties harmless against, without any limitation, any and all rights, claims, warranties, demands, debts, obligations, liabilities, costs, court costs, expenses (including attorneys' fees), causes of action or judgments based on or arising out of any such assignment or transfer. Santa further warrants that there is nothing that would prohibit Santa from entering into this Agreement.

11. **Return of Property.** Santa agrees and represents that she has returned, or will return, to Project Veritas and O'Keefe all documents, files, data, material, details and copies in any form (electronic or hard copy) she has obtained during the time she worked for Project Veritas that are the property of Project Veritas and/or O'Keefe or were created using the resources of Project Veritas and/or O'Keefe or during any hours worked for or on behalf of Project Veritas and/or O'Keefe.

12. **No Future Employment or Contractual Relationship.** Santa agrees and recognizes that Santa's employment and/or contractual relationship with Project Veritas, O'Keefe and/or the Released Parties has been permanently and irrevocably severed. Santa hereby understands and agrees that Santa will not be eligible for a future contractual relationship with Project Veritas, O'Keefe, the Released Parties or any of their subsidiaries, affiliates, or related entities in the future and that Santa will never knowingly apply to Project Veritas, O'Keefe, the Released Parties or any of their subsidiaries, affiliates, or related entities for any job or position in the future.

13. **Confidentiality.** Santa agrees that she will not use or disclose any confidential or proprietary information of Project Veritas, O'Keefe and the Released Parties to anyone aside from the Release Parties. Such confidential information includes all information related to or generated in connection with Santa's duties and responsibilities during the time she worked for Project Veritas and also includes, but is not limited to, **internal reports, personnel information, media strategy, organization strategy, investigative strategy, training strategy, sales and marketing information, budgets and forecasts, undisclosed financial data, strategic plans, operating policies and practices, operating plans, research data, and documents and/or information relating to regulatory and/or legal matters.** Santa likewise agrees that she will keep the existence and terms of this Agreement confidential and that she will not disclose them to anyone, other than her attorney(s), tax advisor(s), and members of her immediate family. Santa further agrees that to the extent she discloses information relating to this Agreement to any of the foregoing individuals, she will first advise them of their obligation to treat such information as confidential. The foregoing shall not prohibit or restrict such disclosure as is required by law.

14. **Non-Disparagement, No Publicity, and Incitement of Claims.** Santa agrees that she will not make or cause to be made any statements intended to disparage or damage Project Veritas, O'Keefe, or the Released Parties or their reputation. In addition, Santa agrees that she will not make or issue any statements to the press concerning any matters or claims covered by this settlement agreement which would violate, in any way, paragraph 13 of this Agreement. Santa also agrees that she will not encourage or incite other current or former employees or associate of Project Veritas, O'Keefe, or the Released Parties to disparage or assert any complaint, claim or charge, or to initiate any legal proceeding against Project Veritas, O'Keefe, or the Released Parties.

15. **Equitable Relief.** Santa agrees that the provisions of this Agreement are reasonably necessary to protect the legitimate interests of Project Veritas, O'Keefe and/or the Released Parties. Santa agrees that it would be impossible or inadequate to measure or calculate the damages to Project Veritas, O'Keefe and/or the Released Parties from any breach of the covenants set forth in this Agreement, and that a breach of such covenants will cause serious and irreparable injury to Project Veritas, O'Keefe and/or the Released Parties. Accordingly, Project Veritas, O'Keefe and/or the Released Parties shall have available, in addition to any other right or remedy available, the right to seek an injunction from a court of competent jurisdiction restraining such a breach (or threatened breach) and to specific performance of this Agreement. Santa further agrees that no bond or other security shall be required in obtaining such equitable relief and Santa hereby consents to the issuance of such injunction and to the ordering of specific performance.

16. **No Waiver of Remedies.** No delay or omission by any Party in exercising any right, remedy or power under this Agreement or existing at law or in equity shall be

construed as a waiver thereof, and any such right, remedy or power may be exercised by such Party from time to time and as often as may be deemed expedient or necessary by such Party in its sole discretion.

17. **Construction of Agreement.**

- j. The laws of the Commonwealth of Virginia, exclusive of laws relating to conflicts of laws, shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the Parties. The Parties further agree that the venue for all disputes arising under this Agreement shall lie exclusively in state or federal courts located in Virginia, which shall have exclusive jurisdiction of same. If Santa breaches this Agreement in any respect, Project Veritas, O'Keefe, or the Released Parties may file suit to obtain any legal or equitable remedy available, including injunctive relief.
- k. This Agreement sets forth the entire agreement between the Parties with respect to the subject matter hereof and supersedes any and all prior agreements or understandings between them pertaining to such subject matter. There are no written or oral understandings, promises, representations, or agreements directly or indirectly related to this Agreement. No modification, revision, addition to, or alteration of this Agreement will be binding unless in writing and signed by Santa as well as Project Veritas and O'Keefe.
- l. If any section of the Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any section is restrained by such tribunal, the application of any and all other sections, other than those which have been held invalid, will not be affected.
- m. Captions and section headings used herein are for convenience only, are not a part of this Agreement, and will not be deemed to limit or alter any provisions hereof or to be relevant in construing this Agreement.

18. **Counterparts.** This Agreement may be executed in separate counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

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IN WITNESS WHEREOF, and intending to be legally bound hereby, Santa agrees that:

WITH MY SIGNATURE BELOW, I ACKNOWLEDGE THAT I HAVE CAREFULLY READ THIS AGREEMENT AND UNDERSTAND ALL OF ITS TERMS INCLUDING THE FULL AND FINAL RELEASE OF CLAIMS SET FORTH ABOVE.

I FURTHER ACKNOWLEDGE THAT I HAVE VOLUNTARILY ENTERED INTO THIS AGREEMENT, THAT I HAVE NOT RELIED UPON ANY REPRESENTATION OR STATEMENT, WRITTEN OR ORAL, NOT SET FORTH IN THIS AGREEMENT, THAT I HAVE BEEN GIVEN THE OPPORTUNITY TO HAVE THIS AGREEMENT REVIEWED BY MY ATTORNEY.

Isabel Santa

Date:

James O'Keefe

Date:

Project Veritas

By: _____

Date: _____