

IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
Civil Division

DISTRICT OF COLUMBIA,

Plaintiff,

v.

PAVILION USA 2020, INC., et al.,

Defendants.

Civil Action No.: 2021 CA 001855 B

SETTLEMENT ORDER

Plaintiff District of Columbia (“District”) and Defendants Pavilion USA 2020, Inc. (“Pavilion”), Frederick Bush, and Alan M. Dunn (“Defendants,” and collectively with the District, the “Parties”), have jointly moved for entry of this Settlement Order. The Parties agree that settlement of this action is in the public interest and entry of this Settlement Order is the most appropriate means of resolving the District’s claims and the Defendants’ defenses in this case. The Parties have agreed to the relief set forth in this Settlement Order, and agree to and shall be bound by its requirements.

It is therefore this ____ th day of _____, 2022, by the Superior Court of the District of Columbia, **ORDERED** and **ADJUDGED** as follows:

1. As set out in the District’s Complaint, the District alleges that Bush and Dunn improperly undermined internal controls and misled independent members of the Board of Directors of Pavilion, a nonprofit corporation, to obtain favorable compensation agreements that placed Pavilion at risk of tax and legal exposure. In securing these compensation agreements, the District alleges that Bush and Dunn caused Pavilion to exceed or abuse its lawful authority and

to act contrary to its nonprofit purposes, in violation of D.C. Code § 29-412.20 and the common law.

2. Defendants agree to entry of this Settlement Order without any admission of liability or wrongdoing.

3. In order to resolve the District's claims, Defendants agree to pay, jointly and severally, and/or through their insurance carrier, Two Hundred and Twenty Thousand Dollars (\$220,000). This settlement amount shall be paid to one or more nonprofit entities within thirty (30) days of the entry of this Settlement Order consistent with instructions to be provided by the District. A W-9 shall be remitted from the respective non-profit within 10 days of entry of this Settlement Order. No amounts paid under this Settlement Order shall be claimed as a tax-deductible contribution.

4. Defendants Bush and Dunn state that they do not currently serve as an officer or director of any District nonprofit and agree not to do so without leave from the Office of the Attorney General for the District of Columbia for a period of five years from the date of this Settlement Order.

5. Upon entry of this Settlement Order and the payment described in paragraph 3, the District of Columbia relinquishes any claims it had, has or could have including against the Defendants' carrier, Philadelphia Indemnity Insurance Company, under the District's Nonprofit Corporation Act, D.C. Code § 29-412.01 *et seq.*, or common law nonprofit enforcement authority relating to Pavilion's payment of compensation to Bush and Dunn.

6. This Settlement Order is final and enforceable as to the Parties. The Parties relinquish any right to appeal the terms of this Settlement Order.

7. This Settlement Order may be executed in counterparts by the Parties, and signature pages transmitted electronically may be treated as originals.

8. The Court retains jurisdiction over this matter to enforce the terms of this Settlement Order.

9. After the resolution and compliance of the Settlement Order, the Parties will file a Stipulation of Satisfaction and this matter will be closed as fully resolved.

10. Each Party to this action will bear its own fees and costs.

SO ORDERED.

Judge Robert R. Rigsby

Date: _____, 2022

FOR PLAINTIFF DISTRICT OF COLUMBIA:

KARL A. RACINE
Attorney General for the District of Columbia

/s/ Kathleen Konopka
KATHLEEN KONOPKA
Deputy Attorney General
Public Advocacy Division

Dated: 4/13/2022

/s/ Jimmy R. Rock
JIMMY R. ROCK
Assistant Deputy Attorney General
Public Advocacy Division

Dated: 4/13/2022

/s/ Nicole S. Hill
NICOLE S. HILL
Assistant Attorney General
Public Advocacy Division

Dated: 4/13/2022

FOR DEFENDANT PAVILION USA 2020, INC.:

By: _____

Dated: _____

Title: _____

FOR DEFENDANT FREDERICK BUSH:

By: _____

Dated: _____

Title: _____

FOR DEFENDANT ALAN M. DUNN:

By:  _____

Dated: April 12, 2022

Title: Director

FOR DEFENDANT PAVILION USA 2020, INC.:

By: Justin M. Point

Dated: 4-12-22

Title: Justin M. Point, Counsel for Pavilion, Authorized Signatory

FOR DEFENDANT FREDERICK BUSH:

By: _____

Dated: _____

Title: _____

FOR DEFENDANT ALAN M. DUNN:

By: _____

Dated: _____

Title: _____

FOR DEFENDANT PAVILION USA 2020, INC.:

By: _____

Dated: _____

Title: _____

FOR DEFENDANT FREDERICK BUSH:

By: *Frederick Bush*

Dated: *April 12, 2022*

Title: _____

FOR DEFENDANT ALAN M. DUNN:

By: _____

Dated: _____

Title: _____