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On March 31, 2011 a Mediation  
was held in Ventura Calif in the case  
of Otting vs Palmer, Case Number  
CIV 86-2011-39 (402 CV-VD-UTA).

after Mediation an agreement was reached.  
Present were Jerry Otting represented by  
Stanley Yates and Sharon Palmer and  
Healthy Family Farms represented by  
Arthur Carvalho of Jerry Young Firm and  
Carvalhos mediator was William L. Park.

A) Otting will sign all documents necessary  
to remove all websites known as unhealthy  
Family Farms or any others on <sup>the same</sup> subject.  
B) Palmer counsel to prepare the letter

b) Otting to disassociate with RAW SOME  
~~9 NO 5~~

C) NO FURTHER CONTACT with  
investor or Consumers of Healthy  
Family Farms other than to advise  
Michael Keenan of this Mediation  
a agreement

d) Write letter to AIGONUS  
VONDERPRAUITZ to cease  
sending info to 3rd person  
re Sharon Palmer or  
Healthy Family Farms "Hff"

e) Dismiss pending U.D



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action (CIV 56-2011-39 140;  
CV-UD-VTA) & OTHER ACTION  
BC 453191 in L.A. County  
f) ~~At the~~ Items 1. a) thru e)  
To be completed ~~with the~~  
~~date~~ on or before  
April 15, 2011. Ottens  
to use best efforts to  
dismiss BC 453191 due  
to fact of his attorney's  
status.

2) Sharon shall pay Property  
Taxes current no later than  
4-30-2011

3) ~~Ottens shall~~ From Insurance  
check Ottens shall return  
\$13,400 as repayment  
for loans to Palmer's  
as follows

\$ 5000	for Cheap Machine
\$ 6000	missed loan repay
\$ 1800	paid at escrow close
\$ 600	paid to satisfy judgment against Palmer.



4) Palmer shall bring out current (i.e. in amount of \$6000/month) as follows:

\$6000 — Jan 2011

\$6000 — Feb 2011

\$6000 — Mar 2011

\$6000 — APR 2011

\$24,000

Based application of Insurance proceeds, money paid Ottina shall pay Palmer \$3948.36 payable to ~~the~~ LHC Trust account.

5) ~~Palmer~~ Palmer shall have an 18-month option to buy property for the outstanding balance of loan (i.e. to Fabs Bank) (i.e. principal & interest then due & owing at closing) subject to:

a) Palmer to pay \$6000 per month on the 1st day of each month of the option



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any payment  
obligation  
under

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period - Late on the 10th  
D) any breach of this agreement  
shall give Ottling <sup>the right</sup> to issue  
10-day notice to cure or  
sell - Palmer's failure to  
cure within such 10-day  
period cancels her option  
without condition & gives  
Ottling the right to sell the  
properties (Pursuant to § 6)  
any notice deemed valid  
if served regular mail -  
prepaid to Palmer at the  
property with copy to  
her Counsel Canvado.  
~~D) Palmer shall pay pursuant  
to the agreement when  
due~~

(c) If Palmer has not purchased  
prop within option period ~~and~~  
if she breaches the provisions  
of this agreement giving rise  
to an acceleration of ~~the~~ Ottling  
right to sell hereunder, the  
~~the~~ Ottling will place the  
properties for sale subject to the  
following conditions:



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- a) If the sale is due to Palmer breach leading to acceleration of sale period then:
- (i) Larry Krough shall be ~~the~~ listing broker
  - (ii) if Larry Krough is unable to sell the property within the 1st 90 day period then Dave Schupbach shall be the listing agent for the next 90-day period.
- b) ~~If~~ If sale follows the natural expiration of the option period, then [Opposite of i) & ii) above]
- c) If after 180 days, the prop is not sold, Palmer & H.F.'s right of occupancy shall terminate & he shall vacate premises.
- d) Sales proceeds of sale shall be used to pay the following in the following order (of priority):



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- i) all balance of Robt Bank loan
- ii) all outstanding prop taxes
- iii) to reimburse, allowing for any Wtgs 9/07 prop taxes he may have paid after the date of this agreement
- iv) all over the above to Palmer.
- v) With regard to any dispute in any offer to purchase property it shall be referred to Lindsey Nelson who, (as receiver) shall make the final decision as to sale price & terms.
- vi) Palmer shall be responsible to rectify all CGLs violations on properties at Palmer's cost & will use best efforts to resolve all such issues within 3-months.
- vii) Palmer will continually maintain the property for liability with limits of at least 1-million dollars



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naming Otting as additional insured.

9) Parties will execute Mutual Agreement as to all claims & causes of action for anything proceeding the date of this agreement.

10) Palmer can ~~see~~ record of memo of options. Palmer will obtain signature of all co-trustees enabling Otting to transfer title of property to ~~his~~ Otting's name. ~~All~~ All parties will ~~agree~~ to terminate existing trust.

11) ~~Any prior agreement~~ This document the final & sole agreement between parties & any prior agreement (oral written) shall be void.

12) Parties can make the order enforce by court.



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13) lawyers to ~~perform~~ prepare formal agreement containing these terms & any other needed documents. However this handwritten agreement is in & of itself enforceable.

14) All ~~and~~ payments to be made to Olling & not to bank.

Date 3-31-2011

Sharon Palmer  
SHARON PALMER

Date 3-31-2011

Cheryl Olling  
CHERYL OLLING

DATE 3-31-2011

Sharon Palmer for Healthy Family Farms  
HEALTHY FAMILY FARMS  
LLC

APPROVED  
AS TO FORM & CONTENT

3-31-2011

Sharon Palmer  
CHERYL OLLING

3-31-2011

William J. Rock  
JUDGE Wm ROCK - MEDIATOR

3-31-2011

JUDGE Wm ROCK - MEDIATOR