

RELEASE AND SETTLEMENT AGREEMENT

THIS RELEASE AND SETTLEMENT AGREEMENT (the “**Agreement**”) is made this ____ day of July, 2014, by and between **PNC BANK, NATIONAL ASSOCIATION** (the “**Bank**”); and _____, a **Virginia corporation** (the “**AG**”); and _____, **LLC, a Virginia limited liability company** (“**CC**”); Borrower and _____ Borrower shall be individually and collectively referred to herein as the “**Borrower**”) and _____, **individually** (“**AG**”) and _____, **individually** (“**CC**”); AG and CC shall be individually and collectively referred to herein as the “**Guarantor**”; the Borrower and the Guarantor to be collectively referred to herein as the “**Obligors**”).

RECITALS

WHEREAS, on or about July 11, 2007, the Bank made a certain commercial loan to _____ Borrower in the original principal amount of \$200,000 (the “**Loan**”; PNC Loan _____, and the terms of the _____ Loan are set forth in that certain Revolving Line of Credit Promissory Note dated July 11, 2007, together with all other documents, instruments, agreements, certificates, amendments, and modifications executed and delivered in connection with the _____ Loan (the “**Loan Documents**”).

WHEREAS, on or about July 11, 2007, the Bank made a certain commercial loan to _____ Borrower and _____ Borrower in the original principal amount of \$1,043,000 (the “**Loan**”; PNC Loan _____ the _____ Loan and the _____ Loan shall be individually and collectively referred to herein as the “**Loans**”), and the terms of the _____ Loan are set forth in that certain U.S. Small Business Administration Note dated July 11, 2007, together with all other documents, instruments, agreements, certificates, amendments, and modifications executed and delivered in connection with the _____ Loan (the “**Loan Documents**”; the _____ Loan Documents and the _____ Loan Documents shall be individually and collectively referred to herein as the “**Loan Documents**”).

WHEREAS, as of July 15, 2014, the outstanding balances due on the Loans are as set forth on Exhibit A, attached hereto and incorporated herein.

WHEREAS, on or prior to July 22, 2014, the Obligors shall deliver or cause to be delivered to the Bank certified funds in the total amount of **ONE HUNDRED THOUSAND AND 00/100THS DOLLARS (\$100,000)** of which **SEVENTY-FIVE THOUSAND AND 00/100THS DOLLARS (\$75,000)** shall be applied to the _____ Loan and **TWENTY-FIVE THOUSAND AND 00/100THS (\$25,000)** shall be applied to the _____ Loan (“**Proceeds**”).

WHEREAS, the Bank will accept the Proceeds in full and complete satisfaction and release of the Loans upon the terms and conditions set forth herein below.

NOW, THEREFORE, in consideration of these premises, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

WITNESSETH

1. **Recitals.** The Bank and the Obligors acknowledge that the recitals are true and accurate, including all outstanding amounts listed on Exhibit A and incorporated herein.
2. **Payment.** On or prior to July 22, 2014, the Obligors shall deliver the Proceeds to the Bank by wire to the address as set forth below. The Obligors understand, acknowledge and agree that the source of the Proceeds shall be fully disclosed in writing to the Bank and the Obligors shall fully cooperate with delivering any information the Bank requires in connection with the Proceeds and shall complete Exhibit B, attached hereto, and incorporated herein.

Wire Information:

PNC Bank, National Association
Pittsburgh, PA
ABA 043-000-096
BNF: Commercial Loans
Acct: # 130760016803
Ref:

3. **Representation.** As of the date of this Agreement, and at all times that any obligations exist hereunder that: (1) no Obligor (x) is listed or otherwise recognized as a specially designated, prohibited, sanctioned or debarred person or entity, or subject to any limitations or prohibitions (including but not limited to the blocking of property or rejections of transactions) under any order or directive of any Compliance Authority; (y) has any of its assets in a Sanctioned Country or in the possession, custody or control of a Sanctioned Person; or (z) does business in or with, or derives any of its operating income from investments in or transactions with, any Sanctioned Person or Sanctioned Country in violation of any law or regulation enforced by any Compliance Authority; (2) the proceeds of the Loans were not used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person or a Sanctioned Country; and (3) each Obligor is in compliance with, and no Obligor engages in any dealings or transactions prohibited by, any laws of the United States including the USA Patriot Act, the Trading with the Enemy Act, or the U.S. Foreign Corrupt Practices Act of 1977, all as amended, supplemented or replaced from time to time. As used herein: “**Compliance Authority**” means each and all of the (a) U.S. Department of the Treasury’s Office of Foreign Asset Control; (b) U.S. Treasury Department/Financial Crimes Enforcement Network; (c) U.S. State Department/Directorate of Defense Trade Controls; (d) U.S. Commerce Department/Bureau of Industry and Security; (e) U.S. Internal Revenue