

PRESENTED TO THE  
UEP TRUST/ FIDUCIARY  
MAY 17, 2007.

## SETTLEMENT AGREEMENT

The United Effort Plan Trust ("Trust"), by and through its Court-appointed Special Fiduciary, Bruce R. Wisan, and the woman formally known as Elissa Wall and known for purposes of this Settlement Agreement as "M.J." agree to settle and dismiss against the Trust the lawsuit entitled M.J. v. Warren Jeffs, et al., Civil No. 050500795, which is pending in the Fifth Judicial District Court of Iron County, State of Utah ("Lawsuit"). The Trust and M.J. hereby agree as follows:

### RECITALS

1. On December 15, 2005, M.J. filed the Lawsuit against Warren Jeffs and the Fundamentalist Church of Jesus Christ of Latter Day Saints ("FLDS Church"). On March 8, 2006, M.J. amended the Lawsuit to name the Trust as a defendant.

2. The Lawsuit alleges, generally, that:

- Warren Jeffs ("Jeffs") is the President of the FLDS Church, also known as "The Work."
- Jeffs was also the President of the Trust until he was suspended and replaced by orders of the Third Judicial District Court "Trust Reformation Action," Civil No. 053900858.
- M. J. was born and raised in The Work and was a participant in the Trust.
- Jeffs drew on his combined authority as President of the FLDS Church and the Trust to gain and exercise absolute control, power and authority over M. J.
- Those who questioned Jeffs' absolute power, control and authority suffered the loss of their homes, families and support through expulsion.
- When M. J. Was 14 years old, Jeffs instructed and commanded her to enter into a "spiritual marriage" with an adult man who was her first cousin.

- Jeffs performed the “spiritual marriage” ceremony between M. J. and her cousin without M. J.’s consent, a marriage license, or legal sanction.

- After Jeffs performed the “spiritual marriage,” he required M.J. to engage in non-consensual sexual intercourse with her cousin.

- M. J. was required to submit to Jeffs’ authority as President of the FLDS Church and the Trust and did so out of fear of retribution.

3. M.J. has sought and considered the advice of her legal counsel at Hoole & King, L.C. and understands and acknowledges that her injury claims against the Trust could result in a multi-million dollar judgment in her favor, but has elected not to pursue a judgment.

4. The Trust has investigated M. J.’s allegations, denies that the Trust has any liability to M.J. and is prepared to vigorously defend the Trust, but recognizes and acknowledges that M.J. has opted not to pursue a judgment against the Trust, but, instead, with this Settlement Agreement has established a means through the Trust to help girls and women with children displaced from their FLDS communities.

5. Regardless of whether the Trust is legally liable to M. J., both the Trust and M. J. recognize that serious harm to girls results from underage marriages, that such marriages have been allowed to occur in FLDS communities and that FLDS communities should prevent further underage marriages and provide, through the Trust, a means of assistance or restitution to girls and women who have been placed in underage marriages or otherwise married against their will.

6. In order to preserve the Trust’s property for all Trust Participants, the Trust’s intention is to vigorously defend all future claims by those who may have been aggrieved like M.J., and, therefore, it is the intention of the Trust and M. J. that this Settlement Agreement address and remedy, to the extent possible, the harm resulting to others.

NOW THEREFORE, based upon the above stated recitals, and in consideration for dismissing the Lawsuit against the Trust, M.J. and the Trust hereby agree as follows.

**SETTLEMENT AGREEMENT**

7. In addition to establishing the "M.J. Fund" referenced in paragraph 8 below, the Trust will convey to M.J. or her designees, pursuant to Special Warranty Deeds, title to 1 lot of the Trust's real property in Colorado City, Arizona, title to 7 lots of the Trust's real property in Hildale, Utah and 4 acres of the Trust's undeveloped real property in Maxwell Canyon, as specifically described in Exhibit "A" attached hereto. Title to this property will be conveyed to M.J. or her designees in one-acre parcels free and clear of all liens and encumbrances including property taxes for tax year 2007.

8. The Trust shall establish a restricted fund in the amount of \$1,000,000.00 to be known as the "M.J. Fund" to provide emergency financial assistance for food, shelter, transportation, relief from temporary financial burdens and other necessities, including education and housing, to Trust Participants. This assistance shall be made available to Trust Participants who have been displaced from their FLDS communities and/or families with a primary focus on assisting girls and woman with children, and a secondary focus on assisting other Trust Participants individually or as families. The Fund shall be composed of two parts as follows:

a. The emergency needs portion ("Emergency Fund") to be funded by the Trust in the amount of \$10,000.00 per increment of funding no later than thirty days after Court approval of the Settlement Agreement. The initial increment of funding in the amount of \$10,000.00 will be paid to the law firm of Hoole & King to be held in a separate trust account established by Hoole & King for disbursement to eligible Trust Participants for emergency needs as the law firm of Hoole & King deems appropriate in accordance with the

terms of the Reformed Trust Declaration. Hoole & King may request additional funding increments of \$10,000.00 upon providing an accounting and a report to the Trust as to how previous monies have been disbursed. If the Trust concurs with Hoole & King that funds have been spent appropriately and in accordance with the terms of the Trust, it may then fund additional increments of \$10,000.00 to Hoole & King in accordance with this Settlement Agreement. The Trust reserves the sole right to determine whether and when to fund any increment other than the first based upon the report and accounting received from Hoole & King.

b. The second portion of the Fund shall be used for longer term needs of Trust Participants such as education, housing, etc. ("Education Fund"). The amount of the Education Fund will be the difference in \$1,000,000.00 and the total amount funded to the Emergency Fund as described in paragraph 8.a. above. Subject to paragraph 8.c. below, the Trust reserves all rights to determine when benefits will be disbursed from the Education Fund. The Trust reserves all rights to determine who receives benefits from the Education Fund. However, the Trust shall accept input and recommendations about needs of Trust Participants from no more than two Special Advisors to be named by M.J., which advisors shall serve at no cost to the Trust. The Special Advisors' input will be limited to distributions from the Fund.

c. The Trust will transfer a total of \$1,000,000.00 to the M.J. Fund at the rate of \$200,000.00 per year for the years 2007 through 2011, or earlier. Any amounts remaining in the M.J. Fund as of December 31, 2012 shall revert to the Trust.

d. Receiving disbursements from the M.J. Fund shall not preclude any Trust Participant from seeking other benefits from the Trust, nor shall it preclude the Trust from

distributing other benefits to Trust Participants in accordance with the procedures and purposes set forth in the Reformed Trust Declaration.

9. Upon Court approval of this Settlement Agreement, the Trust shall, at its expense, mail to all individuals with a post office box in known FLDS communities a copy of this Settlement Agreement together with a copy of a letter from M.J. addressed to the FLDS people.

10. M.J. is represented by Hoole & King. As part of this Settlement Agreement Hoole & King will be compensated by the Trust for legal services and costs because of the benefit M.J. and her counsel have conferred on the Trust, all Trust Participants, and specifically those Trust Participants referred to in paragraph 8 above. The Trust will compensate Hoole & King by conveying to it or its designees, pursuant to special warranty deed, title to 11 acres of the Trust's undeveloped real property located in Maxwell Canyon, as specifically described in Exhibit "B" attached hereto. Title to this property will be conveyed to Hoole & King or its designees in one acre parcels free and clear of all liens and encumbrances, including property taxes for tax year 2007, which property taxes total \$\_\_\_\_\_.

11. Except as otherwise specifically provided in this Settlement Agreement, the Trust grants to M.J. and M.J. grants to the Trust a full and complete release and discharge from any and all claims and causes of action existing between them at the time of the execution of this Settlement Agreement, whether known or unknown, anticipated or unanticipated, suspected or claimed, direct or indirect, contingent or uncontingent, liquidated or unliquidated, asserted or unasserted, accrued or unaccrued, whether in law or in equity, of any kind, nature, or description, including without limitation claims, causes of action, and remedies pursuant to the Utah Uniform Trust Code, as amended, and including counterclaims, actions, demands, causes of action, suits, controversies, damages, liabilities, losses, remedies, and attorneys fees and expenses of any nature.

12. Within ten (10) days after Court approval of this Settlement Agreement in the Trust Reformation Action M.J. shall arrange for the Lawsuit to be dismissed with prejudice against the Trust.

13. This Settlement Agreement shall not release or waive the claims of the Trust or M.J. against any person or entity not a party to this Settlement Agreement. Specifically, with respect to M.J.'s claims against persons or entities other than the Trust, and the Trust's claims against persons or entities other than M.J., this settlement shall not affect, limit, or release M.J.'s or the Trust's claims to, or ability to execute judgments against, property, real or personal, which is not titled in the name of the Trust as of the date this settlement is approved, even if such property is later found to be property of the Trust or property in which the Trust has an interest.

14. Other than as expressly set forth in this Settlement Agreement, M.J. and the Trust will be responsible for all of their own attorneys' fees and costs which have been or may be incurred in the Lawsuit.

15. This Settlement Agreement is subject to Court approval in the Trust Reformation Action. In the event this Settlement Agreement is not approved by the Court in the Trust Reformation Action, nothing in this Settlement Agreement, including the facts set forth in the Recitals, will be binding on any of the parties.

16. This Settlement Agreement shall not preclude M.J. or any other Trust Participant from seeking any other benefits or the Trust from distributing any other benefits to M.J. or any other Trust Participant in accordance with the procedures and purposes set forth in the Reformed Trust Declaration.

17. This Settlement Agreement may only be modified by express written agreement of the parties.

18. Every term and provision of this Settlement Agreement is intended to be severable. Accordingly, in the event any term or provision in this Settlement Agreement is declared illegal, invalid, or otherwise unenforceable by a court of competent jurisdiction, such illegality, invalidity, or unenforceability shall not affect the remaining terms and provisions of this Settlement Agreement, which shall remain fully valid, binding, and enforceable, unless doing so will materially alter the relative benefits and burdens of the parties bargained for herein.

19. This Settlement Agreement shall be governed by and construed in accordance with the laws of the State of Utah.

Dated: May \_\_, 2007

CALLISTER NEBEKER & MCCULLOUGH

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Jeffrey L. Shields  
Attorney for Bruce R. Wisan

Dated: May \_\_, 2007

UNITED EFFORT PLAN TRUST

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Bruce R. Wisan, Special Fiduciary  
Court-appointed Special Fiduciary

Dated: May \_\_, 2007

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Elissa Wall

Dated: May \_\_, 2007

HOOLE & KING, L.C.

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Roger H. Hoole  
Attorney for Elissa Wall

Dated: May \_\_, 2007

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Gregory N. Hoole  
Attorney for Elissa Wall