**TOLLING AGREEMENT**

This Tolling Agreement (“Agreement”) is made by and between **(1)** the “Districts”, including (a) Nogales Unified School District No. 1; (b) Patagonia Elementary School District No. 6; (c) Patagonia Union High School District No. 20; (d) Santa Cruz Elementary School District No. 28; (e) Santa Cruz Valley Unified School District No. 35; (f) Sonoita Elementary School District No. 25; (g) Nogales Suburban Fire District; (h) Rio Rico Medical and Fire District; (i) Tubac Fire District; and (j) Sonoita-Elgin Fire District; and **(2)** Elizabeth Gutfahr, in her official, individual and community capacities (“Gutfahr”). Each entity or person referenced herein shall be referred to as a “Party,” and collectively all entities and persons referenced herein shall be referred to as “Parties.”

RECITALS

WHEREAS, Gutfahr previously served as the County Treasurer of Santa Cruz County (the “Treasurer”);

WHEREAS, on August 1, 2024, Santa Cruz County (the “County”) filed a Verified Complaint in the Superior Court of Arizona, Pima County, Case No. CV2024-4535 against Gutfahr and others (the “Complaint”) alleging, *inter alia*, that Gutfahr embezzled at least $39 million from the County, the Treasurer, and the Districts (“Gutfahr’s Alleged Fraud”); and

WHEREAS, for purposes of this Agreement, Gutfahr does not admit the allegations in the Complaint; and

WHEREAS, the Districts may have but have not determined if they have, legal claims or causes of action against Gutfahr arising from Gutfahr’s Alleged Fraud; and

WHEREAS, certain time limitations may be prescribed by law for the Districts to assert any legal claims or causes of action the Districts have, or may have, against Gutfahr arising from Gutfahr’s Alleged Fraud; and

WHEREAS, the Districts and Gutfahr have concluded that it is prudent for Gutfahr to toll time limitations that may be prescribed by law for the Districts to assert any legal claims or causes of action the Districts have, or may have, against Gutfahr.

NOW THEREFORE, it is agreed as follows:

TERMS AND CONDITIONS

1. The Parties agree that the Notice of Claim period, including the periods set forth in A.R.S. §§ 11-622 and 12-821.01(A), in which the Districts may be required to provide Gutfahr with a written basis on which the Districts assert Gutfahr is or may be liable in whole or part for Gutfahr’s Alleged Fraud and to state a specific amount for which any such claims may be settled is tolled and suspended from the effective date of this Agreement through and including February 28, 2025, which the parties may extend further by a signed, written amendment to this Agreement.
2. The Parties agree that the one-year period in which the Districts may be required to file a lawsuit against Gutfahr, pursuant A.R.S. § 12-821, shall be tolled and suspended to May 29, 2025, which the parties may extend further by a signed, written amendment to this Agreement.
3. The periods identified in paragraphs (1) and (2) above are referred to as the “Tolling Period.”
4. Gutfahr agrees she will not assert that any Notice of Claim made by any of the Districts to Gutfahr was or is untimely if the Notice of Claim was made within the Tolling Period, and Gutfahr will not assert any statute of limitations defense or other defenses based on the timeliness of the filing of any lawsuit by the Districts against Gutfahr if any of the Districts files a lawsuit against Gutfahr within the Tolling Period.
5. This Agreement is not admissible in any proceeding except for the limited purpose of proving the existence of this Agreement and the rights and obligations specified herein.
6. This Agreement constitutes the entire agreement between the Parties as to the matters herein and supersedes all prior and contemporaneous agreements pertaining to such matters. This Agreement may not be modified except through a writing executed by both Parties or electronic mail between counsel for the Parties confirming the modification(s).
7. This Agreement shall be governed by and construed in accordance with the laws of the state of Arizona without regard to conflicts of law.
8. This Agreement may be signed by electronic means and in multiple counterparts which shall constitute one Agreement when combined. Faxed, scanned, or emailed images of signatures shall be sufficient for this Agreement and be the equivalent of original signatures.

[Signature Pages Follow]

**Elizabeth Gutfahr**

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Date

**Nogales Unified School District No. 1**

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Authorized Signature Date

By:

Its:

**Patagonia Elementary School District No. 6**

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Authorized Signature Date

By:

Its:

**Patagonia Union High School District No. 20**

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Authorized Signature Date

By:

Its:

**Santa Cruz Elementary School District No. 28**

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Authorized Signature Date

By:

Its:

**Santa Cruz Valley Unified School District No. 35**

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Authorized Signature Date

By:

Its:

**Sonoita Elementary School District No. 25**

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Authorized Signature Date

By:

Its:

**Nogales Suburban Fire District**

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Authorized Signature Date

By:

Its:

**Rio Rico Medical and Fire District**

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Authorized Signature Date

By:

Its:

**Tubac Fire District**

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Authorized Signature Date

By:

Its:

**Sonoita-Elgin Fire District**

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Authorized Signature Date

By:

Its: