

**SETTLEMENT AGREEMENT AND GENERAL RELEASE**

This SETTLEMENT AGREEMENT AND GENERAL RELEASE [hereinafter, the "Agreement"], made as of this \_\_\_\_ day of May, 2011, by and between Plaintiff Deborah Nelson [hereinafter, "Plaintiff"], and Defendants Commissioners of Fire District No. 1 in Franklin Township, Somerset County, Millstone Valley Fire Department, Robert R. Scheer, Jr., James Wickman, Joseph Danielsen, and William H. Cullen, III [collectively, "Defendants"]. Plaintiff and Defendants are collectively referred to herein as the "Parties."

WHEREAS, on November 19, 2009, Plaintiff instituted an action by the filing of a Complaint against Defendants in the Superior Court of New Jersey, Law Division, Somerset County, entitled *Deborah Nelson v. Commissioners of Fire District No. 1 in Franklin Township, Somerset County, Millstone Valley Fire Department, Robert R. Scheer, Jr., James Wickman, Joseph Danielsen, William H. Cullen, III, and John and Jane Does 1-10 (fictitious names)* Docket No. SOM-L-2127-09 [hereinafter, the "Action"]; and

WHEREAS, the Parties have consulted with their respective attorneys prior to executing this Agreement, and have had an adequate opportunity to consider the Agreement; and

WHEREAS, the Parties are desirous of settling any disputes among them, including those contained in the Action, based on the terms and conditions contained in this Agreement;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree and covenant as follows:

- 1) Effective Date. This Agreement is effective and binding upon the Parties as of the date set forth above.

2) Dismissal of the Action. Simultaneous with the execution of this Agreement, the Parties, by their respective counsel, shall execute a Stipulation of Dismissal for filing with the Court, in the form attached hereto as Exhibit A, dismissing the Action with prejudice against the Commissioners of Fire District No. 1 in Franklin Township, Somerset County and Millstone Valley Fire Department and without attorneys' fees and costs to any party. This Stipulation of Dismissal shall be filed with the Court within ten (10) business days after the receipt of the consideration payable to Plaintiff by Defendants. Additionally, simultaneous with the execution of this Agreement, the Parties, by their respective counsel, shall execute and deliver a Stipulation of Dismissal for filing with the Court, in the form attached hereto as Exhibit B, dismissing the Action with prejudice against Robert R. Scheer, Jr., James Wickman, Joseph Danielsen and William H. Cullen, III, and without attorneys' fees and costs to any party. This Stipulation of Dismissal shall be filed within one (1) day of full execution of the Settlement Agreement by the Parties.

3) Settlement Conditions: Defendants agree as follows:

(a) As a special settlement benefit and in consideration of the release executed by Plaintiff herein, Defendants shall pay Plaintiff a one-time settlement payment of \$150,000 made payable to the Law Firm of Gina Mendola Longarzo in Trust for Deborah Nelson for alleged tort damages attributable to purported physical illness within ten (10) business days of her executing and returning this Agreement. Defendants will provide the Internal Revenue Service ("IRS") and Plaintiff with any tax reporting or information form at the end of the year in which this payment is made reflecting such payment. Plaintiff agrees that she is solely responsible for the payment and reporting of federal, state and/or local taxes with respect to the Settlement Amount, and Plaintiff agrees to waive any such claims against Defendants for any liability for the reporting or payment of applicable taxes.

(b) Additionally, the Commissioners of Fire District No. 1 in Franklin Township, Somerset County [hereinafter, "Fire District No. 1"]

acknowledge that they are aware of the separate Settlement Agreement and General Release between Plaintiff and Robert R. Scheer, Jr. related to the Action [the "Nelson/Scheer Agreement"], attached hereto as Exhibit C, and agree to be bound by the notice provisions set forth at paragraph 3(a) of the Nelson/Scheer Agreement.

4) Release of Claims by the Parties. Plaintiff and Defendants and all of their present, former or future agents, personal representatives, heirs, beneficiaries, executors, administrators, assigns and insurance carriers (including Glatfelter Claims Management, Inc. and American Alternative Insurance Corporation) [hereinafter, the "Releasers"] hereby irrevocably and unconditionally forever release, acquit and discharge each other from and against any and all claims, debts, sums of money, obligations, losses, costs, attorney's fees, controversies, suits, actions, causes of action, liabilities, judgments, damages, expenses, claims, or demands, in law or in equity, asserted or unasserted, express or implied, foreseen or unforeseen, real or imaginary, suspected or unsuspected, known or unknown, liquidated or non-liquidated, of any kind or nature or description whatsoever, which the Releasers ever had or now have, which were, could have been or should have been asserted against each other as of the date of the Agreement.

The claims released as of the date of this Agreement include, but are not limited to:

(a) all claims which were or could have been asserted by or against any of the Parties including, but not limited to, any claims which were or could have been asserted in the Action;

(b) all statutory claims, including claims arising under the New Jersey Law Against Discrimination, the New Jersey Family Leave Act, the New Jersey Conscientious Employee Protection Act, the New Jersey Wage Payment Law, the New Jersey Worker's Compensation Act, the New Jersey Civil Rights Act, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Employee Polygraph Protection Act, the Americans with Disabilities Act, the Rehabilitation Act, the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act and/or state law equivalent, the Uniformed Services Employment and Reemployment Rights Act of 1994, the Sarbanes-Oxley Act of 2002, the Family and Medical Leave Act, and any and all other applicable federal, state, county or local statutes, ordinances or regulations;

- (c) all claims arising under the United States or any state's Constitutions;
- (d) all claims arising under any Executive Order or derived from or based upon any federal regulations;
- (e) all common law claims, including but not limited to, claims for violation of public policy, breach of an express or implied contract, breach of an implied covenant of good faith and fair dealing, intentional infliction of emotional distress, conversion, embezzlement, loss of consortium, defamation, conspiracy, tortious interference with contract or prospective economic advantage, promissory estoppel, unjust enrichment, quantum meruit, account stated, equitable estoppel, fraud, misrepresentation, detrimental reliance, retaliation, and negligence;
- (g) all claims for personal injury, including physical injury, physical manifestations of emotional distress, mental anguish, emotional distress, pain and suffering, embarrassment, humiliation, damage to name or reputation, interest, liquidated damages, and punitive damages; and
- (h) all claims for costs and attorneys' fees.

5) Mutual Non-Disparagement/Good Faith Dealings: The parties shall not take any actions or make or solicit any statements (written or oral) which in any way disparage, criticize or otherwise reflect adversely upon either Party (unless such statements are made under oath at a deposition or at trial) or which otherwise encourage any adverse action against the Parties. Additionally, Defendants shall take no adverse or retaliatory employment actions against Plaintiff because of her complaints of harassment and discrimination, the Action or the settlement of the Action and shall not terminate her employment except for cause. The parties agree to exhibit good faith in all future dealings in light of their ongoing employment relationship.

6) Breach of Agreement/Attorneys' Fees. In the event that either party brings an action to enforce the terms of this Agreement or as a result of a breach of the Agreement by the opposite party, in addition to any remedies available at law or in equity, the non-breaching party shall be entitled to an award of reasonable attorneys' fees and costs incurred in connection with that enforcement or breach action.

7) Entities and Persons Bound by Agreement. The terms of the Agreement shall be binding upon the Parties and their successors and assigns.

8) Compromise/No Admission of Liability. The Parties understand, represent, and warrant that this Agreement is a full and final compromise of disputed claims and not an admission of wrongdoing or liability (civil and criminal) by or on the part of any party. Nothing in this Agreement shall in any way be construed as an admission by any party that it, he, or they acted wrongfully with respect to any other party or in any other way, and all Parties deny and specifically disclaim any liability to any other party.

9) Enforceability and Severability. The Parties agree and acknowledge that each of the provisions of this Agreement is reasonable and should be fully enforceable, and the Parties waive any right to argue, assert or allege any claim to the contrary. However, if any provision of this Agreement is determined by a Court of competent jurisdiction to be unenforceable because it is overbroad or unreasonable, the Parties agree that such provision(s) may be modified and enforced to the maximum extent permissible. If any provision of this Agreement is held to be invalid and cannot be modified so as to make it enforceable, then such provision shall be deemed to be severed from the Agreement and the remaining provisions shall remain in full force and effect.

10) Waiver of Breach. A waiver by any Party of a breach of any of the provisions of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement or of any subsequent breach of the same or any other provisions of this Agreement. The understandings and representations of the Parties set forth in this Agreement shall survive any breach of this Agreement and be enforceable by any non-breaching Party.

11) Entire Agreement. This Agreement constitutes the sole and complete agreement among the Parties with respect to the settlement of the Action. None of the Parties is relying upon any representation, understanding, undertaking or agreement, whether oral or in writing, not set forth in this Agreement. This Agreement may not be amended, changed, altered, modified or terminated except in a writing signed by all the Parties hereto.

12) Drafting and Negotiation by Counsel. The drafting and negotiation of this Agreement have been participated in by each of the Parties and their respective counsel and, for all purposes; this Agreement shall be deemed to have been drafted jointly by each of the Parties. No ambiguity shall be resolved against any Party based upon authorship. The Parties hereby acknowledge that they have been represented by counsel throughout the settlement of the above-referenced matter, throughout the negotiation of this Agreement, and at the execution of this Agreement, and have read and consulted with counsel regarding this Agreement.

13) Headings. The headings contained in this Agreement are for convenience and reference purposes only and shall not be deemed to be a part of the Agreement or to offer the meaning or interpretation of this Agreement.

14) Counterparts. This Agreement may be executed in counterparts, including by fax, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

15) Authority. The signatories hereto warrant and represent that they are legally authorized and empowered to enter into this Agreement on behalf of the Parties.

16) Governing Law; Jurisdiction. This Agreement shall be construed under, subject to, and governed by the laws of the State of New Jersey, without regard to conflict of law principles.

17) No Modification. This Agreement shall not be modified except in accordance with a written agreement signed by all parties hereto.

18) Further Assurances. The Parties hereto agree to perform such other and further acts or things and to execute and deliver such other and further documents necessary and appropriate to effectuate the terms and objectives hereof.

19) Notices. All Notices and exchanges of information required under this Agreement must be delivered to the Notice Agents for the Parties hereto by Overnight Delivery or Certified Mail Return Receipt Requested. Notice shall be deemed to have been given or delivered upon the date it is received by the Notice Agent.

Notice to Plaintiff:

Deborah Nelson  
238 Cedar Grove Lane  
Somerset, New Jersey 08875

Copy to:

Law Offices of Gina Mendola Longarzo  
400 Main Street  
Chatham, New Jersey 07928

Notice to Defendants:

Commissioners of Fire District No. 1 in Franklin Township, Somerset County  
P.O. Box 5163  
370 Campus Drive  
Suite 102  
Somerset, New Jersey 08875-5163

Millstone Valley Fire Department  
P.O. Box 2221  
East Millstone, New Jersey 08875

Copy to:

Richard M. Braslow Esq.  
516 Fielders Lane  
Toms River, NJ 08755

Robert R. Scheer, Jr.  
112 Grouser Road  
Somerset, NJ 08873

Copy to:  
Gregory B. Gilmore, Esq.  
Gonzalez Saggio & Harlan  
155 Willowbrook Boulevard  
Suite 300  
Wayne, NJ 07470

20) Signatures. The Parties hereby signify their agreement to the above terms by their signatures below. All signatories to this Agreement represent that they have carefully read the Agreement, have had sufficient time to review this Agreement before signing it, are represented by counsel in connection with this settlement, and have had an opportunity to consult with and have consulted with an attorney prior to signing this Agreement.



IN WITNESS WHEREOF, the Parties, by the undersigned, have executed this Agreement as of the date first above written.

<p>DEBORAH NELSON</p> <p>By: <u><i>Deborah Nelson</i></u></p> <p>Dated: 8/17/2011</p>	<p>COMMISSIONERS OF FIRE DISTRICT NO. 1 IN FRANKLIN TOWNSHIP, SOMERSET COUNTY</p> <p>By: <u><i>Bernard G. Boyzart</i></u></p> <p>Dated: 07-05-2011</p>
<p>MILLSTONE VALLEY FIRE DEPARTMENT</p> <p>By: <u><i>[Signature]</i></u></p> <p>Dated: 7/19/11</p>	<p>ROBERT R. SCHEER, JR.</p> <p>By: <u><i>Robert R. Scheer</i></u></p> <p>Dated: 8-11-11</p>

## **SETTLEMENT AGREEMENT AND GENERAL RELEASE**

This SETTLEMENT AGREEMENT AND GENERAL RELEASE [hereinafter, the "Agreement"], made as of this \_\_\_\_ day of May, 2011, by and between Plaintiff Deborah Nelson [hereinafter, "Plaintiff"] and Defendant Robert R. Scheer, Jr. [hereinafter, "Defendant"]. Plaintiff and Defendant are collectively referred to herein as the "Parties."

**WHEREAS**, on November 19, 2009, Plaintiff instituted an action by the filing of a Complaint against Defendants in the Superior Court of New Jersey, Law Division, Somerset County, entitled *Deborah Nelson v. Commissioners of Fire District No. 1 in Franklin Township, Somerset County, Millstone Valley Fire Department, Robert R. Scheer, Jr., James Wickman, Joseph Daniels, William H. Cullen, III, and John and Jane Does 1-10 (fictitious names)* Docket No. SOM-L-2127-09 [hereinafter, the "Action"]; and

**WHEREAS**, the Parties have consulted with their respective attorneys prior to executing this Agreement, and have had an adequate opportunity to consider the Agreement; and

**WHEREAS**, the Parties are desirous of settling any disputes among them, including those contained in the Action, based on the terms and conditions contained in this Agreement;

**NOW, THEREFORE**, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree and covenant as follows:

- 1) Effective Date. This Agreement is effective and binding upon the Parties as of the date set forth above.
- 2) Dismissal of the Action. Simultaneous with the execution of this Agreement, the Parties, by their respective counsel, shall execute a Stipulation of Dismissal for filing with the Court, in the form attached hereto as Exhibit A, dismissing the Action with prejudice against and

without attorneys' fees and costs to any party. The Stipulation of Dismissal shall be filed with the Court within ten (10) business days after the receipt of the consideration payable to Plaintiff by Defendants.

3) Settlement Conditions: Defendant agrees as follows:

- a) Defendant Scheer agrees to immediately resign as an auxiliary member of the Millstone Valley Fire Department and will not attend any event sponsored by: (i) Fire District No. 1 in Franklin Township, Somerset County [hereinafter, "Fire District No. 1"]; or (ii) any of Fire District No. 1's member fire companies/departments, provided that Plaintiff has indicated in advance to the Chairman of the Commissioners of Fire District No. 1 that she will attend any such event and The Chairman of the Commissioners of Fire District No. 1 shall give five (5) days written notice to Defendant Scheer of Plaintiff's intent to attend such event;
- b) Defendant Scheer agrees to never seek membership in a fire company in Fire District No. 1;
- c) Defendant Scheer agrees to not attend any events sponsored by Fire District No. 1 that Plaintiff must attend to perform her official employment duties relative to Fire District No. 1, including all Fire District No. 1 monthly meetings and special meetings called from time to time by Fire District No. 1; and
- d) Defendant Scheer agrees to never seek re-election as a Commissioner in Fire District No. 1.

4) Release of Claims by the Parties. Plaintiff and Defendant and all of their present, former or future agents, personal representatives, heirs, beneficiaries, executors, administrators, and assigns [hereinafter, the "Releasers"] hereby irrevocably and unconditionally forever release, acquit and discharge each other from and against any and all claims, debts, sums of money, obligations, losses, costs, attorney's fees, controversies, suits, actions, causes of action, liabilities, judgments, damages, expenses, claims, or demands, in law or in equity, asserted or

unasserted, express or implied, foreseen or unforeseen, real or imaginary, suspected or unsuspected, known or unknown, liquidated or non-liquidated, of any kind or nature or description whatsoever, which the Releasors ever had or now have, which were, could have been or should have been asserted against each other as of the date of the Agreement. The claims released as of the date of this Agreement include, but are not limited to:

(a) all claims which were or could have been asserted by or against any of the Parties including, but not limited to, any claims which were or could have been asserted in the Action;

(b) all statutory claims, including claims arising under the New Jersey Law Against Discrimination, the New Jersey Family Leave Act, the New Jersey Conscientious Employee Protection Act, the New Jersey Wage Payment Law, the New Jersey Worker's Compensation Act, the New Jersey Civil Rights Act, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Employee Polygraph Protection Act, the Americans with Disabilities Act, the Rehabilitation Act, the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act and/or state law equivalent, the Uniformed Services Employment and Reemployment Rights Act of 1994, the Sarbanes-Oxley Act of 2002, the Family and Medical Leave Act, and any and all other applicable federal, state, county or local statutes, ordinances or regulations;

(c) all claims arising under the United States or any state's Constitutions;

(d) all claims arising under any Executive Order or derived from or based upon any federal regulations;

(e) all common law claims, including but not limited to, claims for violation of public policy, breach of an express or implied contract, breach of an implied covenant of good faith and fair dealing, intentional infliction of emotional distress, conversion, embezzlement, loss of consortium, defamation, conspiracy, tortious interference with contract or prospective economic advantage, promissory estoppel, unjust enrichment, quantum meruit, account stated, equitable estoppel, fraud, misrepresentation, detrimental reliance, retaliation, and negligence;

(g) all claims for personal injury, including physical injury, physical manifestations of emotional distress, mental anguish, emotional distress, pain and suffering, embarrassment, humiliation, damage to name or reputation, interest, liquidated damages, and punitive damages; and

(h) all claims for costs and attorneys' fees.

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9) Enforceability and Severability. The Parties agree and acknowledge that each of the provisions of this Agreement is reasonable and should be fully enforceable, and the Parties waive any right to argue, assert or allege any claim to the contrary. However, if any provision of this Agreement is determined by a Court of competent jurisdiction to be unenforceable because it is overbroad or unreasonable, the Parties agree that such provision(s) may be modified and enforced to the maximum extent permissible. If any provision of this Agreement is held to be

invalid and cannot be modified so as to make it enforceable, then such provision shall be deemed to be severed from the Agreement and the remaining provisions shall remain in full force and effect.

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11) Entire Agreement. This Agreement constitutes the sole and complete agreement among the Parties with respect to the settlement of the Action. None of the Parties is relying upon any representation, understanding, undertaking or agreement, whether oral or in writing, not set forth in this Agreement. This Agreement may not be amended, changed, altered, modified or terminated except in a writing signed by all the Parties hereto.

12) Drafting and Negotiation by Counsel. The drafting and negotiation of this Agreement have been participated in by each of the Parties and their respective counsel and, for all purposes; this Agreement shall be deemed to have been drafted jointly by each of the Parties. No ambiguity shall be resolved against any Party based upon authorship. The Parties hereby acknowledge that they have been represented by counsel throughout the settlement of the above-referenced matter, throughout the negotiation of this Agreement, and at the execution of this Agreement, and have read and consulted with counsel regarding this Agreement.

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Notice to Plaintiff:

Deborah Nelson  
238 Cedar Grove Lane  
Somerset, New Jersey 08875

Copy to:

Law Offices of Gina Mendola Longarzo  
400 Main Street  
Chatham, New Jersey 07928

Notice to Defendants:

Robert R. Scheer Jr.  
112 Grouser Road  
Somerset, NJ 08873

Copy to:  
Gregory B. Gilmore, Esq.  
Gonzalez Saggio & Harlan  
155 Willowbrook Boulevard  
Suite 300  
Wayne, NJ 07470

20) Signatures. The Parties hereby signify their agreement to the above terms by their signatures below. All signatories to this Agreement represent that they have carefully read the Agreement, have had sufficient time to review this Agreement before signing it, are represented by counsel in connection with this settlement, and have had an opportunity to consult with and have consulted with an attorney prior to signing this Agreement.

IN WITNESS WHEREOF, the Parties, by the undersigned, have executed this Agreement as of the date first above written.

DEBORAH NELSON	ROBERT R. SCHEER, JR.
By: <u>Deborah Nelson</u>	By: <u>Robert R. Scheer</u>
Dated: <u>8/17/2011</u>	Dated: <u>8-11-11</u>