

RELEASE AND SETTLEMENT AGREEMENT

This Release dated 6/26, 2014, is given:

BY the Releasor: **MICHAEL GILLIAM** referred to as "I."

TO the Releasees: **DOUGLAS KRUSHINKSI, DANIEL KRUSHINSKI, CHRISTOPHER FISCHER, RICHARD RIES, HERMAN CALVO AND AMERICAN ALTERNATIVE INSURANCE CORPORATION (AAIC) AND GLATFELTER CLAIMS MANAGEMENT, INC. (GCM)** and their/its respective employers, parents, subsidiaries, affiliates, insurers, attorneys and their respective officers, directors, agents, servants, employees, attorneys, successors, assigns and predecessors and any and all other persons and/or entities, named or unnamed, which are and/or might be claimed to be liable to Releasors, also referred to as "You."

1. **Release.** Intending to be legally bound, for and on behalf of myself, my heirs, administrators, executors, successors and assigns, I do hereby fully and forever release, remise, acquit, discharge and indemnify **DOUGLAS KRUSHINKSI, DANIEL KRUSHINSKI, CHRISTOPHER FISCHER, RICHARD RIES, HERMAN CALVO AND AMERICAN ALTERNATIVE INSURANCE CORPORATION (AAIC) AND GLATFELTER CLAIMS MANAGEMENT, INC. (GCM)** and their/its respective employers, parents, subsidiaries, affiliates, insurers, attorneys and their respective officers, directors, agents, servants, employees, attorneys, successors, assigns and predecessors and any and all other persons and/or entities, named or unnamed, which are and/or might be claimed to be liable to Releasors, of and from any and all causes of action, claims and demands of whatsoever kind, whether at law or in equity, for indemnity or damages against any person or entity, named or unnamed, that I now have, have ever had, or may have, by reason of and/or on account of, any and all injuries, losses, damages and/or harm, known or unknown, economic or otherwise, allegedly sustained, which are the subject of a lawsuit instituted by Michael Gilliam against the Releasees.

I release and give up any and all claims and rights which I may have against you. This releases all claims, including those of which I am not aware and those not mentioned in this Release. This Release applies to claims resulting from anything which has happened up to now, including any and all liability for pain and suffering and/or personal injury, loss of income, loss of consortium, consequential damages and any future development of claims now or in the future, and for any development of a claim which may relate to life, death or life expectancy of the plaintiff(s) pursuant to Alfone v. Sarno, 87 N.J. 99 (1981). This includes any future damage claims, causes of action, demands, rights, damages, costs, loss of service, expenses and compensation whatsoever, which I now have or which may hereafter accrue on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen bodily and personal injuries, economic damages and/or property damage and the consequences thereof. I specifically release any and all claims arising out of the alleged actions and/or statements (verbal or written) allegedly made by the Releasees' all of which are the subject of an action captioned *Gilliam v. Township of Franklin, et als, Superior Court of New Jersey, Law Division, Somerset County, Docket No. L-559-11.*

It is understood and agreed that the payment herein is made to compromise a disputed claim, and is not to be construed as an admission of liability on the part of **DOUGLAS KRUSHINKSI,**

DANIEL KRUSHINSKI, CHRISTOPHER FISCHER, RICHARD RIES, HERMAN CALVO AND AMERICAN ALTERNATIVE INSURANCE CORPORATION (AAIC) AND GLATFELTER CLAIMS MANAGEMENT, INC. (GCM) and their/its respective employers, parents, subsidiaries, affiliates, insurers, attorneys and their respective officers, directors, agents, servants, employees, attorneys, successors, assigns and predecessors and any and all other persons and/or entities, named or unnamed, which are and/or might be claimed to be liable to Releasees, by whom liability is expressly denied. Releasees deny liability therefore and intend merely to avoid litigation and buy their peace. I warrant that no promise or inducement has been offered by the Releasees, except as herein set forth; that this Release is executed without reliance upon any statement or representation by the person or parties released or their representatives, or physicians, concerning the nature and extent of the injuries and damages and legal liability therefore; and that I am of legal age, legally competent to execute this Release, and I accept full responsibility for it. I agree as further consideration and inducement for this compromise settlement that the settlement and release shall apply to all unknown and unanticipated injuries and damages resulting from said Claim, as well as to those now disclosed.

It is further understood that I will pay or otherwise discharge, or reach an agreement to discharge, and will be fully and completely responsible for any and all liens, charges, fees, costs, interest and other sums which may exist against the settlement under common law, statute or otherwise, including but not limited to any medical liens, subrogation liens or claims by any insurance carrier or governmental agency which may have paid any bills, costs or expenses on behalf of the undersigned, and I further agree to defend and indemnify the Releasees, and defense attorney for any claims, legal actions or administrative actions brought against any released party, and defense counsel for payment or discharge.

It is not the intention of any party to this Agreement to shift responsibility of future medical benefits to the Federal Government. It is the parties' intention to comply with the Medicare Secondary Payer Act. After considering the parties' obligations according to the aforementioned statute and regulations, the parties agree that there is no risk of shifting future medical expenses to the Medicare program after the settlement of this Claim because the Claimant hereby acknowledges that no further medical treatment is needed, warranted or required with regard to any alleged injuries sustained or arising out of this accident, occurrence or claim. Taking into account the various factors of this claim including the Claimant's alleged injuries, claimed economic losses, and claimed pain and suffering, no portion of this settlement is allocated for future medical expenses and is therefore not a settlement contemplated by the Medicare Secondary Payer Act.

The parties in good faith do not believe that Medicare may incur any expense in the future related in any way to the claims asserted in this matter or subject to this Agreement, and any expense that Medicare may incur in this matter is too remote to calculate or reasonably foresee at the time of settlement. In addition, I understand and agree that any future medical treatment relating to body parts allegedly injured, sustained or arising out of this accident, occurrence or claim, or expenses incurred by the Claimant for like or similar injuries, are the sole responsibility of the Claimant.

I release, acquit and forever discharge the Releasees from any claim of action that I may have had pursuant to 42 U.S.C. § 1395y (b)(3)(A).

I warrant that I am not a Medicare beneficiary.

The undersigned further acknowledges that she had the opportunity to discuss this matter with counsel, and agree to the full and final release of this matter.

2. **Payment.** I have been paid a total of **\$240,000.00** in full payment for making this Release by check made payable to "Trust Account of Zatuchni & Associates, as counsel for Michael Gilliam". I agree that I will not seek anything further including any other payment from you.

Defendants' payment to Plaintiff described above in paragraph 2 represents a compromise of Plaintiff's claims against Defendants. Plaintiff recognizes that Defendants are not withholding any federal or state income taxes, FICA or any other type of payroll deduction from the Settlement Sum and that no FICA contribution is being made by Defendants on such payment. Plaintiff agrees that any liability for state or federal income tax payments or penalties arising from said payment shall be Plaintiff's sole responsibility. Plaintiff agrees to indemnify and to hold harmless Defendants from any and all actions, claims or demands brought by any tax or other authority based upon Plaintiff's tax obligations arising from the payment to be made pursuant to this Agreement, and agrees specifically to reimburse Defendants for any taxes, interest and penalties paid by Defendants and for the costs, legal fees, and any other expenses incurred by Defendants as a result of any such actions, claims or demands.

3. **Confidentiality and Non-Disparagement.** As of the date I sign this Release, in exchange for the payment and Releasees' execution of the Individual Releasees' Confidentiality and Non-Disparagement Addendum attached hereto as Exhibit A, I agree that the terms and conditions of the settlement shall be and remain for all time confidential. Neither the sum paid nor the terms and conditions of this settlement may be disclosed to any person except to say that the matters in dispute, as set forth in the pleadings, have been resolved. This includes, but is not limited to, disclosure of the settlement amount to any media, television, radio, newspaper, and/or internet organization. I am not precluded from disclosing the terms and conditions of the settlement to my attorneys, accountants or tax preparers.

Notwithstanding the foregoing, disclosure may be made, but only under the following circumstances:

- a. In an action brought to enforce this Settlement Agreement;
- b. Upon written consent being obtained from all parties hereto, or as required by law;
- c. Upon an order being entered by any court of competent jurisdiction, in any state or federal jurisdiction, duly served on the parties and their respective counsel via certified mail, return receipt requested; and
- d. If any party is subpoenaed for the disclosure of any terms and conditions of this agreement, including the sum paid, the subpoenaed party shall promptly provide written notice as set forth above, enclosing a copy of the subpoena demanding the disclosure, as well as notice of the date, time, and place of the demanded

disclosure. Any party objecting to the disclosure of any term or condition of this agreement, including the consideration paid, may oppose the subpoena at the expense of the objecting party.

In addition, I agree that I shall not issue any communications to third parties disparaging the Releasees that relate to the facts and circumstances of this case and settlement,

3. **Who is Bound.** I am bound by this Release. Anyone who succeeds to my rights and responsibilities, such as my heirs or the executor of my estate, is also bound. This Release is made for your benefit and all who succeed to your rights and responsibilities, such as your heirs or the executor of your estate.

4. **Signature.** I understand and agree to the terms of this Release.

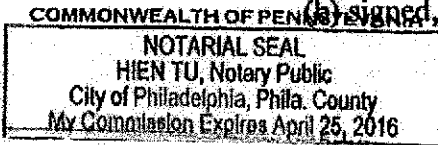

MICHAEL GILLIAM

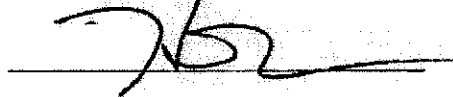
Pennsylvania
STATE OF ~~NEW JERSEY~~, COUNTY OF: *Philadelphia*

I CERTIFY that on *6/26*, 2014, **MICHAEL GILLIAM** personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person):

(a) is named in and personally signed this document; and

(b) signed, sealed and delivered this document as his or her act and deed.





Prepared by: Jay A. Gebauer, Attorney for Defendants

EXHIBIT A

INDIVIDUAL RELEASEES' CONFIDENTIALITY AND NON-DISPARAGEMENT
ADDENDUM

In consideration of the terms of the Release and Settlement Agreement executed by Releasor, each of the Individual Releasees agrees and warrants as follows:

1. Each of the Individual Releasees agrees and warrants that he shall keep the terms of this Release And Settlement Agreement and payment terms thereunder confidential.
2. Each of the Individual Releasees agrees and warrants that he shall not issue any communications to third parties disparaging Michael Gilliam that relate to the facts and circumstances of this case and settlement.

DOUGLAS KRUSHINSKI

Dated:

DANIEL KRUSHINSKI

Dated:

CHRISTOPHER FISCHER

Dated:

RICHARD RIES

Dated:

HERMAN CALVO

Dated: