

## MUTUAL RELEASE AND SETTLEMENT AGREEMENT

This Mutual Release and Settlement Agreement (hereinafter, the “Agreement”) is entered into by Plaintiff Borough of Red Bank (“Plaintiff”) and Defendants Riverview Medical Center, RMC-Meridian Health, Meridian Hospitals Corporation, and Meridian Health Realty Corporation (“Defendants”). Plaintiff and Defendants are hereinafter referred to collectively as the “Parties.”

**WHEREAS**, on January 28, 2019, Plaintiff filed a Complaint against Defendants in the Superior Court of New Jersey, Monmouth County under Docket No.: MON-L-360-19 (the “Action”), alleging Defendants owed certain water and sewer utility charges to Plaintiff; and

**WHEREAS**, on April 15, 2019, Defendants filed an Answer to Plaintiff’s Complaint, denying the allegations contained therein; and

**WHEREAS**, the Parties acknowledge and agree that the Action involves arguable and disputed questions of fact and law; and

**WHEREAS**, the Parties have agreed to compromise and settle the controversies and disputes at issue in the Action;

**NOW, THEREFORE**, in consideration of the following terms, covenants and conditions, the Parties hereby agree as follows:

1. Consideration. The Parties acknowledge and agree that in full and final settlement of all claims contained in the Action by and between the Parties, Defendants agree to pay to Plaintiff the total amount of Eight-Hundred-Fifty-Thousand Dollars (\$850,000.00), in ten (10) equal, annual installment payments of Eighty-Five-Thousand Dollars (\$85,000.00), which installment payments are respectively due from Defendants to Plaintiff by: (1) January 31, 2021; (2) January 31, 2022; (3) January 31, 2023; (4) January 31, 2024; (5) January 31, 2025; (6) January 31, 2026; (7) January 31, 2027; (8) January 31, 2028; (9) January 31, 2029; and (10) January 31, 2030. The Parties acknowledge and agree that the payments and mutual releases contained herein, as well as the mutual avoidance of continued litigation, are good and valuable consideration for entering into this Agreement. Defendants shall not pay any interest on the total settlement amount due or any annual installment payment(s) referenced herein.

2. Dismissal of Action. Upon the Parties’ execution of this Agreement, Plaintiff shall provide Defendants with a Stipulation of Dismissal with Prejudice signed by Plaintiff’s attorney providing for the dismissal of the Action with prejudice and without any additional costs to any party.

3. Mutual Releases.

(a) Upon Plaintiff’s receipt of: (1) this Agreement executed by Defendants; and (2) the Stipulation of Dismissal referenced in paragraph 2 hereof, Plaintiff releases and forever discharges Defendants, their parents, predecessors, successors, affiliates assigns, transferees, transferors, and the past and present officers, directors, shareholders, trustees, suppliers, insurers, attorneys, employees, agents and representatives, successors and assigns of each which in any way arises out of or are related to and each of them,

from any and all claims plead in the Action, which the Plaintiff had, now has, or claims to have against Defendants as a result of the circumstances giving rise to the Action. Notwithstanding the above, any payments referenced in paragraph 1 hereof not made by the Defendants, Plaintiff may enforce this agreement only as to that outstanding payment through the filing of an action in the Superior Court of new Jersey, Monmouth County.

(b) Upon Defendants' receipt of: (1) this Agreement executed by Plaintiff; and (2) the Stipulation of Dismissal referenced in paragraph 2 hereof, Defendants release and forever discharge Plaintiff, its predecessors, successors, insurers, assigns, officers, directors, attorneys, employees, agents and representatives, and each of them, from any and all claims plead in the Action, which the Defendants had, now have, or claim to have against Plaintiff as a result of the circumstances giving rise to the Action.

4. No Admission. This Agreement does not constitute an admission by Defendants of any wrongful action or violation of any duty owed to Plaintiff, or any violation of a Federal or State Statute, code or regulation, local ordinance, or any other possible or claimed violations of law or rights. Defendants specifically deny any wrongful action(s) or conduct in connection with the allegations asserted by the Plaintiff in the Action.

5. Confidentiality. Plaintiff and Defendants expressly agree that, in consideration of this settlement, the terms of this Agreement are and shall remain confidential except as specifically set forth below.

The terms and the amount of the settlement shall not be given, shown or otherwise disclosed by the Parties unless the requestor submits a formal written Open Public Records Act ("OPRA") Request or written government records request to the Plaintiff. In the event any person submits such a formal OPRA Request or government records request to the Plaintiff, the Plaintiff shall submit a copy of this settlement agreement to the requestor and such transmittal shall not represent a breach of this provision. If Plaintiff receives such a formal OPRA Request or government records request, Plaintiff shall give reasonable notice of such request to the Defendants. If the Parties receive oral inquiries or informal inquiries/requests as to the terms of this agreement, i.e. the requestor has not submitted a formal written OPRA Request or government records request to the Plaintiff, the Parties shall decline to offer any information of any type, and are obligated to merely respond that the matter has been resolved through a settlement agreement.

The Parties agree that it may be necessary for Defendants or their affiliates to advise their insurers, reinsurers, directors, attorneys, tax preparers, accountants, auditors or shareholders of the terms of this Agreement. Prior to such advisement, the recipients will be informed of this confidentiality provision and that they are required to maintain the confidentiality of the information. On these terms, such advisement shall not represent a breach of this provision.

The Parties agree that any violation of this confidentiality provision will subject the violating party to sanctions to be determined by a court of law, including attorney fees and costs. In the event of subpoena or other compulsory process that would require disclosure, the Parties receiving such process shall give reasonable notice and an opportunity to contest such disclosure to the other Party.

For the purposes of this section, reasonable notice shall consist of delivering a copy of the subpoena, formal OPRA Request, government records request or other compulsory process by regular and certified mail to the following:

If to Defendants: Ann Bitton Gavzy, Esq.  
Executive Vice President  
Hackensack Meridian Health  
343 Thornall Street, 8<sup>th</sup> Floor  
Edison, NJ 08837  
Phone: (848) 888-4412  
Fax: (848) 888-4701  
Email: [ann.gavzy@hackensackmeridian.org](mailto:ann.gavzy@hackensackmeridian.org)

With a copy to: Afiyfa H. Ellington, Esq.  
Giordano, Halleran & Ciesla, PC  
125 Half Mile Road, Suite 300  
Red Bank, NJ 07701  
Fax: 732-224-6521  
Email: [aellington@ghclaw.com](mailto:aellington@ghclaw.com)

If to Plaintiff: Ziad Shehady, Borough Administrator  
Borough of Red Bank  
90 Monmouth Street  
Red Bank, NJ 07701  
Phone No.: 732-530-2777  
Fax No. 732-450-1316  
Email: [zshehady@redbanknj.org](mailto:zshehady@redbanknj.org)

With a copy to: Gregory Cannon, Esq.  
Sobel Han & Cannon, LLP  
105 Reids Hill Road, Suite B  
Aberdeen, NJ 07747  
Fax: 646-513-2638  
Email: [gcannon@sobelhan.com](mailto:gcannon@sobelhan.com)

6. Nonadmissibility. This Agreement shall not be admissible in any legal proceeding except to enforce its terms, nor shall the terms herein prejudice any party hereto in any other proceeding. This Agreement has no precedential value and is not intended as, nor shall it be construed as, an admission of any fact or as an interpretation of any contract or agreement.

7. Integration Clause. This Agreement represents and contains the entire agreement and understanding with respect to the subject matter of this Agreement and supersedes any and all prior oral and written agreements and understandings, and no representation, warranty, condition, understanding or agreement of any kind with respect to the subject matter hereof shall be relied upon by the Parties hereto unless incorporated herein. This Agreement may not be amended or modified except by an agreement in writing signed by the party against whom the enforcement of any modification or amendment is sought.

8. Fees and Expenses. Except as expressly set forth herein, the Parties acknowledge and agree to pay their own expenses, including legal fees, incurred in the negotiation, preparation and execution of this Agreement.

9. Representation of Comprehension. The Parties represent to each other that they have completely read this Agreement, fully understand its terms and voluntarily accept same of their own choice. The Parties further represent and acknowledge that they have been provided with the opportunity to review this Agreement with independent legal counsel.

10. Construction. It is acknowledged and agreed that the Parties have had the opportunity to review this Agreement, and accordingly, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement. The Recitals above are a material part of this Agreement and expressly incorporated herein. In the event that one or more of the provisions or portions of this Agreement is determined to be illegal or unenforceable, the remainder of this Agreement shall not be affected thereby and each remaining provision or portion thereof shall continue to be valid and effective and shall be enforceable to the fullest extent permitted by law. This Agreement is entered into in the State of New Jersey and shall be construed and interpreted in accordance with its laws. The jurisdiction and venue for any legal proceeding shall be the Superior Court of New Jersey, Monmouth County. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed one and the same instrument.

11. Governing Law. This Agreement shall be construed in accordance with the procedural and substantive laws of the State of New Jersey.

12. Effective Agreement. This Agreement may be pleaded as a full and complete defense to, may be used as the basis for and injunction against, any suit, action or other proceeding which may be instituted, prosecuted or attempted in breach of this Agreement.

13. Who Is Bound. The Parties are bound by this Agreement. Any person or entity who succeeds to their respective rights and responsibilities is also bound.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the day and year written below.

**FOR PLAINTIFF:**

\_\_\_\_\_  
*Pasquale Menna, Mayor  
Borough of Red Bank*

DATE: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
*Pamela Borghi, Red Bank Borough Clerk*

**FOR DEFENDANTS:**

\_\_\_\_\_  
*For Riverview Medical Center*

DATE: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name/Title

\_\_\_\_\_  
*For RMC-Meridian Health*

DATE: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name/Title

\_\_\_\_\_  
*For Meridian Hospitals Corporation*

DATE: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name/Title

\_\_\_\_\_  
*For Meridian Health Realty Corporation*

DATE: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name/Title