

SETTLEMENT AGREEMENT AND RELEASE

THIS SETTLEMENT AGREEMENT AND RELEASE (hereinafter "this Agreement") is entered into by and between SUSAN DISARIO (hereinafter "Plaintiff") and the MIDDLESEX COUNTY IMPROVEMENT AUTHORITY (hereinafter "MCIA"), and each of their present and former agents, employees, elected officials, directors, board members, assigns, predecessors, successors, insurers, affiliates, heirs, third-party administrators, attorneys and representatives (hereinafter collectively "Defendant");

WHEREAS, Plaintiff filed a Complaint in the Superior Court of New Jersey, now pending in Middlesex County, Civil Division, entitled Disario v. Middlesex County Improvement Authority, bearing Docket No. MID-L-004714-17 ("Lawsuit"), and has asserted equal pay and gender-based discrimination claims in the Lawsuit occurring during Plaintiff's employment with MCIA;

WHEREAS, the parties settled all controversies among them after mediation on January 11, 2018, including but not limited to those made by Plaintiff in the Lawsuit;

WHEREAS, the governing body, MCIA, has duly approved its acceptance of this Settlement Agreement and Release, on or at its meeting on March 14, 2018; and

WHEREAS, all parties acknowledge that the merits of the controversy are in dispute and have not been finally adjudicated, and that no party admits any liability to any other, but all have reasons to desire amicable resolution of the matter, including to avoid the costs and inconvenience of litigation;

WHEREAS, all parties acknowledge and agree that Plaintiff is and remains an employee in good standing of the Defendant, MCIA; and

NOW, for and in consideration of the agreements, covenants and conditions herein contained, the adequacy and sufficiency of which are hereby expressly acknowledged by the parties hereto, the parties agree as follows:

1. Terms of Settlement:

(a) The Defendant agrees to pay Plaintiff the settlement amount of TWO HUNDRED THOUSAND DOLLARS (\$200,000.00), payable as follows: (i) \$66,667.00 shall be paid to Plaintiff on account of personal physical injuries or physical sickness; (ii) \$66,666.00 shall be paid to Plaintiff, Susan Disario, representing retroactive back pay adjustments to her base salary for the time period of January 1, 2015 through and including January 31, 2018, less all applicable taxes, withholding and pension contributions; and (iii) \$66,667.00 shall be paid to SMITH MULLIN, P.C., for Plaintiff's attorneys' fees; and

(b) Defendant agrees to increase Plaintiff's base salary in the yearly amount of \$85,000.00 retroactively as of February 1, 2018 and shall issue a separate check for any retroactive base salary back pay adjustment for the time period from February 1, 2018 to the present.

(c) Defendant and Plaintiff further acknowledge and agree that the amounts to be paid herein to Plaintiff in paragraphs 1(a)(ii) and in 1(b), including the prospective and retroactive base salary adjustment to \$85,000 per year as of February 1, 2018 in paragraph 1(b), are being made for the proper purpose of bringing Plaintiff's base salary in the same base salary range as her male co-workers in the same or similar titles and positions as required by state law, including the New Jersey Equal Pay Act and Law Against Discrimination, and shall not be deemed, nor considered, to be "extra compensation" under N.J.A.C. 17:4-4.1(a) or any other statute or code provision. The parties further agree that these said payments are not being paid in

anticipation of retirement, nor are they conditioned on the Plaintiff leaving Defendant's employment. Plaintiff remains an employee in good standing with the Defendant.

(d) The above sums are inclusive of all claims of any nature, sort, or variety, known or unknown, pled or unpled, with the exception of ongoing pay and benefits available to Plaintiff as an employee of Defendant, including all claims for attorneys' fees, expenses and costs incurred by Plaintiff. The settlement checks shall be issued to Plaintiff and her attorneys, Smith Mullin, P.C., within twenty (20) days of the receipt by Defendant's counsel of: (i) the execution of this Agreement by Plaintiff; (ii) a signed W-9 form from Plaintiff's attorneys' firm for its tax identification number; (iii) a completed Child Support Judgment Search for the Plaintiff; and (iv) a signed Stipulation of Dismissal with Prejudice of the Lawsuit by Plaintiff's counsel. The Stipulation of Dismissal shall not be filed with the Court by Defendant's attorney until after all settlement checks have been sent to Plaintiff's counsel.

(e) Plaintiff has been advised by her counsel that no guarantees can be made regarding the tax treatment of the payment referenced in Paragraph 1(a)(i), whether by the federal government or any state or other government. The parties understand and agree that an IRS Form 1099 MISC will be filed for the payments made in paragraph 1(a)(iii) for attorneys' fees and that the amounts listed in paragraphs 1(a)(ii) will be included in an IRS Form W-2 as taxes are being withheld. No tax reporting will be made for the amounts in paragraph 1(a)(i) since it is being paid on account of personal physical injuries and physical sickness. Plaintiff acknowledges and agrees that she has not sought, received or relied on the Defendant or its respective counsel or any agents of the Defendant for any tax advice of any kind with respect to the effects of this Agreement, the Release contained herein, or the delivery or payment of any monetary consideration identified herein. Plaintiff has been advised to consult with counsel of

Plaintiff's own choice to seek legal and tax advice regarding the taxability or non-taxability of the monetary consideration provided herein. Plaintiff also acknowledges and agrees that she will be solely responsible for, and assumes full liability for, any taxes, federal, state or local, of any kind, with respect to the payment of the settlement amount listed in paragraph 1(a)(i) only.

(f) The settlement amount in paragraph 1(a)(i) of this Agreement is to compensate Plaintiff for personal physical injury or physical sickness.

(e) Plaintiff is not responsible for any mediation fees.

2. **Dismissal of Action:** Plaintiff understands and agrees that counsel for the Defendant will file with the Superior Court of New Jersey the executed original of the Stipulation of Dismissal with Prejudice with regard to Docket No. MID-L-004714-17. Plaintiff represents and warrants that she has not filed any other lawsuits, claims or complaints against the Defendant.

3. **Release in Consideration for the Payment and Other Consideration Provided for in this Agreement**

In consideration of the payment and other consideration provided for in this Agreement, Plaintiff, personally and for Plaintiff's estate and Plaintiff's heirs, does hereby remise, release and forever discharge the Defendant, as defined more fully above, from all actions and causes of action, suits, debts, dues, accounts, bonds, covenants, contracts, agreements, judgments, obligations, claims and demands whatsoever in law or equity, known or unknown, pled or unpled, for back pay, front pay, employment benefits, bodily injury, personal injury, emotional distress, sick leave, health/medical bills or expenses, benefits, compensatory damages, consequential damages, punitive, treble and/or exemplary damages, injunctive and/or declaratory relief, attorneys' fees, costs, interest and/or expenses the Plaintiff has or may have based upon

any act, event or omission occurring before the execution of this Agreement, including, but not limited to, any events related to, arising from or in connection with Plaintiff's employment including, but not limited to, any claim that was asserted or could have been asserted under any federal and/or state statutes, regulations and/or common law and all claims which were made or could have been made in the Lawsuit including, but not limited to, any potential claim relating to the following (along with any amendments thereto):

- (a) The National Labor Relations Act;
- (b) Title VII of the Civil Rights Act of 1964;
- (c) Sections 1981 through 1988 of Title 42 of the United States Code;
- (d) The Employment Retirement Income Security Act of 1974;
- (e) The Immigration Reform Control Act;
- (f) The Americans with Disabilities Act of 1990;
- (g) The Age Discrimination & Employment Act of 1967;
- (h) The Fair Labor Standards;
- (i) The Occupational Safety & Health Act;
- (j) The Family & Medical Leave Act of 1993;
- (k) The Equal Pay Act;
- (l) The New Jersey Law Against Discrimination;
- (m) The New Jersey Minimum Wage Law;
- (n) The Equal Pay Law for New Jersey;
- (o) The New Jersey Family Leave Act;
- (p) The New Jersey Conscientious Employee Protection Act; and
- (q) Any anti-retaliation or anti-discrimination provision of any statute or law.

Exceptions to Release. However, nothing contained herein shall be construed as a waiver or release of claims that are not a part of or which cannot be released by law. Plaintiff specifically does not release nor waive: the right to enforce this Agreement, the right to pursue any claim arising after Plaintiff's execution of the Agreement, the right to vested or unvested benefits, including, but not limited to retirement, 401K, pension, workers' compensation benefits or pension benefits, as well as payment of Plaintiff's salary and other benefits, which are on-going as earned, or any claims which by law cannot be released. Plaintiff and MCIA recognize that Plaintiff remains an employee in good standing of MCIA and agrees, for such time as Plaintiff remains employed by MCIA, that nothing herein is intended to modify Plaintiff's employment relationship with the MCIA except as to the increase in her base salary as of February 1, 2018 set forth above in paragraph 1(b). Nothing herein shall prohibit MCIA from providing any periodic base salary increases to Plaintiff in the future.

4. **No Claims Permitted/Covenant Not to Sue:** Plaintiff waives Plaintiff's right to file any charge or complaint on Plaintiff's own behalf and/or participate as a complainant, a plaintiff or charging party in any charge or complaint which may be made by any other person or organization on Plaintiff's behalf, with respect to anything which has happened up to the execution of this Agreement before any federal, state or local administrative agency, including the EEOC and the DCR, against the Defendant, except if such waiver is prohibited by law. Should any charge or complaint be filed, Plaintiff agrees that Plaintiff will not accept any relief or financial recovery therefrom. Plaintiff confirms that no such charge, complaint or action currently exists in any forum on her behalf to her knowledge.

5. **No Admission of Liability:** It is expressly understood that neither the execution of this Agreement, nor any other action taken by the Defendant in connection with Plaintiff's

alleged claims or this Settlement Agreement, constitutes an admission by Defendant of any violation of any law, duty or obligation as the Defendant denies any and all liability and allegations in this matter.

6. **Entire Agreement:** This Agreement contains the sole and entire agreement between the parties and fully supersedes any and all prior agreements and understanding between the parties and is intended to memorialize the settlement of Plaintiff's claims. Plaintiff represents and acknowledges that, prior to executing this Agreement, Plaintiff consulted her attorney, the Plaintiff had ample time to do so, that Plaintiff obtained the advice of counsel prior to making the decision to execute the Agreement, and that Plaintiff has not relied upon any representation or statement not set forth in this Agreement made by any Defendant thereto, or Defendant's counsel or representatives, with regard to the subject matter of this Agreement. No other promises or agreements shall be binding unless in writing, signed by the parties hereto, and expressly stated to represent an amendment to this Agreement.

7. **Applicable Law:** This Settlement Agreement shall be construed and interpreted in accordance with the laws of the State of New Jersey. The parties agree that any action to enforce or interpret this Agreement shall only be brought in a court of competent jurisdiction in the State of New Jersey, which the parties hereby acknowledge and agree to be the Superior Court of New Jersey.

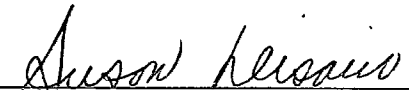
8. **Effective Date:** This Agreement will become effective on the date on which Plaintiff executed this Settlement Agreement and Release.

9. By signing this Settlement Agreement and Release, Plaintiff acknowledges:

- a. Plaintiff has read it and has had at least twenty-one (21) days to consider it;

- b. Plaintiff understands it and knows Plaintiff is giving up important rights;
- c. Plaintiff agrees to the terms herein;
- d. Plaintiff's attorney negotiated this Settlement Agreement and Release with Plaintiff's knowledge and consent;
- e. Plaintiff has been advised to consult with Plaintiff's attorney prior to executing this Settlement Agreement and Release and has in fact done so; and
- f. Plaintiff has signed this Settlement Agreement and Release knowingly and voluntarily.

IN WITNESS WHEREOF, the parties have hereunto set their hands.


SUSAN DISARIO

Dated: April 6, 2018

MIDDLESEX COUNTY IMPROVEMENT
AUTHORITY

BY: 
Print Name/Title: Chairman

Dated: April 11, 2018