SETTLEMENT AGREEMENT AND GENERAL RELEASE

This SETTLEMENT AGREEMENT AND GENERAL RELEASE ("Agreement") is made between Terry P. Heller (hereinafter referred to as "Releasor") and Brookhaven Borough (hereinafter referred to as "Releasee").

WHEREAS Releasor filed a civil action in the U.S. District Court for the Eastern District of Pennsylvania, captioned *Terry P. Heller v. Brookhaven Borough*, *Civil Action No. 2:25-CV-05550* against Releasee, seeking monetary damages for claims, including personal injuries, arising from an incident more fully described in his Amended Complaint (the "Lawsuit");

WHEREAS the Releasee denies and continues to deny any and all liability on the claims raised in the Lawsuit;

WHEREAS this Agreement and payment of the consideration set forth below is conditioned upon the agreement that the Parties will discontinue, settle and end any and all claims between all parties arising out of the Civil Action;

WHEREAS the Parties desire to resolve and settle in full all claims Releasor has, had, or may have against the Releasee, known and unknown, arising in any way out of the Civil Action; and

NOW, THEREFORE, with the intent to be legally bound, and in consideration of the mutual promises and covenants contained in the Agreement, the Parties agree to settle the matter under the terms and conditions set forth below:

1. **Payment:** Releasee shall pay Releasor the total sum of ONE HUNDRED AND FORTY THOUSAND DOLLARS ($140,000.00), inclusive of all fees and costs including those under 42 USC § 1988 ("Total Settlement Amount"). Payment shall be made by check payable to "Terry Heller and Law Offices of Kenneth R. Schuster & Assoc., P.C."

2. **Attorneys' Fees & Other Damages:** The Total Settlement Amount includes payment for all claims Releasor has against Releasee, defined below, arising out of, or related to the Civil Action including, but not limited to, payment of attorneys' fees, liquidated damages and costs that might otherwise be claimed. In the event court approval is required for the settlement, compromise or resolution of this claim, this settlement is conditioned upon Releasor undertaking any and all necessary action to obtain same and bearing the costs and fees associated with such approval. All parties will bear their own costs and fees, and the Releasee is not liable for the payment of any tax on the settlement proceeds paid under this Agreement. Releasor agrees that payment of income and other federal, state and/or local taxes on the settlement amount, if any, shall be Releasor's sole responsibility, and Releasor agrees to pay all required taxes, if any, in accordance with all federal, state and local laws, rules and ordinances and to indemnify and hold harmless Releasee, defined below, from all taxes, penalties, interest or fines arising from such taxes. The waiver of any claim for attorney's fees, costs and interest by Releasor constitutes a material condition of this Agreement. The Releasee would not have entered into this Agreement

and agreed to pay the amount set forth herein without this waiver of attorneys' fees, interest and costs.

3. **Release:** In consideration of the foregoing payment pursuant to this Agreement, Releasor, and for any executors, administrators, legal representatives, heirs, successors, personal representatives and assigns, hereby releases and discharges Brookhaven Borough and any and all current and/or former employees and/or public officials, including but not limited to Michael L. Vice, Argonaut Insurance Company, Sedgwick Claims Management, and their past and present and future elected and appointed officials, officers, directors, agents, employees, subsidiaries, divisions, agencies, departments, successors and assigns, partners, insurers, attorneys and partners, predecessors, and any and all other persons (collectively, the "Released Parties") for, of and from any and all manner of actions, proceedings, causes of action, suits, debts, dues, sums of money, accounts, controversies, agreements, promises, damages, judgments, claims, and demands whatsoever, whether arising in law or in equity, asserted under 42 U.S.C.A. § 1983 or any other state, federal or local statutes, or arising out of any federal, state or city constitution, statute, ordinance, bylaw or regulation of whatsoever kind or nature, and any other conduct by the Releasee, and any and all claims made, or which could have been made, or which are related to the claims or subject matter of the Civil Action, known or unknown, which Releasor ever had, now has, or can or may have against the Released Parties related to the Civil Action. Releasor acknowledges and agrees that the Release set forth herein is a General Release, and further expressly waives and assumes the risk of any and all claims for damages which exist as of this date, but which Releasor does not know of or suspect to exist, whether through ignorance, oversight, error, negligence, or otherwise and which, if known, would materially affect his decision to enter into this Agreement. Releasor further agrees that he has accepted payment of the sums specified herein as a complete compromise of matters involving disputed issues of fact and law and fully assumes the risk that the facts or the law may be otherwise than he believes.

4. **Tax Considerations:** The Released Parties make no representations or warranties regarding any tax issues related to payments as provided herein, and Releasor acknowledges that he has not relied on any advice from Released Parties regarding taxability of the amount to be paid under this Release. Releasor hereby acknowledges that the Released Parties are not liable for the payment of any tax on the settlement proceeds paid under the Agreement. Rather, Releasor agrees that payment of income and other taxes on the Total Settlement Amount, if any, shall be his sole responsibility and Releasor agrees to pay all required taxes, if any, in accordance with all Federal, State and Local laws, rules and ordinances, and to indemnify and hold harmless the Released Parties from all taxes, penalties, interest or fines arising from such taxes.

5. **Tax Consequences:** Releasor agrees that he is solely and personally responsible for any tax liabilities that may result from his receipt of money under this Agreement. This includes any further tax responsibilities should a tax allocation be challenged by the Internal Revenue Service or any other tax administering agency. Such an allocation shall not affect the validity of this Release nor alter the amounts of any sums paid pursuant to this Agreement. Further, the Releasor agrees that Releasee shall not be required to pay any further sum even if the tax consequences ultimately are assessed in a fashion which is not presently anticipated.

6. **Non-Admission:** The parties enter into the Agreement solely to avoid the burdens and expense of further litigation. The making of the Agreement is not intended, and shall not be construed, as an admission that the Borough, Released Parties or any of their employees or agents, engaged in any wrongdoing or violated any federal, state or local constitution or law (statutory or decisional), ordinance or regulation, breached any contract or committed any wrong whatsoever against Releasor. Neither Party is a prevailing party in this matter and neither Releasor nor Releasee will be considered a prevailing party for any purpose.

7. **All Claims Released:** The Agreement shall operate as a full, final and complete release, discharge and satisfaction of the Released Parties, including but not limited to their past and present employees and/or public officials, their insurance companies and their counsel, for any and all claims for attorneys' fees, costs and any other damages or monies for which Releasor could make claim against the Releasee and/or Released Parties under any law or laws, statute or statutes, or Constitutions of the United States of America and the Commonwealth of Pennsylvania.

8. **Medicare and Medicaid Release Language:** It is hereby stipulated that Releasor has or will seek to protect the interest of Medicare, and therefore, it is not the purpose of the Agreement to shift responsibility of medical care in the matter to the Medicare program. Releasor agrees to resolve any and all Medicare issues, including but not limited to Medicare Part A, B, C and/or D liens for past and future conditional payments, if any. Releasor will hold harmless and indemnify the Releasee and Released Parties, herein from any right of recovery asserted by Medicare for non-payment of any Medicare lien.

It is further understood and agreed that Releasor agrees to indemnify and hold harmless the Releasee and Released Parties, of and from any and all liability, actions, judgments or demands validly arising from or in any way connected to or with any subrogation claims, liens, or statutory liens (federal or state, specifically including, but not limited to, Medicare Part A, B, C and/or D liens for conditional payments or Medicaid liens or any other lien which may be made in the future against the payments described above for any service that may ultimately be provided in the future) for any compensation or medical payments due or claimed to be due now, or hereinafter, or paid under any law (state or federal), regulation (including but not limited to 42 C.F.R. § 411.24 et seq.) or contract arising as a result of or pertaining in any way to the matters referred to in the Agreement. Releasor also agrees to waive any and all potential/future claims against the Releasee and Released Parties, arising out of any state or federal statute relating to medical care payments, including but not limited to any and all potential/future claims against the Releasee or the Released Parties pursuant to The Medicare Secondary Payer Act, 42 U.S.C. § 1395y(b) et seq. It is further understood and agreed that Releasor provided the Released Parties information required for compliance with the Medicare Mandatory Insurer Reporting requirement, 42 U.S.C. § 1395y(b)(8).

Notwithstanding any other provision of this Agreement, any prior confidentiality agreement between or among any of the parties, or any confidentiality or protective order entered by any court, any party may use protected or confidential information for purposes of complying with reporting and reimbursement obligations under the Medicare Secondary Payer statute and the Medicare, Medicaid, and SHIP Extension Act of 2007 or for addressing any allegation or claim asserting any reporting violations, penalties, or reimbursement liabilities, and may disclose

protected or confidential information to the Department of Health and Human Services, the Centers for Medicare & Medicaid Services, and CMS's representatives and contractors, and any private Medicare Part C and/or D plans, for such purposes. To the extent the permission of any court or a modification of any confidentiality order or protective order is needed to implement the purposes of this provision, each party agrees to cooperate in seeking such permission or modification.

9. **Releasor Representations:** Releasor represents and warrants that:

a. Releasor is competent to sign the Agreement;

b. Releasor has been advised by counsel before entering into the Agreement or has had the opportunity to seek the advice of counsel before entering into this Agreement;

c. Releasor has had a reasonable time in which to consider the Agreement prior to signing;

d. Releasor has had the provisions in the Agreement explained by his own counsel or had the opportunity to obtain such an explanation;

e. Releasor fully understands the terms of the Agreement and their significance;

f. Releasor voluntarily agrees to all of the terms and conditions contained herein; and

g. Releasor is signing the Agreement voluntarily and without duress.

10. **Effective Date:** The Agreement will become effective upon its execution by Releasor.

11. **Severability:** If, at any time after the date of the execution of the Agreement, any provision of the Agreement shall be held to be illegal, void, or unenforceable, such provision shall be of no force and effect. However, the illegality or unenforceability of such provisions shall have no effect upon, and shall not impair the enforceability of, any other provision of the Agreement.

12. **Entire Agreement:** The Agreement constitutes the complete understanding between the parties, may not be changed orally, and supersedes all prior agreements between the parties. No other promises or agreements shall be binding unless in writing and signed by the parties.

13. **Choice of Laws:** The Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, regardless of conflicts of law principles. Any disputes that may arise under this Agreement shall be resolved exclusively in the United States District Court for the Eastern District of Pennsylvania and each party consents to the personal jurisdiction of such court.

14. **Execution:** The Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The Agreement may be signed by fax, scanned copy, or other electronic signature by any or all of the parties.

15. **Binding on Successors:** The Agreement is binding upon, and shall inure to the benefit of, the parties and their respective heirs, executors, administrators, successors and assigns.

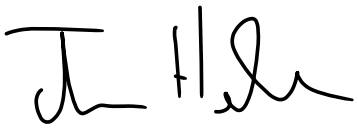
16. **Interpretation:** Should any provision of the Agreement require interpretation or construction, it is agreed by the parties that the entity interpreting or construing the Agreement shall not apply a presumption that the provisions hereof shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who prepared the document, it being agreed that all parties have participated in the preparation of all provisions of the Agreement.

17. **Right to Know Law:** Releasor acknowledges that Releasee may have duties under the Pennsylvania Right to Know Act, or other applicable statutes, to publicly acknowledge settlement of the Civil Action and/or the amount of settlement.

[SIGNATURE BLOCK ON NEXT PAGE]

I, TERRY P. HELLER, HAVE READ THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE, AND IT HAS BEEN FULLY EXPLAINED TO ME BY MY ATTORNEYS, JUSTIN M. BERNSTEIN, ESQUIRE AND/OR CHRISTOPHER BOGGS, AND I INTEND TO BE BOUND BY ITS TERMS.

IN WITNESS WHEREOF, the undersigned has executed this General Release and Settlement Agreement.



TERRY P. HELLER

August 7th 2026

Date