

SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Settlement Agreement and General Release ("Agreement") made and entered into as of the ____ day of September ____, 2025 by Roy Reese and Dolores Terlecky (hereinafter "Plaintiffs" or "Releasors") and the Tuxedo Union Free School ("the District") (hereinafter "Defendant" or "Releasee").

The purpose of this Agreement is to set forth the terms by which the Releasors agree to resolve all disputes with the Releasee and to avoid further litigation therein with the Releasee.

The Releasors and the Releasee agree to the following terms and conditions in full, complete, and final settlement of all the causes of action and claims in the litigation captioned *Roy Reese and Dolores Terlecky v. Tuxedo Union Free School District*, 7:23-cv-09442-VR, venued in the United States District Court for the Southern District of New York.

1. The New York Schools Insurance Reciprocal ("NYSIR") as the insurance carrier for the District, agrees to pay Releasors the total sum of One Hundred Ninety Thousand Dollars and No Cents (\$190,000.00) in full and final settlement of all claims against the Releasee. Payment shall be made payable to "Sussman & Associates, as Attorneys for Roy Reese and Dolores Terlecky" within thirty days (30) days of the Board of Education of the District's formal approval of this Agreement and the full execution of this Agreement, whichever is later.

2. For and in consideration of the aforementioned payment, and for other good and valuable consideration, Releasors hereby waive, release and forever discharge the Releasee and the Releasee's past, present and future employees and Board of Education members, agents and assigns, including, Releasee's attorneys, insurers, representatives and agents, in both their official and individual capacities, and NYSIR, from any and all suits, debts, dues, accounts, reckonings, bonds, bills, specialties, covenants, contracts, bonuses, controversies, agreements, promises, claims, complaints, cross-claims, counterclaims, damages, sums of money, interest, expenses,

disbursements, or causes of action of any kind or nature whatsoever, known or unknown, suspected or unsuspected, fixed and contingent, at law or in equity, which Releasors, or their heirs, executors, administrators, agents and assigns, have had, now have, or may have had prior to the date of the Releasors' execution of this Agreement by reason of any matter, cause or thing whatsoever based on, arising out of, resulting from, or in any way connected, directly or indirectly to the allegations set forth in the litigation captioned *Roy Reese and Dolores Terlecky v. Tuxedo Union Free School District*, 7:23-cv-09442-VR, venued in the United States District Court for the Southern District of New York, prior to Releasors' execution of this Agreement, expressly including, but not limited to, the causes of action and claims contained in the Releasors' Complaint in *Roy Reese and Dolores Terlecky v. Tuxedo Union Free School District*, 7:23-cv-09442-VR, any claims in law, equity, contract, tort or those claims which were or could have been alleged up until the date of execution of this Agreement, or any claims arising under any and all federal, state, county or local statutes, laws, rules and regulations, including but not limited to, claims under 42 U.S.C. §§ 1981-1988, Title VII of the Civil Rights Act, the Americans with Disabilities Act, Section 504 of the Rehabilitation Act of 1972, the Age Discrimination in Employment Act, the United States Constitution, the Constitution of the State of New York, New York State Executive Law § 296, New York Labor Law, New York Civil Rights Law, New York Civil Service Law, any and all claims under federal, state, county or local statutes, laws, rules, and regulations, applicable Collective Bargaining Agreements, and/or all claims under state and federal contract or tort law against Releasee, whether known or unknown, unforeseen, unanticipated, unsuspected, or latent, from the beginning of the world to the date of execution of this Agreement, except a claim that Releasee has failed to comply with any obligations created by this Agreement.

3. Releasors shall be solely responsible for the payment of any and all taxes on the

aforesaid amounts paid under this Agreement. In the event the Internal Revenue Service, or any other taxing entity, including, but not limited to, the State of New York or any court or other tribunal of competent jurisdiction, ultimately determines that the foregoing payments, or any portion thereof, constitute remuneration for which any taxes are due and owing, Releasors shall be solely responsible for the payment of such taxes. Releasors shall not make any claim against Releasee and/or any individual or entity as set forth above in Paragraph 2, for payment of any such taxes, or for the payment of any applicable interest or penalties and Releasors, and their heirs and assigns, agree to and will indemnify and defend Releasee and any individual or entity referenced above in Paragraph 2 against any such claims. The validity of this Agreement shall not be affected in any way by any tax liability with respect to these payments.

4. The terms of this Agreement do not constitute or establish a policy, precedent, or procedure of any nature and are not binding on the Releasee in any other circumstances or matters other than in relation to the matter of *Roy Reese and Dolores Terlecky v. Tuxedo Union Free School District*, 7:23-cv-09442-VR, venued in the United States District Court for the Southern District of New York.

5. This Agreement contains the sole and the entire agreement between Releasors and the Releasee and fully supersedes any and all prior or contemporaneous agreements and understandings pertaining to the subject matter hereof.

6. Releasors understand and agree that the conditions and payment specified in Paragraph No. 1 herein above are the only payments or benefits to which the Releasors are entitled under this Agreement. Releasors understand and agree that they will not seek anything further, whether monetary or otherwise, from the Releasee, or in any other proceeding, relating to anything which has happened to date. Releasors are responsible for any of Releasors' costs or attorneys'

fees and the Releasee shall not be responsible for any of Releasors' costs or attorneys' fees other than set forth herein in Paragraph No. 1.

7. The Releasors have had their rights under law, as referred above, including but not limited to the Older Workers Benefit Protection Act, expressly explained to them by their chosen attorney. The Releasors have been advised to consult with an attorney regarding their rights under the Older Workers Benefit Protection Act prior to executing this Agreement. The Releasors acknowledge that they have been advised by the District and their attorney that they are entitled to at least twenty-one (21) days to consider and review the terms of this Agreement pursuant to the Older Workers Benefit Protection Act prior to executing this Agreement and they voluntarily waive such right to the twenty-one (21) day period. Releasors further shall be given seven (7) days following the execution of this Agreement to revoke this Agreement, which revocation must be in writing and delivered to the District Clerk and with a copy to the District's counsel, Valentina Lumaj, Esq. of Silverman & Associates, within such seven (7) day period. Should the Releasors choose to revoke their agreement to the terms set forth herein, it shall not become effective or enforceable, in which case the Releasee will be permitted to seek any and all other recourse available to it under law. Should the revocation period expire without notice from Releasors of their revocation, this Agreement and all the terms and condition set forth herein shall be enforceable and effective.

8. This Agreement shall not be construed as an admission of any fault or liability by the District, the Board of Education of the District, and/or any other individual or entity set forth in Paragraph 2 for any of the acts or omissions alleged by Releasors, or for any acts or omissions which could have been alleged. The District, the Board of Education of the District, and any other individual or entity set forth in Paragraph 2 expressly deny any liability whatsoever, and specifically deny any wrongful conduct with regard to Releasors, for any damages, injuries or

other claims by Releasers.

9. This Agreement is intended to, and Releasers warrant that it will, dispose of all liability of the Releasee, and any entity or individual referenced in Paragraph 2 and each of them, to Releasers, their heirs, assigns and to any other person or entity that might now or in the future may have a claim through Releasers, their heirs, and assigns, as a result of the occurrences referred to in the Complaint in the litigation entitled *Roy Reese and Dolores Terlecky v. Tuxedo Union Free School District*, 7:23-cv-09442-VR, venued in the United States District Court for the Southern District of New York.

10. The Releasers agree that this Agreement shall not be offered, used, or introduced as evidence by them in any proceeding of any type against or involving the Releasee or any entity or individual referenced in Paragraph 2, except to the extent necessary to enforce the terms of this Agreement.

11. The Parties expressly acknowledge and agree that the Court shall not have continuing jurisdiction over the terms of this Agreement.

12. To the fullest extent permitted by law, unless ordered by a court of competent jurisdiction, or by other legal process, the Parties, and their attorneys, agree that the amounts paid, and other forms of consideration provided, under the terms of this Agreement will remain confidential and not be divulged to any third parties, except to family members, domestic partners, counsel, financial/tax advisors, taxing authorities, the Board of Education, insurers, as may be required under the New York Freedom of Information Law ("FOIL"), as may be required by court order, subpoena, lawful process, and as otherwise may be required by law. If asked by anyone other than these individuals, the Parties may respond by saying words to the effect of: "the matter has been resolved," and/or "the settlement terms are confidential." In the event a FOIL request is made, and this Agreement is to be produced pursuant to that request, the Agreement will be

redacted in accordance with FOIL.

13. Should any clause of this Agreement be found to be in violation of law, or ineffective or barred for any reason whatsoever, the remainder of the Agreement shall be in full force and effect.

14. The Releasors further agree to pay any and all unpaid medical bills and to pay any medical or other liens, and to defend, indemnify and hold harmless the Releasee, its insurers and its attorneys from and against any and all claims for liens, reimbursement or subrogation by any party which has paid medical benefits, workers' compensation benefits, or income assistance/welfare benefits to or on behalf of the Releasors in connection with their claims in this action, including but not limited to Medicare, Medicaid, Social Security, workers' compensation or disability benefits providers and any other healthcare providers. Releasors agree to fully cooperate in providing the Releasee, any entity specified in Paragraph No. 2, and/or its insurer(s) with any information for reporting and compliance purposes.

15. Releasors affirm that they are not aware of any Medicare or Medicaid liens or any other medical liens and in the event that Medicare asserts any type of lien, Releasors agree to defend and indemnify and hold harmless the Releasee and any individual/entity referenced in Paragraph 2, from any and all liens and/or claims, including rights of subrogation held by third parties, which may exist in relation to this matter, including but not limited to all attorney fees, any Medicaid, Medicare or SSD recovery rights and/or liens, arising out of or in any manner related to the Releasors' claims and the alleged damages sustained, including the payment of court costs and attorney fees. Where any subrogation rights, liens, or other reimbursement claims may be asserted they shall not be or become an obligation of the Releasee and/or its insurer(s), New York Schools Insurance Reciprocal, and/or any individuals/entities referenced in Paragraph 2. Releasors also agree to waive their rights to bring any possible future actions against the Releasee,

any individual/entity referenced in Paragraph 2, and/or its insurer(s), New York Schools Insurance Reciprocal, under the Medicare Secondary Payer Statute. Should any entity require that it be reimbursed for any past, disability/medical expenses/conditional payments that it has paid to Releasors, the Releasors agree to be solely responsible for such reimbursement and that it shall not become the obligation of the Releasee, any individual/entity referenced in Paragraph 2, and/or its insurer(s).

16. This Agreement may not be changed or modified except by a writing signed by the parties.

17. Releasors represent, acknowledge, and agree that, in executing this Agreement, they are competent to enter into this Agreement and that they have been represented by counsel of their own choice, Jonathan R. Goldman, Esq. of Goldman Law, PLLC, and Sussman & Associates, throughout the negotiations and execution of this Agreement. Releasors further represent, acknowledge, and agree that, in deciding to execute this Agreement, they have had the opportunity to ask any questions of and consult with anyone, including representatives or other personal advisors of their choosing, and that they have executed this Agreement freely, voluntarily, and of their own will, and with full and complete understanding of its terms and effects.

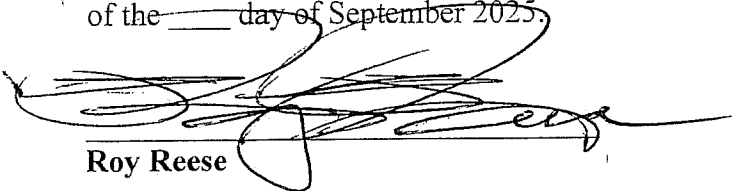
18. The parties hereby agree that this Agreement represents the full, complete, and final resolution of all matters and the understanding of the parties of the matters contained in this Agreement. No other promises or agreements shall be binding unless in writing, signed by all the Parties hereto, and expressly stated to be a modification of this Agreement.

19. This Agreement may be executed via facsimile and/or e-mail, and an electronic copy shall be treated with the same force and effect as the original.

20. This Agreement shall not be valid and binding unless and until it is formally approved by vote of the Board of Education of the Tuxedo Union Free School District.

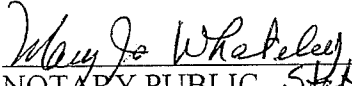
IN WITNESS WHEREOF, the undersigned have executed this Agreement effective as

of the ____ day of September 2025.

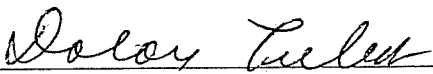

Roy Reese

DATED: 9/15/25

Sworn to before me this 15th Day of September, 2025

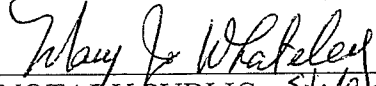

NOTARY PUBLIC

State of NY
County of Orange
#02WH6345462 - Commission Expires 7/25/2028


Dolores Terlecky

DATED: 9/15/25

Sworn to before me this 15th Day of September, 2025

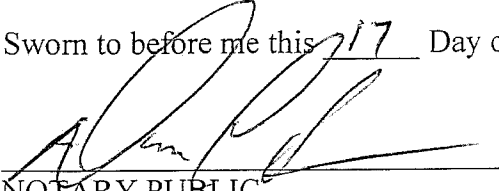

NOTARY PUBLIC

State of NY
County of Orange
#02WH6345462
Commission Expires 7/25/2028


Gary Heavner, Board of Education President

DATED: 9/17/25

Sworn to before me this 17 Day of September, 2025


NOTARY PUBLIC

Daniel G. Castricone, Esq.
Notary Public, State of New York
Reg. No. 020A679040
Qualified in Orange County
Commission Expires March 17th, 2026