



Borough of
CARTERET
New Jersey

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Borough Files 15 Disciplinary Charges Against Four Firefighters

Carteret, NJ – The Borough of Carteret today announced that 15 formal disciplinary charges have been leveled against several Borough firefighters. The announcement coincides with a civil settlement by the Borough's insurance carrier regarding litigation concerning alleged inappropriate behavior and harassment by a few members of the Carteret Fire Department.

Although the civil litigation and the plaintiff's failure to cooperate with the Borough's disciplinary investigation had delayed the filing of the disciplinary charges, the conclusion of the litigation has allowed the Borough to move forward with charges against four firefighters at this time. The charges range from sexual harassment to conduct unbecoming of a public employee. The plaintiff is now required -- as part of the settlement agreement -- to cooperate with the Borough in prosecuting any individuals involved in alleged misconduct.

"Carteret's firefighters risk their lives to keep our families safe – and the community's civil servants are good, hard-working people," stated Mayor Dan Reiman. "That is why this Borough will not tolerate the alleged outrageous behavior of a few, who have put at risk the reputation of our Fire Department. The very day that these allegations were reported to my office, I immediately ordered an investigation by the fire chief and law director."

The insurance settlement includes an approximately \$665,000 payment for the plaintiff plus attorney's fees and costs. Besides requiring the plaintiff's testimony at any upcoming disciplinary hearings, the settlement stipulates that the plaintiff can never again be employed by the Borough.

"Let me be clear: The settlement of the civil legal matter does not mean that the Borough accepts any or all claims in the initial complaint as fact, nor does it mean that all claims indeed have been substantiated," added Mayor Reiman. "In fact, it is important to note that any individuals involved will be afforded due process in this matter. However, based on the investigation to date, there appears to be evidence of behavior that is disturbing and unacceptable – and there is no department or office in this community where such things will be tolerated."

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SETTLEMENT AGREEMENT AND RELEASE

THE SETTLEMENT AGREEMENT AND RELEASE (hereinafter "Agreement") is made between KERRY ANN MANSUETO, her heirs, representatives, successors and assigns (hereinafter referred to as "Mansueto" or "Plaintiff"), and the BOROUGH OF CARTERET/ CARTERET FIRE DEPARTMENT, its present and former affiliates, elected officials, officers, directors, agents, attorneys, employees, former employees, volunteers, representatives, and all of their successors and assigns. (hereinafter referred to as "Carteret" or "Defendants")

RECITALS

WHEREAS, Mansueto was an employee of the Borough of Carteret who filed suit asserting claims arising out of her part time employment, volunteer status and subsequent employment, entitled Mansueto v. Borough of Carteret, et als., in the New Jersey Superior Court, Law Division, Middlesex Vicinage, under Docket No.L-5509-11. (Hereinafter "Action"); and

WHEREAS, the parties to the Action have reached an agreement to fully and finally settle all claims among them, that were asserted or that could have been asserted in the Action; and.

WHEREAS, none of the Defendants in the Action admit liability or any wrongdoing of any kind.

NOW, IN CONSIDERATION of the payment to Mansueto provided for by this Agreement, and other good and valuable consideration and the promises and covenants contained herein, the receipt and sufficiency of which the parties acknowledge, the parties do hereby agree as follows:

1. Twenty-eight (28) days after receipt by Hoagland Longo Moran Dunst and



Doukas LLP of the fully executed agreement by Mansueto and her counsel, the above Defendants, by and through their insurance administrators, shall deliver three (3) checks for the following amounts in full satisfaction of all claims contained in the Complaint and as developed in this Action, including those claims of negligent and /or wrongful acts, which allegedly resulted in personal injury, mental anguish, pain and suffering, emotional distress, medical expenses, attorney fees and costs, economic loss including back pay, front pay, and lost wages, as follows: one check will be issued to the law firm of Piro Zinna Cifelli Paris & Genitempo, in the amount of \$407,636.23 in full satisfaction of all attorney's fees and costs; (to be reported to the IRS by the Defendant and/or their representatives on form 1099-Misc), one check will be issued to Gateway Counseling LLC in the amount of \$27,500 in full satisfaction of all medical expenses and costs (to be reported to the IRS by the Defendant and/or their representatives on form 1099-Misc),; and one check will be issued to Kerry Ann Mansueto in the amount of \$664,863.80 in full satisfaction of all claims for wages and economic losses, personal injury, emotional distress, pain and suffering and all other injuries. Based upon a calculation made by Mansueto's certified public accountant and at Mansueto's request allocation of the payment to Mansueto will be \$22,627.00 in full satisfaction of all claims for lost wages and economic losses, (to be reported to the IRS by the Defendant and/or their representatives on form 1099-Misc. as non-employee compensation) and \$642,236.80 in full satisfaction of all claims for personal injury, physical and psychological injury, emotional distress, pain and suffering and all other injuries, (to be reported to the IRS by the defendant and/or their representative if deemed applicable) . Mansueto has agreed with the allocation of the amounts and payees as stated above and has authorized the checks to be made payable as indicated and waives any claim for improper payment, and has



requested that all checks to be delivered to Alan Genitempo of Piro Zinna Cifelli Paris & Genitempo for distribution. The parties agree that Tax Id. and social security numbers of the recipients of these payments may be provided separately.

2. Plaintiff expressly agrees to cooperate fully and completely in any administrative disciplinary investigation, proceeding or prosecution brought against present or former employees or volunteers of the Borough of Carteret Fire Department that arise out of the allegations that are part of Mansueto's claim asserted in the action. Her participation in these proceedings would be at the discretion of the counsel for the Borough of Carteret, but would be limited to involvement that counsel deems necessary and will endeavor to limit Mansueto's participation if possible. Should Plaintiff determine the need for private counsel, she is permitted to be represented, at her own cost, in any administrative investigation, proceeding or hearing. Any reasonable, direct out of pocket expense and/or lost wages incurred by Mansueto resulting from her cooperation in any administrative disciplinary investigation, proceeding or prosecution, shall be submitted for review and processing to the counsel for the Borough of Carteret. The prosecution of any and all disciplinary charges shall be in the sole and absolute discretion of the counsel for the Borough of Carteret. Mansueto acknowledges and agrees that she has no standing to assert any claims of any kind arising out of or relating to the outcome of the investigation, any decision to prosecute her claims, or the outcome of any disciplinary prosecution of her allegations. Mansueto acknowledges that no guaranty can be provided as to outcome of the prosecution of any disciplinary charges pursued through the Civil Service disciplinary system with regard to her allegations.

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3. Based upon information which was presented during the discovery of this lawsuit, and

dependent upon the outcome of any disciplinary prosecution which may be brought against any of the Fire Department employee witnesses involved in the 2004 investigation involving complaints of Mansueto, counsel for the Borough of Carteret will review and, if it is determined that any such witnesses lied during said investigation, amend, revise or modify its findings and determinations accordingly concerning the 2004 Investigation. Any such amendment, revision or modification of findings shall be provided to Piro Zinna Cifelli Paris & Genitempo and placed in Mansueto's Borough personnel file.

4. While a volunteer firefighter, Plaintiff was a participant in the Length of Service Award Program (LOSAP), which program was administered by the Lincoln Financial Group. Plaintiff's LOSAP account was closed. Plaintiff agrees to release and discharge any claims she has against any Defendants or the Lincoln Financial Group in exchange for Plaintiff receiving a check, from the Borough of Carteret, based upon the proceeds from the Lincoln Financial Group account maintained on behalf of Plaintiff, in the amount of \$6,168.82, which represents the full balance of the LOSAP contributions made, with interest, on behalf of or by Plaintiff. Plaintiff understands and agrees that by executing this Agreement and Release, she releases and waives any claims concerning the LOSAP program, the LOSAP account in her name, and/or the ability to re-open any LOSAP account on her behalf with the Carteret Fire Department or the Borough of Carteret.

5. By executing this agreement, Mansueto agrees that she will not seek re-employment with the Borough of Carteret or the Carteret Fire Department and/or its successor and affiliated entities.

6. Former Fire Chief Brian O'Connor has agreed to provide Plaintiff with a one-time



letter concerning her employment with the Borough of Carteret which Plaintiff may freely utilize to obtain subsequent employment. Should more than said letter be required by a prospective or future employer of the Plaintiff, Plaintiff may identify counsel for the Borough of Carteret, as a reference concerning Plaintiff's employment with the Borough of Carteret.

7. The Borough of Carteret will exercise its best efforts to provide continued training to all of its employees concerning harassment and discrimination on a biannual basis. The implementation of said plan shall be on a timetable as determined by the Borough of Carteret and the nature and content of the training shall be at the sole and absolute discretion of the Borough of Carteret. The breach or alleged breach of the undertaking to provide such training shall not be a basis to rescind this Agreement or void the settlement.

8. The Borough takes no position with regard to any decision by the Volunteer Fire Department with regard to the requirements of any Life Membership of Ms. Mansueto and the Volunteer Fire Company is free to make whatever decisions it determines with regards thereto.

9. Defendants make no representations regarding the federal or state tax consequences of the payments referred to above and shall not be responsible for any tax liability, interest or penalty incurred by Mansueto, Gateway Counseling LLC, or her counsel, which in any way arises out of or is related to said payments. The parties stipulate that Plaintiff, her certified public accountant and her counsel calculated the amounts for distribution, as set forth above. Should any federal or state taxing agency, authority or department challenge the apportionment of the total settlement amount, Mansueto and her counsel agree to pay any amount that may be determined to be due and owing as taxes, interest and penalties arising out of the payments referred to in Paragraph 1 should it be determined that all or part of such payments constitute



gross income to Mansueto, Gateway Counseling LLC, and her counsel, within the meaning of the Internal Revenue Code of 1986, as amended, or under any other federal, state or local statute or ordinance. Mansueto and her counsel further agree to (i) hold harmless Defendants against, and to indemnify Defendants for, any and all losses and/or damages arising from claims by the Internal Revenue Service ("IRS"), or any other taxing authority or other governmental agency (whether federal, state or local), which may be made against Defendants arising out of or relating to Defendants' failure to withhold any portion of the payment to Mansueto for income or social security tax purposes, or for any other purpose, and (ii) reimburse Defendants for any resulting payments, including without limitation, all penalties and interest payable to the IRS, or any other taxing authority or governmental agency. The parties further agree that Defendants will give Mansueto and her counsel notice of any such claim, and Mansueto and her counsel will cooperate with Defendants in the defense of such claim. In any action commenced against Mansueto and her counsel to enforce the provisions of this paragraph, Defendants shall be entitled to recover its attorneys' fees, costs, disbursements, and the like incurred in prosecuting the action.

10. By executing this Agreement, Mansueto certifies that she has complied with the requirements of N.J.S.A. 2A:17-56.23b. Plaintiff understands and agrees that the settlement amount referenced in Paragraph 1 will not be released until such time as her attorney provides Defendants' counsel with a certified copy of a child support judgment search, performed by a private judgment search company, reflecting that Plaintiff is not a child support judgment debtor. A copy of the Charles Jones Report shall be attached hereto by Plaintiff's counsel as Exhibit B.

11. Pursuant to the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act, Pub.L. No. 107-56, § 411(a)(1)(F), 115

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Stat. 272 (2001) (the "Patriot Act"), Executive Order 13224 and the enforcement regulations set forth by United States Treasury Department's Financial Crimes Enforcement Network ("FinCEN"), Plaintiff understands and agrees that the settlement amount referenced in Paragraph 1, will not be released until such time as her attorneys provide Counsel for Defendants with a certified copy of a search, performed by a private search company, reflecting that Plaintiff is not identified on the list of Specially Designated Nationals and Blocked Persons, generated by the Office of Foreign Assets Control ("OFAC"). Plaintiff further understands and agrees that in the event it is revealed that she is identified on the list of Specially Designated Nationals and Blocked Persons, generated by OFAC, she will not receive any of the proceeds of the settlement without Court Order. A copy of the Charles Jones Report shall be attached hereto by Plaintiff's counsel as Exhibit B.

12. Plaintiff acknowledges that all claims for wages and medical expenses, paid or unpaid, and/or liens asserted for wages and medical expenses, paid or unpaid, will be satisfied from the proceeds of this settlement. It is acknowledged that there has been a separate payment to Gateway Counseling LLC, which payment has been calculated by and requested by Plaintiff. Payment for any additional medical expenses, whether of Gateway Counseling LLC or another provider, will be satisfied from the proceeds of any monies paid to Plaintiff. Plaintiff further agrees that she will be responsible for reimbursement, if any, of Medicaid or Medicare, from the proceeds of this settlement. By executing this agreement, Plaintiff certifies that she has complied with the requirements of 42 U.S.C. §1395y, et seq and 42 C.F.R. §411.24, et seq. Should any subsequent claims be made under these subsections, Plaintiff further agrees to (i) hold harmless Defendants against, and to indemnify Defendants for, any and all losses and/or damages arising



from claims relating to Medicare/Medicaid brought by any governmental agency (whether federal, state or local) or any other medical provider, which may be made against Defendants arising out of or relating to Defendants' failure to withhold any portion of the payment to Plaintiffs for medical lien purposes, or for any other purpose, and (ii) reimburse Defendants for any resulting payments, including without limitation, all penalties and interest payable to any governmental agency or medical provider.

13. The parties further agree that within ten (10) days of the receipt by counsel for Plaintiff of the payments referred to in Paragraph 1 herein, a Stipulation of Dismissal with Prejudice as to claims against Defendants, the Borough of Carteret and the Carteret Fire Department, shall be filed with the Clerk of the New Jersey Superior Court, Law Division, Middlesex vicinage. Plaintiff and Defendants, the Borough of Carteret and the Carteret Fire Department, agree on the form of the Stipulation of Dismissal of this Action, with Prejudice, which is attached hereto as Exhibit A.

14. It is specifically understood and agreed that the amount paid under this Release and Agreement includes all attorneys' fees and costs to which Plaintiff and/or her attorney(s) may be entitled and the settlement sum is specifically intended to be inclusive of all attorneys' fees and costs. Plaintiff understands that by executing this Agreement and Release, she releases and waives any claim and/or right to attorneys' fees and expenses in connection with the Action. Neither Plaintiff, nor the Law Offices of Piro Zinna Cifelli Paris & Genitempo or any other Law Firm, nor anyone acting on their behalf, shall make an application for additional monies in addition to the amount set forth in Paragraph 1, as those amounts are included in the total payment being made herein.

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15. Mansueto hereby releases and forever discharges Defendants, its present and former affiliates, elected officials, officers, directors, agents, attorneys, employees, former employees, volunteers, representatives, insurers and reinsurers and all of their successors and assigns, from any and all actions, causes of action, suits, claims, charges or complaints, known or unknown, which Mansueto has, may have, or claim to have against any of them for everything that has occurred up to the date of the signing of this Agreement. The parties further agree that the Defendants and their agents, representatives and assigns shall have the sole right to pursue claims against any third party insurers for reimbursement of the settlement amounts paid hereunder and the costs and expenses incurred by them to defend Plaintiff's claims under any applicable policies of insurance, and that this settlement shall not constitute a waiver or release of such claims. Mansueto acknowledges that this is a General Release and includes but is not limited to claims set forth in the Complaint and as developed in this Action. Mansueto hereby expressly waives and releases any and all claims or rights arising under the New Jersey Law Against Discrimination, N.J.S.A. 10:5-1, et seq., claims or rights arising under the New Jersey Civil Rights Act, N.J.S.A. 10:6-1 et seq., claims arising under any federal or state constitution, statute or law; Title VII of the Civil Rights Act of 1964; the Age Discrimination in Employment Act; the Civil Rights Act of 1991; 42 U.S.C. §1983; the Americans With Disabilities Act; the Rehabilitation Act of 1973; the Family and Medical Leave Act of 1993; the Equal Pay Act; the New Jersey Conscientious Employee Protection Act; the New Jersey Family Leave Act; the New Jersey State Wage and Hour Law, all claims arising under any Executive Order and any claims derived from or based upon any federal or state regulation; all common-law claims including, but not limited to, wrongful discharge, wrongful acts, negligence, public policy violation,

whistleblower retaliation, breach of an express or implied contract, breach of an implied covenants of good faith and fair dealing, intentional infliction of emotional distress, negligent or intentional misrepresentation, defamation, fraud, misrepresentation, negligent or tortious interference with contract or prospective economic advantage; all claims for any economic loss including back wages, front pay, overtime pay, fringe benefits, or any other form of compensation; all claims for personal injury, including mental anguish, humiliation, pain and suffering, emotional distress, damage to name or reputation, or any other form of compensatory or punitive damages, all claims for economic losses, including but not limited to lost wages, back pay and front pay, and all claims for costs, expenses, and attorney's fees and any and all other claims however denominated, regardless of legal theory. This General Release includes all claims, known or unknown, for anything that has occurred up to and including the date of this Agreement. Mansueto further releases any and all rights she may have to seek discovery on any claims which have been encompassed by this lawsuit, or which has been a result of the actions of the Defendants, their representatives, agents, attorneys, volunteer employees, former or present elected officials, former or present employees. Defendants hereby release and forever discharge Mansueto from any and all claims for attorney's fees which they may have against Mansueto, her heirs, executors, administrators, successors and/or assigns, arising out of this lawsuit.

16. Mansueto further covenants and promises that she will not hereafter file or cause to be filed on her behalf any charge, complaint or legal or administrative action of any nature before any court or administrative agency to assert any claim against Defendants or any of the persons or entities released herein for anything that has occurred up to and including the date of this Agreement.



17. This Agreement does not constitute and shall in no manner be construed as an admission of any wrongdoing or liability, or violation of any federal or state statute, or common law rights, including those relating to the provisions of any law or statute concerning employment actions, or of any other possible or claimed violation of law or rights, on the part of Plaintiff, the Borough of Carteret and/or the Carteret Fire Department, or as an admission by the Borough of Carteret and/or the Carteret Fire Department, of the validity of any of the Plaintiff's allegations as contained in her Complaint and/or as supplemented during the course of discovery during the course of this Action. All Defendants continue to maintain the validity of the denials and affirmative defenses set forth in the Answer to the Complaint and as set forth in this Action.

18. The parties acknowledge the settlement of this matter reflects a desire of the parties to amicably resolve the issues disputed and the parties expressly acknowledge that neither the settlement nor any position taken established that the Borough of Carteret and/or the Carteret Fire Department acted in a discriminatory manner with respect to plaintiff during her tenure as a volunteer firefighter, her employment as a per diem EMT, or thereafter.

19. Mansueto represents that she has not assigned to any third party any right or claim that she has, may have or believes she has or may have against the Defendants. Mansueto represents that she has no other charge, claim or complaint of any kind pending against the Defendants and she further covenants and represents that she will not file or permit any third-party to file any charge, claim or complaint against the Defendants seeking personal recovery, sanctions or personal injunctive relief with respect to any matter in any way arising out of or relating to Plaintiff's involvement with the Defendants prior to the date that this Release and Settlement Agreement has been executed, or any matter or incident relating to the subject matter



of the Complaint. This representation specifically does not encompass any action taken by Borough counsel, of which Plaintiff would be a cooperative witness, in accordance with Paragraph 2 of this Agreement.

20. Mansueto agrees that she is not aware of and/or will not voluntarily assist in any claim, allegations of other wrongdoing, or litigation which may be pending or filed in the future against Borough of Carteret, the Carteret Fire Department, its representatives, former and present employees, volunteer employees, elected officials, attorneys or agents or the Defendants. The parties hereto acknowledge that Mansueto may be compelled to testify in litigation by court order or process.

21. In the event any party breaches the terms and provisions set forth in the preceding paragraphs, then any other party shall be entitled to bring an action for breach of this Agreement. If any party seeks to enforce or rescind this Agreement as a result of a breach, the other parties will be entitled to be restored to the status quo ante or an order of enforcement.

22. By executing this Agreement, Mansueto represents and acknowledges that she does not rely, and has not relied upon, any representation or statement not set forth in this Agreement made by Defendants, Borough of Carteret and/or the Carteret Fire Department or their respective counsel with regard to the subject matter, basis, or effect of this Agreement or otherwise. This Agreement sets forth the entire agreement between the parties and supersedes any and all prior agreements or understandings between the parties.

23. This Agreement shall be binding upon and inure to the benefit of Mansueto and the Borough of Carteret and the Carteret Fire Department, and any of her respective heirs, legal or personal representatives, or its agents, employees, officers, elected officials, successors or




assigns.

24. This Agreement shall be construed in accordance with the laws of the State of New Jersey.

25. The parties agree that the language of this Agreement has been negotiated, is a product of the draftsmanship of all of the parties and that the usual rule that the provisions of a document are to be construed against the drafter shall not apply to the interpretation of any provisions hereof.

26. The signature of the parties below indicates that they have had an opportunity to review this Agreement with their respective attorney(s), that they have read and understood the provisions and that they have executed it voluntarily with full knowledge of the significance of all provisions.

27. This Agreement may be executed in counterparts, each of which, when so
 executed and delivered, shall be deemed to be an original.

IN WITNESS WHEREOF, and intending to be legally bound, the parties have executed this Agreement.

STATEMENT BY THE INDIVIDUAL WHO IS SIGNING BELOW:

The Defendants have advised me in writing to consult with an attorney prior to executing this Agreement and Release. I have carefully read and fully understand the provisions of the Agreement and Release and have had sufficient time and opportunity (over a period of at least twenty-one (21) days) to consult with my personal tax, financial and legal advisors prior to executing this document, and I intend to be legally bound by its terms. If this Agreement is executed prior to the expiration of the twenty-one (21) day period so specified, I do so in a knowing and voluntary manner with the full knowledge that I am waiving any and all rights or claims I may have to the later challenge the sufficiency, scope or terms of the Agreement and have done so after consultation with my attorney. I understand that I may revoke my signature within seven (7) days following my signing; I understand that my rights under this Agreement are contingent on my signing this Agreement and Release and not revoking my signature on said document.



BY:


Kerry Ann Mansueto


STATE OF NEW JERSEY :
: SS.
COUNTY OF Union

I CERTIFY that on November 5, 2014, Kerry Ann Mansueto, personally came before me and acknowledged under oath, to my satisfaction, that this person:

- (a) is named in and personally signed this document; and
- (b) signed, sealed, and delivered this document as her act and deed.



Alan Genitempo
Piro Zinna Cifelli Paris & Genitempo
Attorney for Plaintiff


JIN GHOUN KIM
Notary Public, State of New Jersey
My Commission Expires Oct. 28, 2017

BY: _____

On behalf of the Defendants

Susan K. O'Connor
Hoagland Longo Moran Dunst & Doukas, LLP
Attorney for Defendants

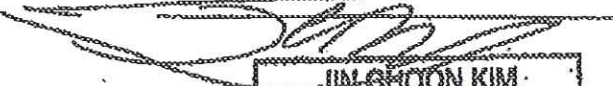



STATE OF NEW JERSEY :
: SS.
COUNTY OF *Union*


I CERTIFY that on *November 5*, 2014, Kerry Ann Mansucto,
personally came before me and acknowledged under oath, to my satisfaction, that this person:

- (a) is named in and personally signed this document; and
- (b) signed, sealed, and delivered this document as her act and deed.


Alan Genitempo
Piro Zinna Cifelli Paris & Genitempo
Attorney for Plaintiff


JIN GHOOON KIM
Notary Public, State of New Jersey
My Commission Expires Oct. 28, 2017

BY: 
Robert J. Perry Esq.
On behalf of the Defendants


Susan K. O'Connor *11/26/14*
Hoagland Longo Moran Dunst & Doukas, LLP
Attorney for Defendants

