

Exhibit A

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (hereinafter the "Settlement Agreement") is made as of this 11<sup>th</sup> day of February, 2015, between The Town of East Lyme (the "Town") and those parties listed on Exhibit "1" attached hereto (collectively the "NEN Parties"), and separately referenced by each individual name stated on Exhibit "1".

WHEREAS, the Town and New England National, LLC ("New England National") are parties to an action entitled "New England National, LLC vs. Town of East Lyme" which case is pending in the United States District Court for the District of Connecticut, Case No. 3:13-cv-1358-SRU ("District Court Case"); and

WHEREAS, the Town and the NEN Parties previously entered into a Compromise Agreement dated December 4, 2008 (the "Compromise Agreement"), which was approved by the United States Bankruptcy Court by Order Approving Compromise and Settlement, in a case entitle "In re New England National, LLC", Chapter 11 Case No. 02-33699 LMW; and

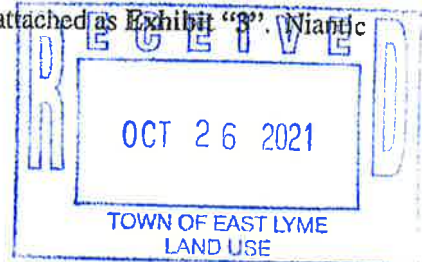
WHEREAS, New England National asserts certain claims and causes of action against the Town, including a claim that the Town breached the Compromise Agreement, all of which claims the Town disputes and denies; and

WHEREAS, the Town asserts certain claims and causes of action against New England National, including breach of the Compromise Agreement, all of which New England National disputes and denies; and

WHEREAS, while New England National is the only plaintiff and counterclaim defendant in the District Court Case, the other NEN Parties have a direct interest in this Settlement Agreement, will receive a direct benefit from this settlement made by the parties to this Settlement Agreement, and acknowledge that part of the consideration for the Town entering into this Settlement Agreement is the joinder of all of the NEN Parties to this Settlement Agreement.

NOW, THEREFORE, in consideration of the promises and covenants and agreements made herein, and for other good and valuable consideration, the receipt of sufficiency of which is hereby acknowledged, the parties hereby stipulate and agree as follows:

1. Recitals Incorporated: The recitals and paragraphs set forth above are true, accurate and correct and are incorporated in full and made a part of this Settlement Agreement.
2. Settlement Payment: Upon the execution and approval of this Settlement Agreement and fully set forth herein, the Town will pay to the NEN parties the amount of \$650,000 (the "Settlement Amount"). Payment shall be tendered to NEN's counsel Anthony S. Novak, Esq., and made payable to NEW ENGLAND NATIONAL, LLC.
3. Conveyance to the Town: New England National, LLC, the owner of the fee to the land under Darrow's Pond shall convey said property to the Town in the form of deed attached as Exhibit "2"; and New England National, LLC, the owner of the easements and property interests which encumber the so-called "Darrow's Pond Property" will release the NEN Parties' interest in said easements and convey all property interests in the form of deed attached as Exhibit "3".



Real Estate, LLC will also provide quit-claim deeds as to the foregoing to insure that all interests of the NEN Parties are conveyed to the East Lyme.

4. Property Retained by the NEN parties: the NEN Parties will retain the following properties: (i) 42.9 acres, more or less, known as the Osso Property and which is described on Exhibit "4"; and (ii) the following lots in Nottingham Hills: Lots 13, 14, 19, 21, 25, 26, 27, 28, and 32. The properties described in the Paragraph 4 are referenced herein as the "Retained Properties") The NEN Parties agree that they may convey the Retained Properties to an Independent Third Party Purchaser, but the NEN Parties shall not: (i) make application for any Land Use Permits; (ii) construct or develop any structure on the Retained Properties, including but not limited to apply for any building permits for the Retained Properties; (iii) maintain, whether individually, or as a corporation, partnership, director, officer, clerk, principal agent, employee, trustee or in any relation or capacity, any financial or other interest in any company which will develop of any of the Retained Properties. In the event that the NEN Parties should finance the sale of the Retained Properties, or any one of them, in the form of a purchase money mortgage, in the event of the foreclosure of the mortgage and the transfer of the property to the NEN Parties as the foreclosing party, the foreclosed property shall be subject to this covenant so long as it is owned by the NEN Parties and any entity that they have an interest therein. By way of clarity, the covenant in this Paragraph 4 as to the Retained Properties is that the NEN Parties are retaining their interest in the Retained Properties solely for the purpose of sale to Independent Third Party purchasers to realize the revenue from the sale of the Retained Properties, and that the NEN Parties will not have a financial interest in or with any third party purchaser, and will not apply for or participate in any Land Use Permits relating to the Retained Properties, or development of the properties, but this covenant shall not impair the right of any Independent Third Party Purchaser from filing or applying for Land Use Permits for the Retained Properties, nor prevent or restrict the use of plans prepared and/or stamped by Kristen T. Clarke, P.E. In addition to the Retained Properties, NEN or Niantic may have an interest as the Declarant in a "Declaration of Covenants and Restrictions of the Nottingham Hills Subdivision" recorded in Volume 614 Page 424 of the East Lyme Land Records, as thereafter amended or assigned by amendments or assignments of record in the East Lyme Land Records East Lyme Land Records ("Nottingham Hills Declaration") and NEN or Niantic may have an interest as the Declarant in a "Declaration of Covenants and Restrictions of Darrow's Ridge Subdivision" recorded in Volume 708 Page 627 of the East Lyme Land Records, as thereafter amended or assigned by amendments or assignments of record in the East Lyme Land Records ("Darrow's Ridge Declaration"). NEN and Niantic shall be permitted to assign their respective rights as declarant to an Independent Third Party, and such assignment shall not be deemed to be a violation of this Settlement Agreement. However, except for assignment to an Unrelated Third Party, and rights to enforce the Nottingham Hills Declaration and Darrow's Ridge Declaration as to other lot owners, neither NEN, Niantic or any of the other NEN parties shall exercise any rights as Declarant under either the NEN Declaration or the Niantic Declaration.
5. Restrictive Covenant: The NEN Parties, and each of them, agree that in addition to the covenant contained in Paragraph 4, for a period of 20 years they will not directly or indirectly, under any circumstances or conditions whatsoever: (i) purchase any new or additional property in the Town of East Lyme; (ii) file any land use permit applications or (iii) otherwise engage in development in the Town of East Lyme, whether individually, or as a corporation, partnership, director, officer,

- clerk, principal agent, employee, trustee or in any relation or capacity whatsoever. The NEN Parties agree that this Restrictive Covenant is fair and reasonable and is both necessary to protect the Town, and was a material consideration for the Town to enter into this Settlement Agreement, and further agree that neither the NEN Parties nor any one of them shall make any claim that the Restrictive Covenant is not fair and reasonable nor make any claim that this Restrictive Covenant nor any other provision of this Agreement is illegal, invalid or unenforceable for any reason.
6. Anne Torrance Property: The Town and Anne Torrance agree that notwithstanding the Restrictive Covenant, Anne Torrance may subdivide the property at 197 Upper Pattagansett Road into no more than 3 building lots, provided that any such subdivision application meets all current land use regulations. Proposed Lot 3 may include a strip of land along the westerly line of Upper Kensington Drive described in Volume 920 Page 510 of the East Lyme Land records, which is to be conveyed by lot line revision to Anne Torrance. It is further agreed that Anne Torrance will not request waivers of any subdivision regulation(s) or any zoning or other variances in connection with said subdivision. Anne Torrance may convey any of the lots created out of 197 Upper Pattagansett to an Independent Third Party, however, neither Anne Torrance nor any of the NEN parties may construct a dwelling or otherwise develop any of the lots, however, any conditions of approval by the East Lyme Planning Commission shall not be a violation of this provision.
  7. Completion of the Nottingham Hills Subdivision Public Improvements: East Lyme will undertake to complete the Public Improvements for Nottingham Hill Phase III, and will use the Public Improvement Bond (the "Bond Funds") currently held by the Town as the source of funding to complete the Public Improvements. In the event the Bond Funds are insufficient to complete the Public Improvements, the remaining cost will be paid by East Lyme. In the event that the cost of completion is less than the Bond Funds, the remaining funds will be returned to New England National. The Town will provide New England National will a complete accounting of all completion expenses.
  8. NEN Parties Release: Effective upon the Execution of this Agreement, payment of the Settlement Amount, and approval of this Agreement by the United States District Court, the NEN Parties on their own behalf and on behalf of their principals, employees, agents, members, successors, assigns, heirs, administrators and executors (collectively the "Releasor") forever remise, release, acquit, satisfy and forever discharge the Town of East Lyme and all of its past and present Selectmen, elected or appointed officials, officers, employees, insurance carriers, agents and attorneys (collectively the "Released Parties") and shall be deemed to have remised, released, acquitted, satisfied, and forever discharged from all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckoning, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims and demands whatsoever, in law, or admiralty, or in equity which against the Released Parties the Releasor shall or may have for, upon or by reason of any matter, or thing whatsoever from the beginning of the world to the date of these presents, including but not limited to the Compromise Agreement, all claims asserted or which could have been asserted in motions, adversary proceeding and other pleadings filed in New England National's bankruptcy case and all facts and matters alleged or which could have been alleged in the District Court Complaint.

9. Town of East Lyme Release: Effective upon the Execution of this Agreement, payment of the Settlement Amount, and approval of this Agreement by the United States District Court, the Town of East Lyme on its behalf and on behalf of its successors and assigns, forever remise, release, acquit, satisfy and forever discharge the NEN Parties and each of them, and their respective directors, members, officers, employees, agents and attorneys and shall be deemed to have remised, released, acquitted, satisfied, and forever discharge the NEN parties from all manner of actions, causes of action, suites, debts, covenants, contracts, controversies, agreements, promises, claims and demands relating to or arising from the Comprise Agreement, and all facts and matters alleged or which could have been alleged by the Town as a counter claim in the District Court Complaint. The NEN parties specifically acknowledge that certain real estate taxes of record are due and owing to the Town of East Lyme. Nothing contained herein shall be construed to release or otherwise limit the obligations of the NEN parties to pay the property taxes owed to the Town of East Lyme.
10. Enforcement: It is the intention of the parties that the provisions of this Agreement be enforced to the fullest extent permissible under the laws and applicable public policies of the State of Connecticut. Accordingly, the parties agree that upon execution of this Agreement, the Agreement shall be presented to the United States District Court for its approval.
11. Withdraw of District Court Case: Within ten (10) days of execution of this Agreement, and its approval by the United States District Court, NEN and the Town will jointly file a voluntary dismissal the District Court Case with prejudice.
12. Default: In the event that a party defaults hereunder, and fails to cure said default as set forth below, the non-defaulting party shall be entitled to an award of reasonable attorney's fees and costs relative to the enforcement of the terms of this Settlement Agreement. Upon the occurrence of an event of default, the non-defaulting parties shall provide written notice (the "Written Notice") of the default to the defaulting party. The Written Notice shall provide five (5) business days from the date of such notice to cure the default. Should the defaulting party fail to cure said default within said period, then, upon the non-defaulting party filing of a Motion to Enforce Settlement Agreement, the non-defaulting party may seek summary enforcement of this Agreement by motion to enforce the Settlement Agreement in accordance with *Audobon Parking Associates Ltd. Partnership v. Barclay & Stubbs, Inc.*, 225 Conn. 804 (1993).
13. Notices: All notice to be sent under this Agreement shall be sent to the following:

If to the Town of East Lyme:  
Office of the First Selectman  
East Lyme Town Hall  
108 Pennsylvania Avenue  
Niantic, CT 06357

If to New England National:  
1890 Palmer Avenue  
Suite 303  
Larchmont, New York 10538

If to Claims Agent, Inc.:

c/o Jeffrey Torrance  
197 Upper Pattagansett Road  
East Lyme, CT 06333

If to Darrow's Ridge, LLC:  
c/o Robert Blatt  
1890 Palmer Avenue  
Suite 303  
Larchmont, New York 10538

If to Niantic Real Estate, LLC  
197 Upper Pattaganett Road  
East Lyme, CT 06333

If to Robert Blatt:  
1890 Palmer Avenue  
Suite 303  
Larchmont, New York 10538

If to Anne K. Torrance and the Irrevocable Trust Parties:  
c/o Theodore Harris, Esq.  
341 Main Street  
Niantic, CT 06357

If to Jeffrey Torrance and the Torrance Family Limited Partnership:  
197 Upper Pattagansett Road  
East Lyme, CT 06333

Each notice shall be deemed to have been duly given if sent addressed to the addresses for such party as set forth above by hand delivery, by recognized overnight delivery service such as Fed Ex or UPS or other reputable overnight courier or by certified mail, postage prepaid, return receipt requested. Notices shall be deemed given on the same day if delivered by hand, or on the date shown on the receipt of the delivery service that such notice was actually delivered or refused during normal business hours with written evidence of such deliver or refusal with respect to delivery by overnight mail courier or by certified mail.

14. Entire Agreement. This Settlement Agreement constitutes the entire agreement of the Parties as to the subject matter hereof. The undersigned acknowledge that there are no communications or oral understandings contrary, different, or that in any way restrict this Settlement Agreement, and that all prior agreements or understandings within the scope of the subject matter of this Settlement Agreement are, upon the execution and delivery of this Settlement Agreement, superseded, null and void.

15. Amendments. No waiver, modification or amendment of the terms of this Settlement Agreement shall be valid or binding unless made in writing, signed by the party to be charged and then only to the extent set forth in such written waiver, modification or amendment.

16. Counterparts. The Parties may execute this Settlement Agreement in whole or counterparts and execution of counterparts shall have the same force and effect as if the parties had signed the same instrument. Signatures transmitted electronically or by facsimile shall have the same effect as original signatures.

17. Choice of Law and Venue. This Settlement Agreement shall be governed by and construed and enforced in accordance with, the laws of the State of Connecticut without regard to its conflict of law principles. Any action or motion brought in connection therewith may be brought in the United States District Court for the State of Connecticut or the Superior Court for the State of Connecticut, Judicial District of New London County.

18. Authority. Each Party to this Settlement Agreement warrants and represents that the person signing this Settlement Agreement on its behalf is duly authorized to enter into this Settlement Agreement on behalf of such party. Each Party signing this Settlement Agreement separately acknowledges and represents that this representation and warranty is an essential and material provision of this Settlement Agreement and shall survive execution of this Settlement Agreement.

19 Advice of Counsel. The Parties acknowledge that they have been represented by counsel of their own choice in the negotiations leading up to the execution of this Settlement Agreement and that they have read this Settlement Agreement and have had the opportunity to receive an explanation from legal counsel regarding the legal nature and effect of the same, and each Party has had it fully explained to them by their counsel and understands the terms and provisions of this Settlement Agreement and its nature and effect. Each Party further represents that they are entering into this Settlement Agreement feely and voluntarily, relying solely upon the advice of their own counsel, and not relying on the representation of any other Party or of counsel for any other Party.

IN WITNESS WHEREOF, the undersigned, being duly authorize, have caused this Settlement Agreement to be executed as of the date shown above.

TOWN OF EAST LYME

2/13/15

Dated

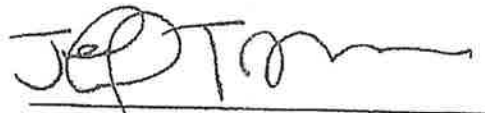


Mark Nickerson  
its Duly Authorized Agent

NEW ENGLAND NATIONAL, LLC

2/13/15

Dated



Robert A Blatt, Managing Member  
Jeffrey Turanice, Asst. m G-R  
DARROW'S RIDGE, LLC

February 11, 2015  
Dated

  
Robert A. Blatt, Manager

NIANTIC REAL ESTATE, LLC

February 11, 2015  
Dated

  
Anne K. Torrance, Manager

CLAIMS AGENT, INC.

2/13/2015  
Dated

  
Jeffrey A. Torrance, President

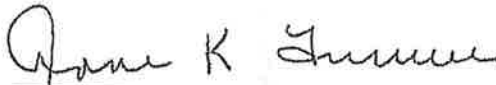
ROBERT A. BLATT

February 11, 2015  
Dated

  
Robert A. Blatt

MATTHEW A. TORRANCE  
IRREVOCABLE TRUST

February 11, 2015  
Dated

  
Anne K. Torrance, Trustee

KRISTEN B. TORRANCE  
IRREVOCABLE TRUST

February 11, 2015  
Dated

Anne K. Torrance  
Anne K. Torrance, Trustee

MICHAEL E. TORRANCE  
IRREVOCABLE TRUST

February 11, 2015  
Dated

Anne K. Torrance  
Anne K. Torrance, Trustee

NICHOLAS A. TORRANCE  
IRREVOCABLE TRUST

February 11, 2015  
Dated

Anne K. Torrance  
Anne K. Torrance, Trustee

TORRANCE FAMILY  
LIMITED PARTNERSHIP

February 11, 2015  
Dated

Anne K. Torrance  
Anne K. Torrance, General Manager

JEFFREY A. TORRANCE

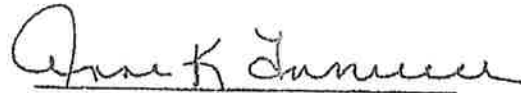
2/13/2015  
Dated

Jeffrey A. Torrance  
Jeffrey A. Torrance

ANNE K. TORRANCE



February 11, 2015  
Dated

  
Anne K. Torrance  
Anne K. Torrance