

CONFIDENTIAL SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement ("Agreement") is entered into by the Village of Mamaroneck with an address at 123 Mamaroneck Avenue, Mamaroneck, New York (the "Village") and AVC Properties, LLC, a New York limited liability company with an address at [REDACTED] [REDACTED] New York ("AVC") and Mark Castaldi ("Castaldi") an individual with an address at [REDACTED], New York, collectively (the "Parties") as of the Effective Date below:

WHEREAS, the Village commenced an action against AVC for injunctive relief and monetary damages in Supreme Court, Westchester County titled Village of Mamaroneck v. AVC Properties, LLC, et. al., under Index Number 60835/2019 related to the alleged occupancy of two properties after the Village revoked certificates of occupancy for those two properties (the "Action"); and

WHEREAS the Parties resolved issues related to the injunctive relief portion of the Action and AVC's properties were granted Certificates of Occupancy during the course of the within litigation; and

WHEREAS, all discovery in the Action has been completed and the Parties have participated in good faith settlement discussions supervised by the Court; and

WHEREAS, during the settlement discussions the Court endorsed resolving a non-litigated matter related to AVC's subdivision approval of its Henry Street property (the "Henry Street Subdivision Matter"); and

WHEREAS, AVC provided documentation and the Village confirmed that the Village's Planning Board approved a three-lot subdivision of AVC's Henry Street property and that AVC satisfied all conditions of approval other than conditions related to escrow fees and recreation fees; and

WHEREAS, the Village confirmed that AVC timely submitted a conforming subdivision plat for signature by the Planning Board Chair; timely appealed the imposition of certain escrow fee charge and offered to tender the statutory recreation fees; and

WHEREAS, notwithstanding AVC's appeal and position to the contrary, it is the Village's position that payment towards the escrow fees should be made in substantial part as said fees were incurred by the Village in connection with the Henry Street subdivision, and that the Village should

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accept the tender of recreation fees and thereafter should arrange for the Planning Board Chair to perform the Chair's ministerial duty related to signing of subdivision plats; and

WHEREAS, the decision of the Parties to enter into this Agreement does not constitute an admission nor concession of liability for any purpose; and

WHEREAS, the Parties are also desirous of resolving the Action to avoid unnecessary litigation fees and costs and obtain certainty of outcome by payment of a monetary amount that will resolve both the Action and the Henry Street Subdivision matter as recommended by the Court; and

NOW THEREFORE, in consideration of the above recitals which are hereby incorporated into the within Agreement as if fully set forth herein, the mutual covenants, and promises contained herein, the adequacy and receipt of which the Parties hereby acknowledge, the Parties, including their principals, successors, assigns, employees, and affiliates, hereby agree as follows:

1. **Payments by AVC**

AVC agrees to make a payment to the Village of Mamaroneck in the total amount of one hundred four thousand (\$104,000.00) dollars ("Settlement Amount"). AVC shall make this payment within ten (10) business days of the full execution of this Agreement. This payment shall be made payable to McCullough, Goldberger & Staudt, LLP as attorneys for Village of Mamaroneck and delivered to counsel for the Village of Mamaroneck McCullough, Goldberger & Staudt, LLP.

Village's attorneys McCullough, Goldberger & Staudt, LLP shall hold the Settlement Amount in escrow pending confirmation that its obligations under this Agreement as set forth in Section 2 herein have been satisfied in full.

2. **Execution of Henry Street Subdivision Plat**

AVC, or its representative, shall deliver the original subdivision plat which AVC and Castaldi represent is the same as the copy of the subdivision plat previously filed with the Village for the Henry Street subdivision to the Village's Land Use Board Secretary for filing. AVC and Castaldi's attorney David S. Klausner, Esq., shall notify Patricia Wetmore Gurahian, Esq., of McCullough, Goldberger & Staudt, LLP when the original subdivision plat has been filed with the Village. After the payment set forth in paragraph 1 herein are made, and after receipt of the original subdivision plat ("Conditions"), the Village Attorney shall advise the Planning Board Chair that

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all fees, including recreation fees, have been paid and that he may perform the ministerial act of executing the original subdivision plat and once executed that the plat may be picked up by AVC's attorneys David S. Klausner, Esq. of The Law Office of David S. Klausner PLLC for recording. The satisfaction of the Conditions and ability to execute the plat shall be communicated to the Planning Board Chair not more than five (5) business days after the Conditions have been met. The ministerial act of executing the original subdivision plat shall be completed by the Planning Board Chair within thirty days of notification that the Conditions have been met but best efforts will be made to execute the plat within ten (10) business days of his receipt of same.

3. **Stipulation of Discontinuance**

Within five (5) business days of confirming (i) receipt of cleared settlement funds, and (ii) confirmation that the Village's Planning Board Chair has executed the Henry Street Subdivision plat and delivered it to AVC's attorneys for recording with Westchester County land records, the Parties shall file with the Supreme Court of the State of New York, County of Westchester, the attached Stipulation of Discontinuance with Prejudice (the "Stipulation") of the Action. The executed Stipulation shall be held in escrow by the Village's attorneys pending satisfaction of the two above-mentioned conditions.

4. **Mutual Releases and Covenants Not to Sue**

Effective upon the Effective Date, AVC and its principal Mark Castaldi ("Castaldi"), on behalf of themselves and each of their respective successors, assigns, affiliates, subsidiaries, predecessors, agents, employees, officers, directors, investors, representatives, and attorneys, fully release, discharge, relinquish and forever waive any claims, suits, complaints, causes of action, damages, demands, duties, obligations, or liabilities of any kind, that they ever had, now have, or may in the future have against the Village and each of its respective officers, board members, employees, agents, successors, assigns, affiliates, subsidiaries, predecessors, agents, and attorneys, for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this Settlement Agreement, including but not limited to claims AVC and Castaldi had, whether asserted or unasserted, known or unknown, related either to its Grove Street property and violations issued by the Village or any other matter raised in the Action or related to the Henry Steet Subdivision matter. The obligations of the Village pursuant to this Settlement Agreement are specifically excepted from this Release.

Effective upon the Effective Date, the Village, on behalf of itself and each of its respective successors, assigns, predecessors, agents, board members, employees, officers, directors, representatives, and attorneys, fully release, discharge, relinquish, and forever waive any claims, suits, complaints, causes of action, damages, demands, duties, obligations, or liabilities of any kind, that it ever had, now have, or may in the future have against AVC or Castaldi and each of their respective successors, assigns, affiliates, subsidiaries, predecessors, agents, employees, officers, directors, investors, and attorneys, for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this Settlement Agreement, including but not limited to claims asserted in the Action or claims related to the Henry Street Subdivision Matter. The obligations of AVC and Castaldi pursuant to this Settlement Agreement are specifically excepted from this Release.

5. **Miscellaneous**

A. **Compromise and Representation: No Admission of Liability**. The parties agree and acknowledge that this Settlement Agreement, all terms and conditions contained therein, and the performance thereof, are entered into solely for the purpose of settling and resolving disputes between the parties. Each party enters this Settlement Agreement and agrees to perform its terms solely to avoid the risk, uncertainty, and expense of litigation of matters in dispute between them. The parties agree and acknowledge that this Settlement Agreement shall not be construed as an admission of any liability, wrongdoing, or responsibility on their parts or on the part of their predecessors, successors, assigns, parents, subsidiaries, affiliates, agents, employees, officers, directors, board members, or attorneys.

B. **Assignment**. This Settlement Agreement shall bind and inure to the benefit of the parties hereto, their predecessors, successors, assigns, agents, employees, officers, directors, and attorneys. The parties represent and warrant that they have not assigned, or in any way conveyed, transferred, or encumbered, all or any portion of any claim or right that is the subject of this Settlement Agreement, and that no other party or subrogee holds or has any right to assert any claim being released here.

C. **Cooperation in Drafting**. The parties acknowledge that the terms of this Settlement Agreement are contractual and are the product of negotiations between them. No party shall be deemed the drafter of this Settlement Agreement. In the construction of this Settlement

Agreement, no provision hereof or any claimed ambiguity or uncertainty as to the Settlement Agreement's provisions or meaning shall be construed for or against any party.

D. Disputes: Exclusive Jurisdiction: Choice of Law. The Settlement Agreement shall be governed by and interpreted in accordance with the laws of the State of New York. Each party hereto submits to and accepts the exclusive jurisdiction of the Supreme Court of the State of New York, County of Westchester, for any dispute, controversy, or claim arising out of or relating to this Settlement Agreement, including the breach, interpretation, validity, or enforceability of this Settlement Agreement. The parties waive any objections and claim that such courts are an inconvenient forum or lack personal jurisdiction over any party.

E. Execution. The parties agree that this Settlement Agreement may be executed in identical counterparts by the Parties, and each such counterpart shall be deemed an original and taken together, all of them shall constitute one and the same Settlement Agreement that shall be binding and effective as to all parties. An electronic signature or signatures transmitted in PDF by electronic mail will be binding and enforceable to the same extent as an original signature.

F. Modification. This Settlement Agreement cannot be changed or supplemented, and no provision may be waived except by a written instrument executed by the party against whom enforcement of any such amendment or supplement or waiver is sought.

G. Severability. If any provision in, or duty under, this Settlement Agreement shall be held to be invalid, illegal, or unenforceable for any reason in any jurisdiction, the validity, legality, or enforceability of other provisions in, or obligations under, this Settlement Agreement shall not be affected.

H. Authority. Each of the signatories hereto represents and warrants that the person signing on behalf of each Party is duly authorized to sign on behalf of and bind that party. The Village represents that the Village of Mamaroneck Board of Trustees at duly noticed and held meeting has voted to approve the Agreement and has authorized Village Attorney Steven Pambianchi to execute the Agreement on behalf of the Village and AVC represents that Mark Castaldi has been duly authorized by the members of the LLC or by the LLC's managing member, to execute the Agreement on behalf of AVC. AVC represents and warrants that all corporate formalities required to make this Agreement valid and binding on it have or will be undertaken and when executed and delivered such party is under no impediment to full performance of the obligations hereunder.

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I. Effective Date. This Settlement Agreement shall not become effective until it has been executed by all parties. The “Effective Date” of the Agreement shall be the date on which the last party executes the Agreement.


J. Confidentiality. The Parties agree that they will not file the Confidential Settlement Agreement with the Court and instead will file a Stipulation of Discontinuance only. To the extent legally possible, the Village agrees to keep the terms of this Settlement confidential in that it will not proactively publicize the terms; however, the Parties recognize and acknowledge that the Village is subject to Freedom of Information and other compliance obligations that may result in the settlement terms being made available to the public. Similarly, AVC and Castaldi agree that they will keep the terms of the settlement confidential and will not proactively publish the terms; however, said confidentiality shall not restrict AVC or Castaldi’s need to provide the Agreement to their attorneys, accountants or as required by court order.

K. Entire Agreement. This Settlement Agreement represents the sole and entire agreement between the parties and supersedes all prior agreements, negotiations, understandings, compromises, and discussions between the parties and/or their respective counsel regarding the subject matter addressed herein.

L. Counterparts. This Agreement may be executed in counterparts with each part considered an original. For convenience, the parties may execute the Agreement electronically via PDF or DocuSign.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date listed below their respective signatures.

THE VILLAGE OF MAMARONECK

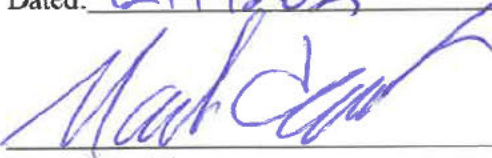
By: 
Steven Pambianchi, Esq., Village Attorney
Pursuant to Resolution of the Board of Trustees
of the Village of Mamaroneck adopted on November
24, 2025

Dated: 11/25/2025

AVC PROPERTIES LLC

By: 
Mark Castaldi, Managing Member
Pursuant to Resolution of the members of the LLC

Dated: 12/1/2025


Mark Castaldi

Dated: 12/1/2025