

SETTLEMENT AGREEMENT

Following mediation with the assistance of Michael Marks, Esq., the Parties signing below have reached the following settlement agreement in reference to all of the issues arising out of or related to the following case: *Cappello v. City of Newport, et. al.*, Vermont Superior Court, Civil Division, Orleans Unit, Case No. 23-CV-00137 (“Lawsuit”). The Parties shall exchange the documents and payments required to implement the following.

1. Approval of Agreement. This Agreement is contingent upon approval by the City of Newport City Council no later than August 4, 2025. If not approved, then this Agreement shall be null and void. If this Agreement is approved, the Parties shall take the remaining steps required by this Agreement.

2. Dismissal of Lawsuit. The Parties shall file a stipulated motion to dismiss the Lawsuit with prejudice. Each side shall bear its own costs and attorney’s fees.

3. General Release. Within ten days, the Plaintiff shall provide a General Release and hold harmless agreement to the Parties named in the Lawsuit and their indemnitors in a form reasonably acceptable to all counsel. (The General Release shall be held in escrow pending ratification of the Settlement Agreement.) The General Release shall include an acknowledgement that the Release shall not be deemed an admission of liability and that the Lawsuit is being settled solely to avoid expensive and protracted litigation. The General Release shall cover all claims, including any claims for attorney’s fees (including, but not limited to, claims under 42 U.S.C. section 1988) that were or could have been raised by the Plaintiff for any reason (including claims for medical payments and a hold harmless agreement extending to all liens of any nature), extending to any unknown, undiscovered, and undiscoverable claims, and all persons who could in any way be subjected to these claims, including principals, members,

employees, agents, officers, shareholders and indemnitors. The Plaintiff shall also agree to pay all liens out of the settlement proceeds.

4. Payment. Within twenty-one days of ratification of this Agreement, the Plaintiff shall receive a total settlement of Thirty Thousand Dollars (\$30,000.00) in a check from VLCT, the indemnitor for the City of Newport, made payable to the lawyer trust account of counsel for the benefit of the Plaintiff in the Lawsuit.

5. Statement by City of Newport. On behalf of the City of Newport, the Mayor makes the following statement: “The City regrets that the events in this case led to Andrew Cappello being temporarily barred from City property and acknowledges that a different approach would have better served all concerned. The City would like all members of the public to feel welcome in Newport, and Mr. Cappello is welcome to return to Newport and participate in all that Newport has to offer.”

6. Other Agreements. The City of Newport Police Department will adopt a policy that it will not issue or enforce no trespass notices for City property, absent a statewide adopted procedure.

7. Miscellaneous. This Agreement represents a compromise to avoid litigation. By making this Agreement, no Party makes any admission concerning the strength or weakness of any claim. This Agreement is a comprehensive agreement; all prior understandings and discussions are merged into this Agreement. This Agreement may only be amended by a written instrument signed by all Parties. The Parties shall execute such additional documents as are reasonably requested to implement this Agreement. This Agreement shall be interpreted under the laws of the State of Vermont. All Parties were represented by counsel in the drafting of this Agreement. All Parties voluntarily make this Agreement in reliance upon the legal advice of their counsel. The presumption against the drafter shall not apply to the construction of this Agreement. Any participation by the mediator in the drafting of this agreement was in his capacity as mediator in recording mutually agreeable settlement terms, and does not constitute legal

advice to any of the Parties. Photocopies of this Agreement shall be as effective as the original. This Agreement shall be binding and enforceable against the successors, heirs and assigns of the Parties.

Dated July 11, 2025.

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Andrew Cappello

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Andrew Cappello

Signed by:

Kevin Kite

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Agent for all Defendants in Lawsuit and their indemnitor, VLCT-PACIF

Approved as to form:

Signed by:

Hillary Rich

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Lia Ernst, Esq.

Hillary Rich, Esq.

Counsel for Plaintiff in Lawsuit

Signed by:

Kevin Kite

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Kevin Kite, Esq.

Counsel for Defendants in Lawsuit