

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ORANGE

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TOWN OF CHESTER and TOWN BOARD OF
THE TOWN OF CHESTER,

Plaintiffs,

-against-

ALLIED WORLD ASSURANCE COMPANY
(U.S.) INC., and SELECTIVE INSURANCE
COMPANY OF NEW YORK,

Defendants.

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**SO-ORDERED
STIPULATION
SETTLING MOTION
FILED AT NYSCEF
DOC. NO. 138, ET SEQ.**

Index No. EF001706/2020

WHEREAS, The TOWN OF CHESTER and TOWN BOARD OF THE TOWN OF CHESTER ("Town" or "Plaintiff") commenced an action at NYSECF Doc. No. 2 seeking, among other relief, a declaration that ALLIED WORLD ASSURANCE COMPANY (U.S.) INC. ("Allied") is obligated to defend and indemnify the Town in the 2019 Litigation described in the Complaint ("2019 Litigation").

WHEREAS, upon motion practice by the Allied and the Town at NYSECF Doc. No. 33, et seq., and No. 38, et seq., respectively, the Court issued an Order at NYSCEF No. 71 holding, in part, that Allied was obligated to defend the Town in the 2019 Litigation ("Order").

WHEREAS, Allied has filed a Notice of Appeal from the Order at NYSCEF Doc. No. 78.

WHEREAS, the Town moved at NYSCEF No. 138, et seq., to hold Allied in contempt for failing to comply with the Order.

WHEREAS, Allied denies any and all liability and takes the position it has acted and is acting consistent with the Order.

WHEREAS, the Town and Allied, having the mutual desire to settle the motion filed at NYSCEF No. 138, et seq. and to avoid protracted, expensive, and uncertainty regarding this motion in the future.

NOW, THEREFORE, on agreement and stipulation of all parties, it is hereby ORDERED, ADJUDGED, and DECREED as follows:

I. DEFINITIONS

1. The following terms when used in this So-Ordered Stipulation, shall have the following meaning:
 - a. "Principle" means the total sum submitted by the Town to Allied in defense costs and expenses in the 2019 Litigation via letter dated April 20, 2021;
 - b. "Interest" means the total sum submitted by the Town to Allied in interest owed on the defense costs and expenses in the 2019 via letter dated April 20, 2021.
 - c. "Parties" means Town and Allied.

II. PRIMARY TERMS

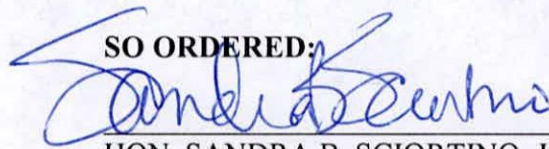
1. Allied World will pay the Town the Principle within 45 days of the joint submission of this Stipulation to be so-ordered, subject to a review of which the costs and expenses comprising the Principle were reasonable and necessary in the defense of the 2019 Litigation.
2. The Town withdraws its motion for contempt NYSCEF No. 138, et seq., with reservation of all rights including, but not limited to the following: (a) the right to restore the motion if payment not received in 45 days and/or Allied's reasonableness review is unwarranted/unreasonable and, upon such

restoration, assert all arguments and claims that exist as of the time the motion was originally made; and, (b) to submit of final Principle bill representing any further legal fees in 2019 Litigation if and when incurred to Allied for payment consistent with the terms of this so-ordered Stipulation.

3. The Parties agree to exchange their respective basis for Interest calculation and to work in good faith to resolve same so that payment can be made by Allied to the Town in or about the same 45 day period.
4. All payments by Allied pursuant to this Stipulation are made without waiver or admission of any of the issues on appeal from the Order, and Allied reserves its right to seek recoupment of such payments should it prevail on its appeal.

Dated: May 5, 2021
Goshen, New York

SO ORDERED:



HON. SANDRA B. SCIORTINO, J.S.C.

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