

**TOWNSHIP OF FRANKLIN
R-141-18**

**RESOLUTION APPROVING RELEASE OF THE PERFORMANCE
GUARANTEE POSTED FOR DEER MEADOWS AT FRANKLIN**

WHEREAS, the Township of Franklin filed a lawsuit in the Superior Court of New Jersey, Law Division, Gloucester County captioned Township of Franklin v. Signature Homes, Inc., et. al., and bearing Docket No. GLO-L-1252-15 (the “Bond Call Litigation”), which was an action to enforce the obligations and responsibilities set forth in a certain performance bond issued by First Indemnity of America Insurance Company (“FIA”) as surety for Signature Homes at Franklin, LLC (“Developer”), to secure Developer’s performance of the construction of certain bonded improvements associated with the residential development known as “Deer Meadows at Franklin”; and

WHEREAS, FIA filed a third-party complaint against Ronald Biglin, Jr., who was a member of the Developer who had personally guaranteed the bond but did not file for bankruptcy protection (“Biglin”); and

WHEREAS, Biglin filed a separate lawsuit against the Lot Purchaser Deer Meadows at Franklin, Inc. which had purchased certain approved but undeveloped lots in the same subdivision (the “Biglin Litigation”); and

WHEREAS, the Bond Call Litigation and the Biglin Litigation were subsequently consolidated into one action (the “Consolidated Litigation”); and

WHEREAS, all controversies between the Township, FIA, Biglin and Deer Meadows at Franklin, Inc. have been resolved; and

WHEREAS, pursuant to a certain Subdivision Takeover Agreement and a Final Completion and Settlement Agreement (the “Settlement Agreements”), Dear Meadows at Franklin, Inc. has completed all outstanding punch list work and has requested the Township of Franklin to release the remaining Performance Guarantee posted for site improvements in the amount of \$377,867.56 to guarantee completion of the project; and

WHEREAS, the Township Engineer reviewed this request and inspected the project and determined that said Performance Guarantee can be released, as set forth in their October 9, 2018 letter attached hereto as Exhibit “A” and incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Franklin that in furtherance of the Settlement Agreement and based on the Township Engineer’s letter dated October 9, 2018 as shown on Exhibit “A”. The Township hereby releases the Performance Guarantee for Deer Meadows at Franklin originally posted by Signature Homes at Franklin, LLC and waives the posting of a Maintenance Guarantee for said site improvements in accordance with the settlement documents.

ADOPTED at a regular meeting of the Township Committee of the Township of Franklin on October 23, 2018.

ATTEST:

TOWNSHIP OF FRANKLIN

Barbara Freijomil, Clerk

Leah Vassallo, Mayor

CERTIFICATION

I, Barbara Freijomil, Clerk of the Township of Franklin, do hereby certify that the foregoing Resolution was presented and duly adopted by the Township Committee at a regular meeting held on October 23, 2018.

Barbara Freijomil, Municipal Clerk