

NON-MONETARY SETTLEMENT TERM SHEET

1. Rider University confirms that it has adopted and shall retain a policy that prohibits the use of alcohol at any Greek event (social, ceremonial, rush, initiation or new member) held at any Greek house or residence hall located on campus. The University also confirms that it shall retain a policy prohibiting any individual or individuals from illegally using alcohol or serving alcohol to anyone under the age of 21. The University also prohibits any parties in Greek houses or residence halls where alcohol is being consumed by 21 year olds in the presence of minors. The University also confirms that it shall impose sanctions that could include dismissal from the University for any individual found in violation of this policy and the loss of chapter status for any Greek organization found in violation of this policy. All Greek chapter level violations shall be reported on Rider's website in accordance with paragraph 6 of this term sheet.

2. Rider University confirms that it has adopted and shall retain the following Good Samaritan Policy to encourage students to seek assistance when a fellow student is in need of medical attention:

Members of Rider's community have an obligation to contact the Department of Public Safety or a Residence Life staff member when they believe an intoxicated person may be in need of assistance. No intoxicated community members seeking and/or receiving assistance for themselves or others will be subject to sanctions by the University under Rider's Alcohol Policy. Intoxicated individuals seeking and/or receiving assistance will be required to complete educational or counseling initiatives which are intervention and prevention based and will be subject to action under the Code of Conduct for failure to complete those initiatives.

This policy does not preclude other appropriate authorities from taking action for violations which may be associated with the illegal possession or consumption of alcoholic beverages, or the University from taking action for violations associated with vandalism, theft, physical assault, sexual assault, hazing, or other policy violations. Furthermore, community members demonstrating a consistent and repeated pattern of behavior, after appropriate intervention and education have been provided will not be considered under this policy. Repeated incidents will require alcohol consultation and may necessitate the imposition of involuntary medical withdrawal from the University.

3. Rider University agrees that it will not recognize any Greek chapter that maintains an official off-campus residential house.

4. Rider University, Ada Badgley, Cassie Iacovelli and Adriano DiDonato, agree that they will not make official statements to the press or media stating that Gary DeVercelly's death was caused by the voluntary overconsumption of alcohol rather than as a result of a fraternity event. Ada Badgley, Cassie Iacovelli, and Adriano DiDonato agree that they will reasonably cooperate with the DeVercelly family in the pursuit of their claims against the Phi Kappa Tau fraternity. In exchange, Gary DeVercelly, Sr. and Julie DeVercelly, individually, and in their capacities as personal representatives of the Estate of Gary DeVercelly, Jr., agree that they will not make statements to the press or media specifically identifying any Rider employees or former employees by name who they contended in the litigation were responsible for Gary DeVercelly's death. The restrictions in this paragraph shall expire without further

action thirty (30) days after the conclusion of the pending litigation and the time for filing any appeals therefrom. Notwithstanding anything stated herein, nothing in this provision shall preclude Gary DeVercelly, Sr. and Julie DeVercelly from discussing the facts that led to their son's death, provided they do not make any statements to the press or media that state by name any Rider University current or former employee (including Ada Badgley, Cassie Iacovelli, and Adriano DiDonato). This provision does not apply to any statements any party may make under oath as part of a legal proceeding, or directly or through their counsel in the continuing legal proceedings of this case.

5. Rider University confirms that it has adopted and shall retain a policy whereby new member recruitment for Greek organizations can begin no sooner than the student's second semester on campus, whether that student is a freshman or transfer student. The policy requires the student to have a GPA of at least 2.5 before seeking membership in any Greek organization. Orientation and training for prospective and current fraternity members provided by the Office of Greek Life shall continue to include the matters of hazing and alcohol use and abuse. Rider University's Office of Greek Life receives a roster of all proposed new members, monitors compliance with this policy and it and the University shall review this and other policies identified herein on a regular basis.

6. Rider University shall amend its Student Code of Conduct to include language similar to the following:

As organizations or corporations, fraternities and sororities are expected to follow federal, state, university, and local rules, regulations and policies that are applicable to such groups. Fraternities and sororities also are expected to comply with the policies and rules of their respective national organizations. Furthermore, fraternities and sororities and their national organizations are responsible and will be held accountable for the actions of their members and violations of these standards of care when the behavior is related to fraternity or sorority life.

The University shall have no obligation to enforce the policies and rules of a national Greek organization; the national Greek organization is responsible for the supervision of its chapters and the enforcement of its policies and rules.

7. Rider University shall update the Greek section of the website to include disclosures about Greek chapters that identify the specific nature of all chapter level sanctions imposed on Greek chapters for violations of university policies that govern alcohol and drug use, rush activities, hazing and physical and sexual assaults. These disclosures shall outline Greek chapter level violations for the preceding three years. The website disclosures shall include the identity of the Greek chapter that was sanctioned, the date of the violation, the type of violation that occurred, and the sanction imposed on the chapter. The parties acknowledge that Rider University shall not be obligated to disclose the identity of any individuals involved in activities leading to a Greek level chapter sanction. The parties agree that the Greek chapter website disclosures shall be updated on an annual basis prior to the start of each academic year.

8. Rider University shall prohibit the PKT Fraternity from reapplying for recognition of its chapter on campus for a period of 5 years from the date of this agreement. If PKT reapplies, the University shall provide Gary DeVercelly, Sr. and Julie DeVercelly notice of the application for recognition as a chapter. Notice shall be sent to the following address:

9. Rider University shall place and maintain a plaque in a prominent location in the Lake House to honor Gary DeVercelly's memory. The plaque shall not be removed without the DeVercellys' consent. The DeVercellys' consent shall not be unreasonably withheld. The plaque will contain the following picture and language, the content of which has been provided by the DeVercellys and not Rider University:

Gary DeVercelly, Jr.
Sept. 4, 1988-March 30, 2007
"Cali"

"Gary enrolled in the MBA program at Rider in the fall of 2006, with a dream of someday becoming a General Manager (GM) of a baseball team. He joined a few other freshmen with the same academic aspiration, who together called themselves 'Team MBA.' Gary was well liked and respected by those at Rider who knew him. He was known for his smile, sharp wit, and caring nature. Gary had his priorities in order; placing the well-being of his family, friends, and peers first. A native of California, Gary seemed to personify the easygoing image his nickname, 'Cali' implied.

After landing an internship shadowing the GM of a professional baseball team, Gary was well on his way to pursuing his dream. Unfortunately, a few weeks before he was to start his internship, Gary died from alcohol poisoning as a result of a fraternity hazing ritual which took place in what is now known as 'The Lake House.' Though the house has changed and been renamed, what happened on these grounds shall never be forgotten.

'He was not great at everything he did in life, just the important things.'"

-Gary DeVercelly, Sr. and Julie DeVercelly

Rider University shall provide the DeVercellys with a proof of the plaque with the aforesaid language and photograph for the approval of the DeVercellys, which will not be unreasonably withheld. Rider University will also provide the DeVercellys with written notification of the precise location selected for placement of the plaque as well as the date of the actual placement, which will be no later than 60 days from the date of execution by the DeVercellys of the Settlement Agreement and Release, and receipt of the photograph of Gary from the family, and approval of the plaque by the family.

10. Rider University shall post signs in prominent locations in the Greek Houses and residence halls that inform students of the signs of alcohol poisoning or drug overdose.

11. Rider University shall update the Cali pledge card to include the hazing policy as well as language about the warning signs of alcohol poisoning. The Cali Pledge card shall be part of Rider's education on hazing and alcohol abuse. Rider University shall provide the DeVercellys with a copy of the updated Cali pledge card.

12. Rider University confirms that it has adopted and shall retain a policy that prohibits all forms of hazing on campus, Rider University also will amend its hazing policy to recognize that violators of the policy will be subject to sanctions that could include dismissal from the University and/or revocation of the Greek charter. The hazing policy also will advise students that hazing can result in criminal prosecution under New Jersey law.

13. Rider University confirms that it has hired, and shall retain, Greek house directors to oversee, among other things, the education and enforcement of the University's alcohol and

hazing policies.

14. Rider University confirms that it has adopted and will retain a policy whereby parents are notified as promptly as possible if their son or daughter violates the University's alcohol policy.

15. Rider University confirms that it conducts and will continue to conduct alcohol and hazing education programs for all freshman and incoming new students. Information provided to freshman and new students also will be provided to parents who attend the orientation.

16. Rider University confirms that it has and shall retain a policy where Greek Chapters are evaluated annually for performance with respect to the following six categories: (1) academic achievement, (2) leadership development, (3) programming, (4) chapter operations, (5) member responsibility, and (6) housing. The results of such evaluations shall be placed on the Greek section of Rider's website.

17. Rider University confirms that it will continue to hold a risk prevention program each year as part of its summer new student orientation program. Rider University also confirms that throughout the academic year it conducts and will continue to conduct in the future alcohol awareness, hazing, and risk prevention education programs for all students. In addition, beginning in 2010-11 and continuing each year thereafter, the summer student orientation risk prevention program shall bear Gary DeVercelly's name and honor his memory. If Rider University discusses the death of Gary DeVercelly, Jr. in any of these programs, the cause and circumstances of his death shall be portrayed by Rider University as having occurred at a fraternity event, consistent with the language of paragraph 4 of this Settlement Term Sheet.

18. Rider University shall retain the Cali Scholarship with the \$10,000 in endowed gifts that were donated thereto. The Cali Scholarship Fund will be used to fund scholarships in Gary's name, and respectful of his memory to Rider students who promote healthy decision making and lifestyle choices with a particular emphasis on hazing prevention, peer pressure awareness and risk reduction. Gary DeVercelly, Sr. and Julie DeVercelly shall be notified of students who are recipients of the Cali Scholarship and the DeVercellys shall be updated on an annual basis on the balance of available funds in the Cali Scholarship Fund. The University agrees that it will continue to accept voluntary donations to the Cali Scholarship Fund in the future.

19. These non-monetary settlement terms shall apply to all Greek organizations that are members of the following: N.A. Interfraternity Conference, National Panhellenic Conference, the National Pan-Hellenic Council, the National Association of Latin Social Fraternities, and the National Minority Group Greek Council and other non-academic Greek letter organizations. Following a request by the DeVercellys in writing, Rider University shall, on no more than an annual basis, provide Gary DeVercelly, Sr. and Julie DeVercelly with a letter that confirms it is in compliance with the terms of this agreement.