

**SEPARATION AGREEMENT
AND GENERAL RELEASE**

THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE (hereinafter this “Agreement”) is entered into by and between Robert Eads (“EADS”), on the one hand, and the City of San Luis (the “CITY”), on the other hand, for the purpose of severing the employment relationship between them.

1. **Resignation.** EADS hereby voluntarily resigns his employment with the CITY, with the resignation to be effective upon the execution of this Agreement by both parties.

2. **Consideration.** In consideration for each of the terms of this Agreement, the CITY will provide EADS with the following:

- a. The CITY will pay EADS the lump gross sum of \$65,000.00, less applicable state and federal withholding taxes as required by law, which is the equivalent of sixth months of salary.
- b. The CITY will pay EADS the lump gross sum of \$10,300.80, less applicable state and federal withholding taxes as required by law, which is the equivalent of 30 days of salary.
- c. The CITY will pay EADS the lump gross sum of \$7,000, less applicable state and federal withholding taxes as required by law, to use in his discretion for COBRA continuation benefits. Should EADS choose to use this amount to pay for COBRA continuation benefits, he will be solely responsible for completing the required enrollment forms and making all necessary payments.
- d. The CITY shall pay EADS the lump gross sum of \$6,937.59, less applicable state and federal withholding taxes as required by law, in satisfaction of 107.76 hours of accrued but unused vacation time.

The form of payment shall be a check payable to “Robert Eads,” which shall be delivered within 10 business days following the expiration of the revocation period outlined in Section 8.

3. **Release and Covenant Not to Sue.** EADS agrees that he will not initiate or cause to be initiated against the CITY or any of its current, past, or future agents, attorneys, insurers, council members, elected officials, employees, subsidiaries, affiliated entities, or any person or entity acting by, through, under or in concert with it, in both their personal and official capacities, (collectively referred to as “Released Parties) any lawsuit, compliance review, action, grievance proceeding or appeal, investigation or proceeding of any kind (collectively referred to as “claims”), or participate in same, individually or as a representative or a member of a class, under any contract (express or implied), law or regulation (federal state or local), including but not limited to claims pertaining to or in any way related to his employment or the termination of his employment relationship with the CITY.

EADS further agrees that pursuant to this Agreement, he releases and forever discharges the CITY and the other Released Parties from any and all claims, demands, damages, caused of action, and any liability whatsoever, including but not limited to claims on account of or in any manner arising out of his employment with the CITY or the termination of the employment relationship. By way of example only, and without limiting this release, EADS releases the CITY and the other Released Parties from any cause of action, right, claim or liability under Title VII of the 1964 Civil Rights Act, as amended, the Family and Medical Leave Act, the United States Constitution or Arizona Constitution, the Arizona Wage Statute, the Arizona Civil Rights Act, the Arizona Employment Protection Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and any other equal employment opportunity law or statute, any due process or other constitutional theory, any Arizona statute, any federal statute, any common law claim including wrongful discharge, implied or express contract, the covenant of good faith and fair dealing, or any other claim in tort or contract arising under any theory of the law. EADS also waives and releases any appeal or grievance rights pursuant to the CITY's personnel policies, procedures, regulations, or ordinances.

EADS understands and acknowledges that this release forever bars him from suing or otherwise asserting a claim against the CITY or any other Released Party on the basis of any event occurring prior to his execution of this Agreement, whether the facts are now known or unknown, and whether the legal theory upon which such claim might be based is now known or unknown.

4. **Acknowledgement of Full Payment.** EADS acknowledges and agrees that he has received payment in full by the CITY for all wages, overtime, bonuses, or other forms of compensation to which he was entitled as a result of his employment.

5. **Provision for Unknown Claims.** EADS warrants that he does not have any claim or charge pending against the CITY or any of the other Released Party with any court, tribunal, administrative agency, governmental agency, or other such body.

6. **Waiver of Right to Recovery and No Inducement.** EADS waives any right to monetary recovery should any administrative agency pursue any released claim on his behalf. To the extent permitted by law, and/or unless required by law, EADS agrees that he will not induce, aid, or abet anyone in instituting or prosecuting any pending or future claim against the CITY or any other Released Party in any court, arbitral tribunal, or administrative agency. However, nothing in this provision shall prohibit EADS from communicating with any governmental agency regarding a matter within the agency's jurisdiction.

7. **Consultation with Legal Counsel.** EADS acknowledges that this Agreement constitutes written notice from the CITY that it advises him to seek legal counsel before signing this Agreement.

8. **Notice of Time for Reflection and Waiver.** EADS acknowledges that he has fully discussed all aspects of this Agreement with his attorney to the extent he wishes to do so. EADS agrees that he has carefully read and fully understands all of the provisions of this Agreement and that he is voluntarily entering into this Agreement. EADS agrees that, as part of

this Agreement, he has been provided with consideration in addition to anything of value to which he is already entitled. EADS is advised that, prior to waiving claims he may have under the Age Discrimination in Employment Act, he may take up to twenty-one (21) calendar days to consider this Agreement before signing, and he may revoke this Agreement within seven (7) calendar days after he signs the Agreement. If EADS wishes to revoke the Agreement, he must do so by delivering written notification of the revocation before the expiration of the revocation period to Ketic St. Louis, the CITY's Finance Director. In the event this Agreement is signed prior to the expiration of 21 days, EADS acknowledges that he has voluntarily and knowingly agreed to waive his entitlement to take 21 days to consider this Agreement.

9. **Effective Date of Agreement.** This Agreement will be effective upon execution by both parties and the expiration of the seven-day revocation period outlined in Section 8 above.

10. **Neutral Reference.** EADS agrees to direct all reference requests from prospective employers to the City's Human Resources Director. The CITY agrees that the Human Resources Director shall respond to such reference requests by disclosing only the following information regarding EADS: dates of employment, position(s) held, and rate of pay.

11. **Full Consideration.** EADS agrees that the CITY's compliance with the above described terms constitutes full and sufficient legal consideration for the promises and covenants set forth in this Agreement.

12. **No Admission of Wrongdoing.** The parties each agree that nothing in this Agreement shall be construed as an admission by either of them of any wrongdoing or violation of any applicable law.

13. **Bar.** EADS specifically agrees that this Agreement may be pled by the CITY or any of the other Released Parties as an absolute bar to any released claim.

14. **Complete Agreement.** This Agreement sets forth all of the terms and conditions of the agreement between the parties and shall be considered and understood to be a contractual commitment and not a mere recital. This Agreement shall be binding upon the CITY and its successors and assigns and upon EADS and his respective agents, heirs, executors, representatives, and assigns.

15. **Fees and Costs.** In an action to enforce any term or terms of this Agreement or to seek damages for breach of this Agreement, the prevailing party in that action shall be entitled to recover reasonable attorney's fees.

16. **Waiver and Amendment.** A waiver of any right under this Agreement must be in writing to be effective. This Agreement may be amended only by a writing signed by the parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

17. **Return of Property.** Within five business days of the effective date of this Agreement, EADS shall return all property of the CITY in his possession.

18. **Complete Agreement.** This Agreement sets forth the entire Agreement between the parties.

19. **Choice of Law.** This Agreement shall be construed, enforced, and governed by the laws of the State of Arizona.

20. **Severability.** Should any provision of this Agreement be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement.

21. **Acknowledgement.** EADS acknowledges that in executing this Agreement, he does not rely on any inducements, promises or representations made by the CITY other than those expressly stated herein. Further, EADS declares that he has read this Agreement and fully understands its terms and contents, including their rights and obligations hereunder, and freely, voluntarily and without coercion enters into this Agreement. EADS agrees and acknowledges that the waiver and release of all rights or claims he may have under any local state or federal law is knowing and voluntary.

CITY OF SAN LUIS

By _____
Its _____

Dated: _____

ROBERT EADS

Dated: _____