

NORTH CAROLINA

JOHNSTON COUNTY

SEPARATION AGREEMENT AND GENERAL RELEASE

THIS SEPARATION AGREEMENT AND GENERAL RELEASE (the "Agreement") is made and entered into by and between the Town of Clayton ("Town") and JD Solomon ("Employee" or "Solomon") (collectively referred to herein as the "Parties").

WHEREAS, Employee was employed as Town Manager beginning on February 1, 2021 and was party to an Employment Agreement with Town which he signed on that same day (the "Employment Agreement");

WHEREAS, Town and Employee agree to the termination of Employee's employment with the Town; and

WHEREAS, Town and Employee desire to resolve amicably any and all potential claims, disputes, and other matters between them based upon, arising from or relating to Employee's employment relationship with Town and Employee's separation from employment.

NOW THEREFORE, for and in consideration of the mutual promises hereinafter expressed, it is hereby agreed by and between Employee and Town as follows:

1. Employment. Solomon agrees to voluntarily resign from employment with Town, effective as of 11:59pm, May 3, 2021 (the "Resignation Date"). Town agrees to allow Solomon to voluntarily resign from employment with the Town as of the Resignation Date. On the first regular payroll date following the Resignation Date, the Town will pay to Solomon wages earned during the preceding pay period and prorated portions of any monthly allowances to which he is entitled.

2. Severance Payments. In consideration of Solomon signing and returning this Agreement, and in accordance with the terms of the Employment Agreement, Town agrees to pay severance in the gross amount of One Hundred Fifty Eight Thousand Three Hundred Seven dollars and seventy three cents (\$158,307.73), less normal and appropriate withholdings. The severance payment will be paid on the Town's next regular payroll date occurring after the payment referenced in paragraph 1 above.

3. Reference Requests. Town agrees to respond to all requests for references from prospective employers by providing only that information which is specified in state law as being a matter of public record. Any requests for follow up information will be directed to Jody McLeod, Mayor of Town.

4. Release.

(a) Solomon, intending to be legally bound, and for and in consideration of the payments made and obligations undertaken pursuant to this Agreement, does for himself, his heirs, executors, administrators, successors and assigns hereby remise, release and forever discharge

Town, and all its successors, predecessors, subsidiaries, affiliates, assigns, commissioners, directors, officers, former and current council members, trustees, agents, employees and attorneys, insurers, and all persons, corporations or other entities who might be claimed to be jointly and severally liable with it (collectively, "Released Parties"), from any and all actions and causes of action, claims, demands, suits, damages, including back pay, front pay, compensatory damages, punitive damages, employee benefits, wages, bonuses, liquidated damages, attorneys' fees, expenses, and compensation whatsoever, including but not limited to any claims based upon, arising from or relating to his employment relationship with Town or the termination of that relationship, and from any and all other claims of any nature whatsoever against the Released Parties, whether known or unknown or whether asserted or unasserted, including but not limited to claims under the Americans with Disabilities Act, 42 U.S.C. § 12101, et seq.; Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e et seq.; the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq.; 42 U.S.C. § 1981; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq.; the Family and Medical Leave Act, 29 U.S.C. § 2601 et seq.; the North Carolina Equal Employment Practices Act, 43 N.C. Gen. Stat. § 143-422.2 et seq.; the North Carolina Retaliatory Employment Discrimination Act, N.C. Gen. Stat. § 95-241 et seq.; the North Carolina Wage and Hour Act, N.C. Gen. Stat. § 75-25.1, et seq.; and the North Carolina Workers' Compensation Act, the North Carolina State Personnel Act, claims for fraudulent misrepresentation, wrongful discharge, whistleblowing, breach of contract, tortious interference with contract, negligent retention and supervision, intentional and negligent infliction of emotional distress, and any other state or federal statutory or common law theories, prior to the date of execution of this Agreement, which he or anyone claiming by, through or under him in any way might have or could claim against any Released Party.

(b) Nothing in this Agreement is intended to waive claims (i) for unemployment or workers' compensation benefits, (ii) for vested rights under ERISA-covered employee benefit plans as applicable on the date Solomon signs this Agreement, (iii) that may arise after Solomon signs this Agreement, or (iv) which cannot be released by private agreement. In addition, nothing in this Agreement including but not limited to the release by Solomon, prevents Solomon from filing a charge or complaint with or from participating in an investigation or proceeding conducted by the Equal Employment Opportunity Commission or any other any federal, state, or local agency charged with the enforcement of any laws, although by signing this release Solomon is waiving rights to individual relief based on claims asserted in such a charge or complaint, or asserted by any third party on Solomon's behalf, except where such a waiver of individual relief is prohibited.

5. Additional Representation.

(a) Solomon represents and warrants that to the best of his knowledge he properly has been paid for all time worked while he was employed by the Town of Clayton, that he has received all benefits to which he was entitled and that he knows of no facts indicating and has no reason to believe that his rights under the Fair Labor Standards Act have been violated. Additionally, Solomon represents that as of the date of the execution of this Agreement, he knows of no fact, evidence, and/or information which would lead him to allege a violation of any law by Town or any other Released Party.

(b) Solomon further agrees that he will not institute any lawsuits or charges either individually or as a class representative or member against any Released Party excepting only any

disputes which may arise out of this Agreement. Solomon knowingly and intentionally waives any rights to any additional recovery that might be sought on his behalf by any other person, entity, local, state or federal government or agency thereof, including specifically and without limitation the Equal Employment Opportunity Commission, the U.S. Department of Labor, and the North Carolina Department of Labor. Solomon promises not to participate in or direct the participation of others in any litigation or charges made by third parties against any Released Party unless legally obligated to do so pursuant to subpoena, court order or applicable law. This "other actions" term is a material, bargained-for term of this Agreement, and its violation in any degree will obligate Solomon to forfeit any payments yet to be made and to repay any payments already made. If any Released Party prevails in any legal action for breach of this provision, Solomon agrees to pay that party's reasonable attorneys' fees and costs.

6. Confidentiality. Solomon has not and shall not at any time or in any manner, either directly or indirectly, disclose, divulge, communicate or otherwise reveal or allow to be revealed to any third party any financial term this of Agreement (memorialized in Paragraph 2, supra) to anyone other than his attorney, tax preparer, and spouse, or in response to a lawfully issued and valid subpoena or other process or orders of courts or government agencies, or in response to discovery requests or notices of deposition. To the extent Solomon reveals any financial term of this Agreement to his attorneys, tax preparer, or spouse, he agrees to inform them simultaneously of the confidentiality requirements contained herein. Solomon acknowledges and agrees that pursuant to public records law or otherwise, Town may disclose the terms, substance, or content of this Agreement and the terms, substance or content of any communications, whether written or oral, concerning the negotiation, execution or implementation of this Agreement.

7. Tax Liability. Solomon understands and agrees that to the extent any tax liability may now or hereafter become due because of the payment of sums pursuant to this Agreement, such liability shall be his sole responsibility.

8. No Admission of Liability. This Agreement is not an admission of liability on the part of Town for any claim or cause of action, and shall not be interpreted as such.

9. Cooperation. Employee agrees to cooperate fully and in good faith with Town and, if so requested by Town, provide assistance and/or information related to any business matter, legal dispute, investigation, proceeding or litigation (threatened or pending) involving Town and all other Released Parties.

10. Press Release. The Town and Solomon agree to work in good faith to prepare a mutually agreed upon press release.

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, excepting only its conflict of law principles.

12. Severability. Each provision of this Agreement is intended to be severable. If any term or provision is held to be invalid, void or unenforceable by a court of competent jurisdiction for any reason whatsoever, such ruling shall not affect the remainder of this Agreement.

13. Entire Agreement. The Parties agree that this Agreement shall not be subject to any claims of mistake of fact, that it expresses a full and complete settlement, regardless of the

adequacy or inadequacy of the payment amount, that it is intended to avoid further dispute and litigation, that it is to be final and complete, and that it may be specifically enforced in court without further instruments or testimony. This Agreement consists of the entire agreement between the parties as to the resolution of Employee's employment, and it supersedes and cancels any prior negotiations and agreements, whether written or not, relating to Employee's employment with Company and the termination of that employment, with the exception of any postemployment obligations and indemnification agreements between the Parties (including those set forth in the Employment Agreement) which shall continue according to their terms.

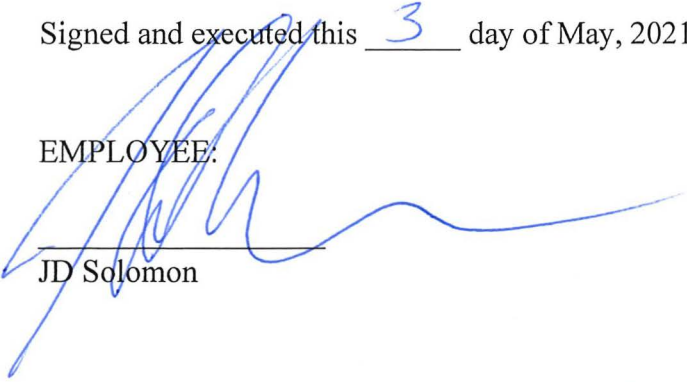
15. Counterparts. This Agreement may be executed in counterparts in order to provide each party with a fully-executed original hereof.

16. Binding Effect. This Agreement will be binding upon, inure to the benefit of and be enforceable by any and all successors and assigns of Town.

17. Voluntary Execution. The Parties, intending to be legally bound, apply their signatures voluntarily and with full understanding of the contents of this Agreement and after having had ample time to consult with counsel and to review and study this Agreement.

Signed and executed this 3 day of May, 2021.

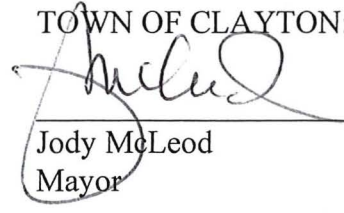
EMPLOYEE:



JD Solomon

Signed and executed this 3 day of May, 2021.

TOWN OF CLAYTON:



Jody McLeod
Mayor