

SEPARATION AGREEMENT AND MUTUAL GENERAL RELEASE

THIS SEPARATION AGREEMENT AND MUTUAL GENERAL RELEASE

(hereinafter this "Agreement") is made by and between Daniel Hofman (hereinafter "Employee") and the City of Vergennes, Vermont, a Vermont municipal corporation with its principal place of business at Vergennes, Vermont, its past, present, or future affiliates, subsidiaries, successors and assigns (hereinafter "Employer"). When used herein, EMPLOYER shall also include its past, present and future officers, directors, agents, representatives, insurers and indemnitors, attorneys, and employees and all persons acting by, on behalf of, or in concert with them.

WITNESSETH:

WHEREAS, EMPLOYEE has been employed by EMPLOYER as EMPLOYER's City Manager since December 6, 2019;

WHEREAS, for a variety of reasons, EMPLOYER and EMPLOYEE agree that there now exists a mutual opportunity for EMPLOYEE to pursue employment opportunities elsewhere, to both EMPLOYER and EMPLOYEE's benefit;

WHEREAS, EMPLOYER is not undertaking any effort to investigate, discipline, or discharge EMPLOYEE, and EMPLOYEE is voluntarily resigning his position as City Manager effective upon execution of this Agreement and subject to the terms herein;

NOW THEREFORE, in consideration of the mutual promises and agreements contained herein, EMPLOYER and EMPLOYEE agree to settle any dispute regarding EMPLOYEE's employment and agree to the following Separation Agreement and Mutual General Release:

1. CONSIDERATION TO EMPLOYEE

As consideration for this Agreement, EMPLOYEE will continue to work as stated in Paragraph 2 below through November 13, 2020; EMPLOYER will keep EMPLOYEE on EMPLOYER payroll for a period of sixty days thereafter, such payroll to end as of January 15, 2021, which shall include paying the EMPLOYER share of health insurance and other benefits as provided for in the December 6, 2019 Employment Agreement by and between the parties; EMPLOYER shall compensate EMPLOYEE for accrued paid leave (55.3 hours vacation leave), converted to its equivalent in cash at EMPLOYEE's existing rate of pay, less deductions, as of January 12, 2021.

EMPLOYEE acknowledges that the consideration for this Agreement is over and above what EMPLOYEE is entitled to receive under EMPLOYER's Personnel Manual, the December 6, 2019 Employment Agreement, and any other law or regulation. EMPLOYEE further agrees that EMPLOYER will make the standard deductions from compensation hereunder, and has made no representation to EMPLOYEE concerning the tax consequences of this Agreement, if any, and EMPLOYEE agrees that he has not relied on any such representation. EMPLOYEE agrees to indemnify and hold harmless EMPLOYER from any taxes, assessments, interest or penalties that EMPLOYEE may at any time incur by reason of demand, suit or proceeding brought against it for any taxes, interest, penalties or assessments arising as the result of this settlement.

2. CONCLUSION OF EMPLOYMENT

EMPLOYEE agrees that he will continue to work for EMPLOYER as City Manager through the close of business on November 13, 2020; EMPLOYEE will continue in his role as City Manager, will execute his duties according to applicable law, and will additionally assist the City as it prepares to hire an Interim City Manager, as

requested by the City Council. Employee represents he will continue to maintain a courteous, professional, and respectful attitude in his dealings with City officials, employees, and members of the public.

In the event any outside inquiries are made to EMPLOYER concerning EMPLOYEE's employment with EMPLOYER, EMPLOYER will respond by confirming EMPLOYEE's dates of employment, last position held with EMPLOYER, ending salary/wage level, and shall produce a copy of the Recommendation Letter attached hereto as Exhibit A. EMPLOYEE shall direct all future prospective employers to EMPLOYER's Mayor Lynn Donnelly, or if Ms. Donnelly leaves office, to the then-current City Manager, each of whom shall comply with this Agreement. EMPLOYEE acknowledges that this Agreement constitutes a non-exempt public record.

EMPLOYEE acknowledges that he has not suffered any on-the-job injury for which he has not already filed a claim. The parties agree that this Agreement shall be non-disqualifying should EMPLOYEE file a claim for unemployment benefits. If EMPLOYEE files such a claim and EMPLOYER is contacted by the Vermont Department of Labor, EMPLOYER may share the contents of this Agreement, either verbally or in writing. EMPLOYER will not oppose EMPLOYEE's filing for unemployment benefits.

The parties agree that an exit interview is not necessary; EMPLOYEE has provided adequate notice of his departure in the circumstances, and that this document satisfies any writing requirement under the EMPLOYER's Personnel Manual for the notice of conclusion of employment by EMPLOYEE.

3. MUTUAL GENERAL RELEASE

For and in consideration of the payment, mutual promises, covenants and agreements made herein by and between EMPLOYEE and EMPLOYER, EMPLOYEE for himself, his heirs and his assigns unconditionally and generally releases and forever discharges EMPLOYER from all actions, causes of action, suits, debts, dues, covenants, contracts, bonuses, controversies, agreements, promises, claims, charges, complaints and demands whatsoever in law or equity, which against EMPLOYER, the EMPLOYEE or the EMPLOYEE's heirs, executors, administrators, successors, legal representatives and/or assigns may now have or hereinafter can, shall or may have for, upon or by reason of any matter, cause or thing whatsoever, from the beginning of the world to the day and date of this Agreement, including, but not limited to, those arising under the Fair Labor Standards Act, 29 U.S.C. §§ 201 et seq., the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq., the Civil Rights Act of 1964, 42 U.S.C. §§ 2000 et seq., the Civil Rights Act of 1866, 42 U.S.C. §§ 1981 et seq., the Rehabilitation Act of 1973, 29 U.S.C. §§ 701 et seq., the Civil Rights Act of 1991, the Americans with Disabilities Act, 42 U.S.C. §§ 1201 et seq., the Age Discrimination in Employment Act of 1967, 29 U.S.C. §§ 621 et seq., the Older Workers Benefits Protection Act, 29 U.S.C. §§ 630 et seq., the Family and Medical Leave Act, 29 U.S.C. §§ 2601 et seq., the Vermont Parental and Family Leave Act, 21 V.S.A. §§ 470 et seq., Vermont Wage Laws, 21 V.S.A. §§ 381 et seq., Vermont Fair Employment Practices Laws, 21 V.S.A. §§ 495 et seq., Vermont Disability Employment Laws, 21 V.S.A. §§ 497 et seq., EMPLOYER's Personnel Rules and Regulations (including any right to a hearing on allegations of misconduct), the parties' December 6, 2019 Employment Agreement, EMPLOYER's general workplace practices and policies, and any other federal, state, or local human or civil rights, wage-hour, pension or labor laws, rules and/or regulations, contract or tort laws,

rules and/or regulations, or any claim arising under common law, such as, but not limited to, claims for discrimination on any basis, wrongful termination, defamation, libel, slander, invasion of privacy, breach of employment contract, breach of implied covenant of good faith and fair dealing, infliction of emotional distress, violation of public policy, or any other action, and shall not, from any source or proceeding, seek or accept any additional award of settlement therefrom. It is the intent of EMPLOYEE to release all claims of every nature and kind whether known or unknown, accrued or unaccrued, which he may have against EMPLOYER as of the date of the execution of this Agreement, except those claims that by law he cannot waive and any claims for unemployment insurance benefits.

EMPLOYER, for itself, its successors and assigns, for and in consideration of the foregoing mutual promises, covenants and agreements made herein by and between EMPLOYEE and EMPLOYER, unconditionally and generally releases and forever discharges EMPLOYEE from all actions, causes of action, suits, debts, dues, covenants, contracts, bonuses, controversies, agreements, promises, claims, charges, complaints and demands whatsoever in law or equity, which against EMPLOYEE, the EMPLOYER or the EMPLOYER's successors, legal representatives and/or assigns may now have or hereinafter can, shall or may have for, upon or by reason of any matter, cause or thing whatsoever, from the beginning of the world to the day and date of this Agreement, including, but not limited to, those arising under the Fair Labor Standards Act, 29 U.S.C. §§ 201 et seq., the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq., the Civil Rights Act of 1964, 42 U.S.C. §§ 2000 et seq., the Civil Rights Act of 1866, 42 U.S.C. §§ 1981 et seq., the Rehabilitation Act of 1973, 29 U.S.C. §§ 701 et seq., the Civil Rights Act of 1991, the Americans with Disabilities Act, 42 U.S.C. §§ 1201

et seq., the Age Discrimination in Employment Act of 1967, 29 U.S.C. §§ 621 et seq., the Older Workers Benefits Protection Act, 29 U.S.C. §§ 630 et seq., the Family and Medical Leave Act, 29 U.S.C. §§ 2601 et seq., the Vermont Parental and Family Leave Act, 21 V.S.A. §§ 470 et seq., Vermont Wage Laws, 21 V.S.A. §§ 381 et seq., Vermont Fair Employment Practices Laws, 21 V.S.A. §§ 495 et seq., Vermont Disability Employment Laws, 21 V.S.A. §§ 497 et seq., EMPLOYER's Personnel Rules and Regulations (including the right to a hearing on allegations of misconduct), the parties' December 6, 2019 Employment Agreement, EMPLOYER's general workplace practices and policies, and any other federal, state, or local human or civil rights, wage-hour, pension or labor laws, rules and/or regulations, or public policy, contract or tort laws, rules and/or regulations, or any claim arising under common law, such as, but not limited to, claims for discrimination on any basis, wrongful termination, defamation, libel, slander, invasion of privacy, breach of employment contract, breach of implied covenant of good faith and fair dealing, infliction of emotional distress, violation of public policy, or any other action, and shall not, from any source or proceeding, seek or accept any additional award of settlement therefrom. It is the intent of EMPLOYER to release all claims of every nature and kind whether known or unknown, accrued or unaccrued, which it may have against EMPLOYEE as of the date of the execution of this Agreement, except those claims that by law it cannot waive.

4. NON-ADMISSIONS

EMPLOYER denies it has violated any law, constitution, regulation, statute, contract, ordinance, or any other legal duty existing at common law or otherwise as regards its relationship with EMPLOYEE. EMPLOYEE denies he has violated any law, constitution, regulation, statute, contract, ordinance, or any other legal duty existing at

common law or otherwise as regards his relationship with EMPLOYER. It is understood that this Agreement is for the compromise of potential claims, and that the consideration provided in this Agreement is not and shall not be construed as an admission of liability on any part of any party or parties hereby released, and the parties in fact deny any and all liability associated with their employment relationship.

5. EMPLOYER PROPERTY

At the close of business on November 13, 2020, or sooner, EMPLOYEE agrees to immediately return to EMPLOYER, all EMPLOYER-owned equipment, including but not limited to, cellular telephone, keys, passcodes, electronic and hard copy files, original copies of records and documents, reports, uniforms, activity logs, keys, uniforms and any other equipment or property belonging to EMPLOYER. EMPLOYEE shall cooperate and assist EMPLOYER in the return of the above items.

EMPLOYEE further agrees that he will not keep, transfer, or use any copies or excerpts of the foregoing items. EMPLOYEE shall be entitled to retain any duplicative electronic files or copies of documents or records that he has made and to retrieve any personal items in his office at the conclusion of his employment.

6. CONSULTATION

By executing this Agreement, EMPLOYEE acknowledges that he has been given the opportunity to consult with an attorney in this matter, that EMPLOYER has not in any way interfered with the EMPLOYEE'S ability to consult with an attorney, that he has had ample opportunity to discuss fully with an attorney of his choosing the terms and the legal significance of this Agreement, and that he freely enters into this Agreement.

7. ATTORNEY FEES AND FORFEITURE

Each party shall be responsible for its own attorney fees in entering into this Agreement. If either party files a lawsuit or causes or aids a lawsuit to be filed on its behalf for any claims arising before the effective date of this Agreement, or to later enforce the terms of this Agreement, such party will pay for all costs, including attorney fees, which are incurred by the other party as a result of defending an action, if it is determined that the other party has not materially breached the terms of this Agreement.

8. GOVERNING LAW, VENUE

Employee understands and agrees that this Agreement shall be governed by the laws of the United States and the State of Vermont as to performance and interpretation, and that any disputes hereunder shall be filed in the Vermont Superior Court, Addison Unit, Civil Division.

9. SEVERABILITY

Should any provision of this Agreement be declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, excluding the general release language, such provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect.

10. ENTIRE AGREEMENT/MODIFICATIONS

EMPLOYEE acknowledges that this Agreement contains the entire understanding between the parties and may not be modified except in writing signed by all authorized parties to this Agreement and that this Agreement is executed without any reliance on any statement or representation by EMPLOYER or any agents of EMPLOYER concerning the nature and extent of damages or legal liability thereof.

11. NON-DISPARAGEMENT

EMPLOYEE will not knowingly make any statements to any third parties which might reasonably be construed to disparage EMPLOYER or harm its reputation.

EMPLOYER will instruct the members of its City Council not to make any statements to any third parties which might reasonably be construed to disparage EMPLOYEE or harm EMPLOYEE's reputation. EMPLOYER represents that EMPLOYEE leaves his employ on good terms.

EMPLOYEE ACKNOWLEDGES THAT HE HAS READ THIS AGREEMENT, THAT HE UNDERSTANDS IT, THAT HE HAS BEEN GIVEN THE OPPORTUNITY TO ASK ANY QUESTIONS CONCERNING THIS AGREEMENT, THAT NEITHER EMPLOYER NOR ITS MANAGERS, REPRESENTATIVES, OFFICERS OR EMPLOYEES HAVE MADE ANY REPRESENTATIONS CONCERNING THE TERMS OR EFFECTS OF THIS AGREEMENT OTHER THAN THOSE CONTAINED HEREIN AND THAT HE FREELY, VOLUNTARILY AND KNOWINGLY ENTERS INTO IT FOLLOWING THE OPPORTUNITY TO CONSULT WITH HIS ATTORNEY.

[SIGNATURE PAGE TO FOLLOW]

DATED at Vergennes, Vermont, this 22 day of October, 2020.

EMPLOYEE

By: [Signature]
Daniel Hofman

STATE OF VERMONT
ADDISON COUNTY, SS.

At Vergennes, Vermont, on this 22 day of October, 2020, personally appeared Daniel Hofman, EMPLOYEE, who acknowledged this instrument by him signed and sealed to be his free act and deed.

[Signature]
Notary Public
Commission Expires: Jan 31, 2021

Britney S. Aube
Notary Public, State of VT
#157.0012719/Exp. 1/31/21

DATED at Vergennes, Vermont, this 23rd day of October, 2020.

EMPLOYER

By: [Signature]
Lynn Jackson Donnelly
Mayor, City of Vergennes
and Duly Authorized Agent

STATE OF VERMONT
ADDISON COUNTY, SS.

At Vergennes, Vermont, on this 23 day of October, 2020, personally appeared Mayor Lynn Jackson Donnelly, Duly Authorized Agent of the EMPLOYER, who acknowledged this instrument by her signed and sealed to be her free act and deed, and the free act and deed of the EMPLOYER.

[Signature]
Notary Public #157.0012588
Commission Expires: 01/31/2021

City of Vergennes



Tel: 802.877.3637

Fax: 802.877.1160

120 Main Street, P.O. Box 35
Vergennes, VT 054991

www.vergennes.org

October 23, 2020

Dear Hiring Manager,

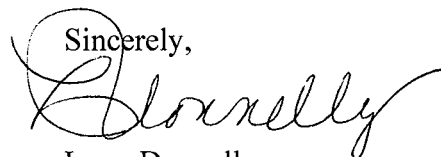
On behalf of the City of Vergennes, this letter is intended to be a letter of reference for Mr. Daniel Hofman concerning his tenure as Vergennes City Manager.

Mr. Hofman took over the position of City Manager on January 1, 2020. From the start, Mr. Hofman took on the daunting task of learning, reorganizing, and modernizing City Hall's administration. Mr. Hofman quickly adapted to his role as City Manager.

During his tenure, the City faced complex and unique challenges such as responding to the coronavirus pandemic, for which he organized a local-level regional response with multiple municipalities and nonprofits to efficiently manage the pandemic. Mr. Hofman left his position on November 13, 2020 to pursue another opportunity.

The City of Vergennes thanks Mr. Hofman for his service and wishes him well in his future endeavors.

Sincerely,



Lynn Donnelly
Mayor