

SETTLEMENT AND RELEASE OF ALL CLAIMS

This Settlement and Release of all Claims (Settlement) is made and entered into by and between Amy Demboski (Demboski) and the Municipality of Anchorage (Municipality) and Mayor Dave Bronson (Bronson), altogether referred to as the Parties. The parties desire to enter into this Settlement in order to provide for a full and final Settlement of all claims. Demboski asserted in a letter released to the public on January 11, 2023 claims against the Municipality and Bronson for: a violation of the Anchorage Whistleblower Act, retaliatory discharge, gender discrimination and a violation of the implied covenant of good faith and fair dealing. The Municipality and Bronson deny each and every claim. No admission or liability is implied by the Parties entering into this Settlement.

1. Consideration. Demboski agrees to sign this Settlement, agrees not to sue the Municipality or Bronson, or otherwise prosecute in any way with respect to the subject matter of the Lawsuit and any and every claim released.

In exchange for this Settlement executed by Demboski, and the promises made herein, the Municipality agrees to pay to her \$550,000.00, subject to Assembly appropriation. If the Assembly fully and finally refuses, after consideration, to appropriate the funds to pay the consideration for this Settlement, Demboski may, at her discretion, terminate the Settlement, and make use of all legal remedies available to her.

The Parties and their respective counsel agree that the following joint statement shall be issued regarding this Settlement:

Today, Amy Demboski and the Bronson Administration announce the resolution of all disputes related to her employment as Municipal Manager. The outcome was the result of good faith negotiations between both parties. Mayor Dave Bronson and Ms. Demboski each released the following statements:

"Fidelity to the law and honest service to my community have always been my highest priorities," said Amy Demboski. "I looked out for the best interests of the Municipality during my time as Manager, and although my service is at an end, I continue to wish the best for Anchorage in the future."

"It is, and will continue to be, my honor to serve all residents of Anchorage as Mayor," said Mayor Dave Bronson "I have always acted with the utmost integrity to serve the best interests of the Municipality of Anchorage. I'm pleased that this matter is resolved."

The Parties agree that the terms of the settlement are confidential, but the amount paid to Demboski is not confidential. Each party agrees to limit public statements about the Settlement to the joint statement agreed upon by the parties. The Parties

and their counsel agree not to publicize or disclose the fact of or the term and contents of this Settlement to the media, any person, or any entity including its employees and representatives, unless required by law, regulation or court order. If any Party is issued a subpoena to testify to the terms of this Settlement, the party receiving the subpoena will provide notification in writing to the other party, with sufficient time for that party to intervene and object to the testimony.

Demboski may disclose the terms of the Settlement to her spouse, accountant, financial planner, lawyer, and/or tax advisor, so long as she notifies each of the importance of preserving confidentiality. The Municipality may disclose the terms of the Settlement to internal employees as necessary to obtain payment, or to external entities as required by law or regulation.

Demboski and Bronson have agreed between themselves to enter into a non-disparagement agreement.

2. Execution of Settlement. Demboski agrees to fully and forever release all claims she has or may have had against the Municipality and Bronson, and release any and all claims, demands, actions, causes of action and suits whatsoever, whether in law or in equity, known or unknown, foreseen or unforeseen against the Municipality and Bronson, which were or which could have been the subject of a claim as of the date of this Settlement.

Demboski, on behalf of her heirs, assigns, executors, administrators, successors, agents, and lawyers, hereby completely and unequivocally releases and forever discharges Bronson, and the Municipality including its past, present, and future officers, representatives, employees, agents, servants, affiliates, and lawyers from all claims, and discharges any and all past, present, or future claims, demands, actions, causes of action and suits whatsoever, whether in law or in equity, known or unknown, foreseen or unforeseen as of the date of this Settlement

Demboski represents and warrants that she is fully and duly authorized to execute this Settlement and that she has not sold, assigned, transferred, conveyed, or otherwise disposed of any of the claims, demands, obligations, or causes of action referred to in this Settlement. Demboski further warrants that if such assignment or transfer has occurred, she will indemnify and hold the Municipality harmless from and against any claims based on or arising out of any assignment or transfer purported or claimed. The obligation to indemnify and hold harmless shall include the obligation to pay reasonable attorneys' fees and costs actually incurred, whether or not litigation has been commenced.

3. Disclaimer of Liability. Demboski agrees and acknowledges that she has voluntarily agreed not to bring any and all claims and that there is no admission by the Municipality or Bronson as to any claims, and that no past or present admission of liability, if any, shall be implied, the same being expressly denied.

4. Scope of Settlement. Without limiting the generality of the foregoing, it is Demboski's intent to release and fully discharge the Municipality and Bronson from all claims which were or which might have been asserted against them arising under the statutory, regulatory or common law of the State of Alaska or other states, all claims arising under federal statutory or common law, all claims from local government, all claims regarding the MOA's policy and procedures, and all claims which are now or which might be recognized in any such jurisdiction. This includes without limitation all claims for whistleblower, wrongful discharge or termination of employment, discrimination, harassment, defamation and slander, breach of implied covenant of good faith and fair dealing, breach of contract and implied contract, injunctive relief, intentional interference with contract, retaliation, breach of the implied covenant of good faith and fair dealing, negligent hire/retention/control, violation of wage and hour laws (including, but not limited to any claim for wages, overtime, specialty pay, accumulated leave, or benefits), violation of public policy, emotional distress and other non-economic damages, punitive damages, promises or omissions, and from all claims for alleged violations of federal, state, and local statutes and ordinances, including all claims arising under Americans with Disabilities Act (ADA), the Alaska Wage and Hour Act, Fair Labor Standards Act (FLSA), Alaska Whistleblower Act, Anchorage Whistleblower Act, the Fair Credit Reporting Act (FCRA), The Alaska Labor Act, Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§2000(e), *et seq*, the Age Discrimination in Employment Act (ADEA); Older Workers Benefit Protection Act (OWBPA); the Genetic Information and Discrimination Act (GINA), the Equal Pay Act, Employee Retirement Income Security Act (ERISA), the Family and Medical Leave Act (FMLA), Occupational Safety and Health Act (federal and state); National Labor Relations Act (NLRA), Alaska Statute §18.80.220, all Municipal ordinances, and all amendments, regulations, and decisions applicable to such statutes, regulations and ordinances, and all claims for any claims for damages, declaratory or injunctive relief of any kind, costs, interest and attorneys' fees.

The Parties agree that nothing in this Settlement is intended to or shall be construed to limit, hinder, affect or interfere with the protected right of Demboski to file a charge or participate in an investigation or proceeding conducted by the Equal Employment Opportunity Commission, if a timely action is available. Nothing in this Settlement is intended to constitute an unlawful waiver of any of Demboski's right to participate in an EEOC investigation, although Demboski does waive and release her right to recover any monetary or other damages, including but not limited to compensatory damages, punitive damages, and liquidated damages. If Demboski is called to testify under subpoena or court order in any forum, she agrees it is her duty to provide truthful testimony.

5. ADEA Compliance. This Settlement specifically waives all of Demboski's rights and claims arising under the Age Discrimination in Employment Act (29 U.S.C. § 621 *et seq.*), as amended, and the Older Workers' Benefit Protection Act.

Demboski agrees that she is over the age of 40. Demboski agrees that she has been informed of her right to review and consider the Settlement for 21 calendar days, if she chooses.

a. Demboski is not waiving any rights or claims under the Age Discrimination in Employment Act that may arise after the Settlement is executed, or any rights or claims to test the knowing and voluntary nature of the Settlement under the Older Workers' Benefit Protection Act.

b. Demboski is waiving her rights and claims under the Age Discrimination in Employment Act and Older Workers' Benefit Protection Act in exchange for the consideration stated above, which is in addition to anything of value to which she is already entitled.

c. Demboski acknowledges that she has had ample opportunity to consult with an attorney prior to signing this Settlement, and she was encouraged and advised to do so by the Municipality. Demboski's attorney is Scott Kendall.

d. Demboski certifies that, in accordance with 29 C.F.R. §1625.22 (e)(6), she knowingly and voluntarily decided to sign the Settlement.

e. Demboski has carefully read and fully understands all of the provisions and effects of the Settlement.

f. Demboski knowingly and voluntarily intends to be legally bound by all of the terms set forth in the Settlement.

g. Demboski has relied solely and completely upon her own judgment or the advice of an attorney of her choosing when entering into the Settlement.

h. Demboski is, through the Settlement, releasing the Municipality from any and all potential claims she may have against the Municipality or Bronson relating to her employment and separation, including claims arising under the Age Discrimination in Employment Act (29 U.S.C. §621, *et. seq.*) and the Older Workers' Benefit Protection Act.

i. Demboski's initials evidence her understanding and voluntary waiver of all claims against the Municipality and Bronson, including but not limited to those pursuant to the Age Discrimination in Employment Act and the Older Workers' Benefit Protection Act. Demboski's Initials: Deel

j. Demboski agrees that she was offered the full twenty one (21) days in which to consider the terms of the Settlement. Demboski's Initials: Dee

If Demboski chooses to waive the twenty one day consideration period, after talking to her attorney, she may do so, and she agrees that it is her voluntary decision. Please initial if Demboski voluntarily chooses to waive this twenty one day period. Demboski's Initials: Dee

k. By signing the Settlement, Demboski has seven (7) days in which to reconsider and revoke the Settlement. This seven day period cannot be shortened or waived, which she acknowledges.

Demboski's Initials: Dee

Any consideration will be made only after the seven days has expired.

1. If Demboski elects to exercise her right to rescind the Settlement, she must deliver the rescission in writing, and the rescission must be delivered within the seven (7)-day period; properly addressed to

Linda Johnson
Municipal Attorney's Office
632 W. 6th Ave., Suite 730
Anchorage AK, 99519-6650

A rescission must be sent by certified mail, return receipt requested or hand delivery (no email). If Demboski rescinds the Settlement, the Municipality will have no obligation to make the payment specified to her in this Settlement or to others whose rights might derive from her.

6. Tax Liability. Demboski expressly understands and agrees that the Municipality has not offered any opinion or guarantee to Demboski regarding any tax consequences of the consideration paid pursuant to this Settlement. Demboski represents and warrants to Employer that she has or will obtain independent legal, tax, or accounting advice in order to understand the potential tax consequences of the consideration to be paid pursuant to this Settlement. It is further understood and agreed that the Municipality does not assume any tax liability for Demboski or payments for her taxes arising out of this Settlement or payment made thereunder. If Demboski fails to pay her taxes, she will be solely liable for any penalties or interest incurred. In the event the Internal Revenue Service (IRS) takes the position that federal taxes are owed by Demboski and have not been paid, or have been underpaid, Demboski agrees that she is solely responsible for such taxes that are finally determined to be due by the IRS, or by a court of competent jurisdiction and, at Demboski's expense, to defend, to indemnify, and to hold the Municipality harmless from any such demands, actions, claims, or litigation by the IRS, including any costs, interest, and penalties which may be assessed by that agency.

7. Unknown Damages. It is understood that the nature and extent of any damages and injuries which may have been sustained by Demboski may substantially change or worsen and that new damages may be discovered in the future. Demboski shall unequivocally release and forever discharge the Municipality from any and all claims accrued, accruing, or which may accrue in the future as a result of, in connection with, or related to any changes in the nature and extent of her damages or injuries or as a result of the discovery of new damages or injuries. If Demboski is not familiar with this concept she will either study it or consult her attorney. Demboski's signature below means that it is her intent to release the Municipality from any and all claims accrued, accruing, or which may accrue in the future. Demboski states that it is her true intent and desire to fully release all the individuals who might in any way have been connected with any claims released herein as fully as though they were specifically listed and named herein. Demboski specifically acknowledges freedom of choice and represents that she understands

that she voluntarily entered into the terms of this Settlement, further acknowledging the availability of other reasonable alternatives and adequate remedies, but has nonetheless freely, voluntarily and intelligently chosen not to pursue the same for the purposes of making a full, final and complete compromise of the claims released herein.

8. No Reliance. Demboski acknowledges freedom of choice and represents that she understands that she is not required to agree to the terms of this Settlement. Demboski represents and acknowledges that, in executing this Settlement, she did not rely upon any representation or statement made by the MOA, or by any of its employees, agents or representatives, with regard to the subject matter, basis, or effect of this Settlement or otherwise.

9. Modification. This Settlement may not be modified, altered, or amended except by mutual agreement, which is reduced to writing, and signed by both Demboski and an authorized representative of the Municipality and Bronson.

10. Choice of Law. This Settlement shall be construed and interpreted in accordance with the laws of the State of Alaska, and any claim or controversy between the parties arising out of or relating to Demboski's employment or this Settlement or its breach shall be governed by the laws of the State of Alaska.

11. Severability. Demboski agrees that, whenever possible, each provision of this Settlement shall be interpreted in such a manner as to be effective and valid under applicable law and to carry out each provision herein to the greatest extent possible, but if any provision of this Settlement is held to be void, voidable, invalid, illegal or for any other reason unenforceable, the validity, legality and enforceability of the remaining provisions of this Settlement will not be affected or impaired thereby, and will be interpreted so as to effect, as closely as possible, the intent of the parties hereto. Furthermore, in lieu of such illegal, invalid, or unenforceable provision, there shall be added automatically as part of the Settlement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

12. Representation. Demboski agrees and acknowledges that she has received and read this Settlement, that the provisions of this Settlement are understandable to her, and that she fully appreciates and understands the meaning of the terms of this Settlement and their effect. Demboski agrees and acknowledges that she has been provided with a reasonable and sufficient period of time within which to consider whether to sign this Settlement, and she had the opportunity to consult with the attorney of her choice for advice in connection with this Settlement prior to signing it, and her attorney is Scott Kendall. Demboski acknowledges and agrees that she has executed this Settlement freely and voluntarily.

13. Execution. This Agreement may be executed in counterparts, and each such copy, including facsimile copies or scanned signatures, shall for all purposes be deemed to be an original. All such copies shall together constitute but one and the same instrument.

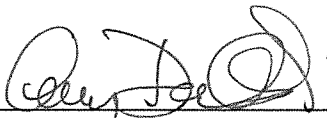
14. Effective Date. This Settlement shall become effective immediately upon signing this document.

Demboski, after due consideration, and after reading this document and consulting with her attorney, has authorized, executed and delivered this Settlement as of the date below.

Date

3/30/2023

Signature of Employee




Amy Demboski

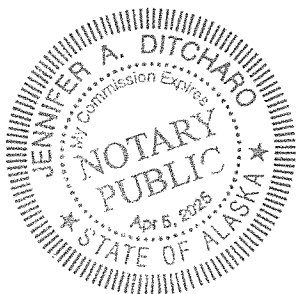
Date

Signature of Acting Municipal Manager
Municipality of Anchorage

Kent Kohlhase

Ms. Demboski's signature subscribed and sworn to me on March 30, 2023.


Jennifer Ditchard



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Date

Signature of Employee

Amy Demboski

Date

Signature of Acting Municipal Manager
Municipality of Anchorage

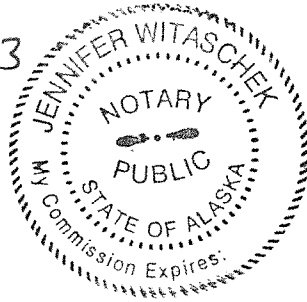
3/30/2023


Kent Kohlhase

ADDENDUM TO SETTLEMENT AND RELEASE OF ALL CLAIMS

Notwithstanding the terms set forth in the Settlement and Release of All Claims signed by the Municipality of Anchorage and Amy Demboski on March 30, 2023, both parties mutually agree to make the terms of the Settlement and Release of All Claims public. This modification is made pursuant to paragraph 9.

5/15/2023
Dated



5/16/2023
Dated

Handwritten signature of Amy Demboski in black ink.

Amy Demboski

Jennifer Witaschek
Notary Public Exp 9/17/25

Handwritten signature of Kent Kohlhasse in black ink.

Kent Kohlhasse
Acting Municipal Manager