

SEPARATION AGREEMENT, COVENANT NOT TO SUE AND RELEASE

This Separation Agreement, Covenant Not to Sue and Release (“Agreement”) is entered into this 5th day of February, 2025, by and between Oliver Roy “Chip” Layne (“Employee”) and the Norfolk School District, a public school district organized and existing pursuant to the laws of the State of Arkansas (“District”).

RECITALS

(a) Employee is currently employed by the District for the 2024-2025 school year as Superintendent of the District pursuant to a written contract, with two full contract years remaining, running through June 30, 2027 (the “Contract”); and

(b) The parties hereto desire to enter into this Agreement in order to provide for the mutually agreed termination of the Contract in an amicable manner, payment to the Employee, a covenant not to sue, and other consideration upon the terms and conditions as set forth herein; and

(c) The parties mutually agree that Employee has been relieved of all Superintendent duties as of February 7, 2025, but will still receive his full pay and benefits under his Contract through June 30, 2025, at which time he will transition to a consultant performing off-site services for the remainder of the Contract term, through June 30, 2025.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and obligations hereinafter set forth, the parties hereto hereby agree as follows:

1. Resignation Terms. Employee hereby agrees to immediately submit his resignation as Superintendent, such resignation to be dated effective February 7, 2025. Starting February 7, 2025, and continuing through June 30, 2025, Employee will be employed as a consultant of the District, as described in paragraph 3. The District shall pay the remaining monthly installments of Employee’s salary and benefits through June 30, 2025, due and payable under the terms of the

Contract pursuant to customary District policy up to and including June 30, 2025, less applicable taxes and withholding, including teacher retirement. Employee and District agree that such Contract payments are not in consideration for consultation services actually rendered by Employee to District, but such payments are guaranteed to Employee under this Agreement as consideration for the mutual promises contained herein.

2. Payment. In consideration of the release, covenant not to sue, and other consideration recited herein, the District agrees to pay to Employee as follows:

- (a) On February 7, 2025, upon execution of this Agreement, the District will make a lump sum payment to Employee of \$150,000.00, which represents payment of Employee's wages under the terms of the Contract for the 2025-2026 and 2026-2027 school years at a compromised amount agreed to by the parties, less all applicable taxes and withholdings. The payment will not be subject to a matching payment for benefits of the Employee to Arkansas Teacher Retirement System ("ATRS"), and Employee will receive no benefit from ATRS for this \$150,000.00 payment under this Agreement. Employee acknowledges and agrees that this is the sum total of payments for wages and benefits under this Agreement that he will be paid (aside from payment under subparts (b) and (c)), is a compromised payment amount agreeable to all parties and in consideration for his resignation under the Agreement, and Employee is waiving any additional rights to any pay or benefits he may otherwise have under the Contract.
- (b) The remaining monthly installments of Employee's salary through June 30, 2025, due and payable under the terms of the Contract pursuant to customary District policy up to and including June 30, 2025, less applicable taxes and

withholding, such salary to specifically include allowances listed on the Contract. If Employee begins employment at a separate Arkansas school district during any of the pending pay periods through June 30, 2025, the District will cease payments for those pay periods which overlap with employment/pay periods at the separate Arkansas school district.

- (c) Employee will be allowed to remain on his District-provided insurance and benefit plans (including any family plan) he has as of the date of this Agreement through the date of June 30, 2025, with all applicable deductions and payments withheld from his monthly payments, unless Employee takes employment with a separate Arkansas school district during the covered time period.
- (d) Employee agrees that he is not entitled to the payment of any unused and accrued sick leave days or any other accrued and unused leave days not specified herein, and is not entitled to any District-issued bonus or other additional pay not specifically listed herein; provided, however, that should Employee begin employment with another Arkansas school district, any unused sick leave days may be transferred to said school district pursuant to Arkansas law.
- (e) Employee covenants and warrants and agrees to indemnify and hold the District harmless for the payment of any taxes or penalties related to the sums paid to Employee pursuant to this Agreement, or for any proceedings, including attorney's fees and costs incurred by the District, brought to recover taxes or penalties pertaining to the sums paid to Employee.

3. Role as Consultant. Beginning February 7, 2025 and through June 30, 2025, Employee will be employed as a consultant of the District and will not be required to perform any

onsite job duties, but will work remotely and be available for consultation to the Board and interim superintendent, if necessary. As a consultant, Employee will not be responsible for any final decisions of the District, but any role Employee plays as a consultant, if any, is subject to oversight by the incoming interim superintendent and the Board. If during this time period Employee takes employment with another Arkansas school District, his pay and benefits will immediately terminate.

4. District Property. Effective February 7, 2025, Employee shall have removed all personal property or belongings from his District office and have returned any keys to District property and all District-issued personal property in his possession to the District.

5. Cooperation. Employee agrees to provide the District his truthful and complete cooperation in any litigation matters arising out of or related to either his or the District's activities during his employment with the District, whether or not such matters have been commenced as of the termination of his employment. Further, Employee agrees that in the event his testimony or assistance would be necessary in any legal actions or audit, including any investigations, he will fully cooperate. Such cooperation will be truthful and voluntary on his part. This cooperation agreement remains in effect at all times and specifically after the receipt of payment(s) as set forth in paragraph 2 above.

6. Release. In consideration of the covenant not to sue and other consideration recited herein, Employee does hereby and for his successors and assigns, release, acquit and forever discharge the District and its agents, employees, officers, directors, insurers, attorneys, successors, servants, heirs, executors, administrators, parents, subsidiaries and affiliates (the "Released Parties") from any and all known and unknown claims, actions, causes of action, demands, rights, damages, wages, salaries, commissions, bonuses, back pay, front pay, job assignments, promotions, transfers, past employment, benefits, including but not limited to health, dental, and

life insurance, pension, retirement, stock plan benefits, profit sharing and retirement plan benefits, 401(k) benefits, accrued leave, costs, loss of service, attorneys' fees, expenses and compensation whatsoever which Employee now has or which may hereafter accrue on account of or in any way relating to the facts, circumstances and transactions arising out of or in any way relating to Employee's employment with the District, including without limitation any facts, circumstances, transactions, allegations or other matters of any kind, from the beginning of time up to and including the date hereof. It is the express intention of Employee to reserve any rights, claims or causes of actions that Employee may have against any person or entity other than the Released Parties, but to release fully and completely the Released Parties. Therefore, for the consideration hereinabove described, Employee agrees to a reduction of the damages recoverable against all other tortfeasors to the extent of the pro rata share of the liability of the Released Parties, and further agree to indemnify, protect and hold harmless the Released Parties from all judgments, claims, losses or expenses arising out of or by reason of any action, claim or demand by any person on account of the damages sustained by Employee, in any capacity, resulting from the facts and circumstances relating to Employee's employment with the District, or any liability or alleged liability under Act 315 of the Acts of Arkansas for 1941, as amended, being the Uniform Contribution Among Tortfeasors Act.

In addition to the above, Employee specifically releases any and all claims that he has or may have had against the Released Parties as of the date of his execution of this Agreement under:

- a. The Family and Medical Leave Act;
- b. Title VII of the Civil Rights Act of 1991 (42 U.S.C. §§ 2000(e), *et seq.*);
- c. Title IX of the Education Amendments of 1972;
- d. The Age Discrimination in Employment Act, as amended;
- e. The Civil Rights Acts of 1866, 1871, 1964 and 1991;
- f. The Americans with Disabilities Act of 1990 (42 U.S.C. § 1211 *et seq.*);
- g. The Rehabilitation Act of 1973 (29 U.S.C. § 701, *et seq.*);
- h. The Fair Labor Standards Act (29 U.S.C. § 201, *et seq.*);
- i. The Equal Pay Act of 1973 (29 U.S.C. Chapter 8, §§ 206(d), *et seq.*);

- j. The Consolidated Omnibus Budget and Reconciliation Act of 1985, (29 U.S.C. § 1161, *et seq.*, as amended);
- k. The Employee Retirement Income and Security Act (29 U.S.C. § 1001, *et seq.*, as amended);
- l. The Older Workers' Benefit Protection Act;
- m. The Arkansas Civil Rights Act;
- n. The Arkansas Whistle-Blower Protection Act;
- o. Any and all claims under the laws of any state, county, municipality, or other governmental subdivision of the United States or any state, including but not limited to, the State of Arkansas;
- p. Any and all other relevant Federal and/or State statutory and/or common laws including, but not limited to, intentional infliction of emotional distress, assault and battery, defamation, intentional interference with a contractual/business relationship, and wrongful discharge.

(hereinafter "Released Claims").

7. Covenant Not to Sue. From the date hereof, Employee covenants not to sue the Released Parties (and not to file any judicial or administrative charge against the Released Parties) with respect to any such liability. From the date hereof, Employee agrees not to commence any action, file any complaint, or otherwise initiate any action or complaint, either individually or as a representative of any group or class, of any nature whatsoever against the Released Parties before any federal, state, or local court, agency, bureau, commission, or similar office having jurisdiction to consider issues as he might otherwise allege. Not by way of limitation of the general applicability of the foregoing, from the date hereof Employee specifically agrees not to commence or participate in any manner in the commencement of any action or investigation pertaining to the Released Parties. It is the full intent of Employee to grant a full, complete and unconditional release of all matters from the beginning of time up to the date of this Agreement involving the Released Parties.

8. Future Employment and Contract Work. Employee agrees to never apply for a position with the Released Parties or engage in any contract work for the Released Parties or take any temporary employment at any of the Released Parties' worksites. Employee acknowledges

that he is not entitled to such employment and understands that he will not be hired or permitted to work on any of the Released Parties' worksites. If Employee applies for employment, and any of the Released Parties inadvertently hire him or he is inadvertently assigned to a project by an entity providing contracted employees to work with the any of the Released Parties, any of the Released Parties may immediately terminate that employment without cause and without liability.

9. Indemnification by Employee. With the exception of testimony compelled by subpoena, Employee will indemnify and save harmless the entities and persons referred to in paragraph 2 above from any loss, claim, expense, attorneys' fees, costs, demand, or causes of action of any kind or character through the assertion by any person of a claim or claims connected with the subject matter of this Agreement caused, counseled, initiated, aided, assisted or advanced by Employee, and from any loss incurred directly or indirectly by reason of a falsity or misrepresentation herein by Employee.

10. Construction by Arkansas Law. This Agreement is entered into in the State of Arkansas and shall be construed and interpreted in accordance with its laws.

11. Additional Documents. All parties agree to cooperate fully and to execute with promptness and diligence any and all supplementary documents and to take all additional action that may be necessary or appropriate to give full force and effect to the basic terms and intent of this Agreement.

12. Remedies. Employee and his attorneys acknowledge that any breach of this Agreement would result in irreparable and continuing injury to the Released Parties for which an adequate remedy at law would not exist. Accordingly, if either Employee or his attorneys breaches any provision of this Agreement, the Released Parties, without excluding or limiting any other available remedy, will be entitled to entry of an order granting an injunction or specific performance compelling Employee to comply with this Agreement, without proof of monetary

damages or an inadequate remedy at law. Employee will reimburse the Released Parties to enforce this Agreement, including but not limited to reasonable attorney's fees. Employee agrees with the Released Parties that it may be difficult, if not impossible, to accurately determine the amount of damages the Released Parties may incur if Employee breaches this Agreement.

13. Consultation with Counsel. The parties acknowledge to each other that each of them has read the full contents of this Agreement, understands that this Agreement constitutes a contract, has fully informed themselves of the terms, contents, conditions and effects of the Agreement, that no promises or representations of any kind have been made by or on behalf of the parties to this Agreement except as expressly stated herein, that each of them has relied solely on his, her, or its own judgment in executing this Agreement, and represents that he, she, or it, as the case may be, has freely consulted with counsel and enters into this Agreement voluntarily and under no duress. Each party to this Agreement agrees to bear its own costs and attorney's fees incurred in this matter and no party shall be responsible to any other for any costs or attorney's fees which may have been expended in connection with this matter.

14. Authorization. The parties signing this Agreement represent that they are fully authorized to execute this Agreement for and as the act of the respective parties hereto.

15. Severability. If any provision, paragraph, or subparagraph of this Agreement is adjudged by any court to be void or unenforceable in whole or in part, this adjudication shall not affect the validity of the remainder of the Agreement, including any other provision, paragraph, or subparagraph. Each provision, paragraph, and subparagraph of this Agreement is separable from every other provision, paragraph, and subparagraph, and constitutes a separate and distinct covenant.

16. Entire Agreement. This Agreement constitutes the entire agreement among the parties and supersedes all prior understandings, agreements, or representations by or among the parties, written or oral, to the extent they related in any way to the subject matter hereof.

17. Disparaging Remarks. As further consideration for this Agreement, Employee and the District and its Board of Education, corporately and individually, agree that they, nor any of them, shall make any disparaging statements, written or oral, about the other party to this Agreement.

18. Confidentiality. This Agreement is a full settlement of disputed issues. The parties acknowledge that this document may be covered by the Arkansas Freedom of Information Act. However, the parties agree to keep confidential this Agreement, and the specific terms of it, to the extent allowed by law.

19. Employment Referral. The District and its Board will refer all employment referral requests from Employee's potential employers to Chad McGowan, who can be contacted at chad.mcgowan@norfork.k12.ar.us.

20. Waiver of Conflicts in Representation. Bequette, Billingsley & Kees, P.A. represents the District and its Board in this Agreement and not the Employee, but it has provided legal counsel to Employee in connection with this Agreement, at his request. Employee acknowledges that no actual conflict of interest with respect to legal representation exists in this matter, and to the extent that circumstances change during the course of this representation, Employee waives any conflict and right he may have to complain. Employee further acknowledges the right of Bequette, Billingsley & Kees, P.A. to withdraw as counsel for him in this matter should an actual conflict arise. This Waiver has been signed after a complete reading and understanding of the whole document and the issues raised. Any questions Employee may have, have been answered, and he has been given an opportunity to seek additional legal counsel

and has done so. This Waiver is signed knowingly and voluntarily by both Employee and the District.

21. Approval. This Agreement is subject to the approval of the District's Board of Directors.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of this ^{5th} day of February, 2025.

EMPLOYEE:

By: Oliver Roy "Chip" Layne
Oliver Roy "Chip" Layne

NORFORK SCHOOL DISTRICT

By: Stacey Ferretti
Stacey Ferretti, Board President

STATE OF ARKANSAS)
) ss. ACKNOWLEDGMENT
COUNTY OF Baxter)

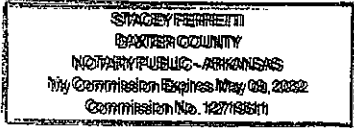
On this 5th day of February, 2025, before me, a Notary Public duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named Chip Layne, to me personally well known, who stated and acknowledged that he had so signed, executed and delivered the foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 5th day of February, 2025.

Stacey Ferretti
Notary Public

My commission expires:
May 09, 2032

(S E A L)



STATE OF ARKANSAS)
) ss. ACKNOWLEDGMENT
COUNTY OF Baxter)

On this 5th day of February, 2025, before me, a Notary Public duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named Stacey Ferretti, to me personally well known, who stated that he is the Board President of the Norfolk School District Board of Directors, a public school district organized and operating pursuant to Arkansas law, and is duly authorized in said capacity to execute the foregoing instrument for and in the name and behalf of said school district, and further stated and acknowledged that he had so signed, executed and delivered the foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 5th day of February, 2025.

Stacey Ferretti
Notary Public

My commission expires:
May 09, 2032

(S E A L)

