

SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

FOR AND IN CONSIDERATION of the total sum of FIVE HUNDRED FIFTEEN THOUSAND DOLLARS AND 00/100 DOLLARS (\$515,000.00), inclusive of allowable costs, interest, and Civil Rule 82 attorney's fees, and other good and valuable consideration, the receipt of which is hereby acknowledged, MARY FERGUSON (hereinafter referred to as "the Undersigned"), for herself, her heirs, executors, administrators, successors, trustees, and assigns, does hereby release and forever discharge THE CITY AND BOROUGH OF SITKA, JEFF ANKERFELT, and their respective heirs, executors, administrators, successors, trustees, assigns, personal representatives, agents, attorneys, underwriters, adjusters, insurers, re-insurers, employees, servants, officers, shareholders, and directors (hereinafter collectively referred to as "the Releasees"), of and from all actions, causes of action, suits, controversies, claims, grievances, and demands of every kind and nature, whether mature or to mature in the future, arising in any way out of the Undersigned's employment with and termination from the City and Borough of Sitka Police Department, or arising in any way out of any of the other matters set forth in the civil action instituted by the Undersigned, entitled: *Mary Ferguson v. City of Sitka and Jeff Ankerfelt*, filed in the Superior Court for the State of Alaska, First Judicial District at Sitka, Case No. 1SI-18-00176 Civil (hereinafter "the Civil Action").

The Undersigned, by virtue of this Settlement Agreement and Release of All Claims and in consideration of the payment and other terms reflected herein, hereby unequivocally releases and discharges the Releasees from any and all claims, including, but not limited to, claims for damages, costs, expenses, and compensation, whether for insurance proceeds,

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personal injury, out-of-pocket expenses, loss of earnings, discrimination, harassment, retaliation, hostile work environment, loss of services, attorney's fees, punitive damages, any other transactions, occurrences, acts, or omissions, or any loss, damage or injury whatever, **known or unknown**, suspected or unsuspected, resulting from any of them, committed or omitted prior to the date of this Settlement Agreement and Release of All Claims, including, without limitation, arbitrary discharge, claims for breach of contract, libel, slander, wrongful discharge, covenant of good faith and fair dealing, intentional infliction of emotional distress, or any other tort or contract claim, or any claim of discrimination or harassment based upon any federal or state statute or municipal ordinance relating to discrimination in employment, including but not limited to, the Older Workers Benefit Protection Act found in Section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630), the Civil Rights Acts of 1964 and 1991, state and local laws prohibiting discrimination in employment, the federal Americans with Disabilities Act ("ADA"). It is understood and agreed that the waivers in this Settlement Agreement and Release of All Claims are not intended to waive the Undersigned's rights to file for unemployment compensation or with regard to any future claims that she may have against the Releasees. The Undersigned hereby covenants and agrees that she will not, either by herself or in concert with others, or by virtue of other judicial proceedings of any kind whatsoever, make or cause to be made, acquiesce in, or assist in, the bringing of any further claims or actions of any kind against the Releasees for damages or loss arising out of the matters hereinabove described.

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The Undersigned understands and acknowledges that the settlement reflected herein is the compromise of a disputed claim and that the payment made and terms agreed to are not to be construed as an admission of liability or fault on the part of the Releasees. The Undersigned also acknowledges and agrees that in the course of the settlement reflected herein, she did not rely on any representations of any kind made by Releasees or their agents or representatives not expressly set forth herein.

The Undersigned asserts claims for damages in the Civil Action for physical injuries that she allegedly suffered as a result of emotional distress she allegedly endured. Releasees understand that the Undersigned designates the payment referenced above as payment for same. This provision is not to be construed as an admission of liability or fault on the part of the Releasees. Undersigned warrants, represents, and agrees that Undersigned is not relying on the advice and/or statements of Releasees or anyone associated with them as to the legal and income tax or other consequence of any kind arising out of this Agreement.

In addition to the payment referenced above, the Releasees understand that the Undersigned may undertake an investigation of the Sitka Police Department at her own expense. The Releasees understand that the investigation may include the following parameters:

1. The investigation will be limited to the time period of January 2015 through July 2020;
2. The investigation will be limited to past or present Sitka Police Department

employees who have concerns, pro or con, about the management of or work conditions at the Sitka Police Department;

3. The investigation will be led by a former Alaska Superior Court judge or Supreme Court justice of the Undersigned's choosing;
4. The investigator will complete a written report, including any proposed remedies or recommendations, and provide the report to the City and Borough of Sitka Assembly and the Sitka community;
5. Within thirty (30) days of the submission of the report to the City and Borough of Sitka Assembly, and request by the Undersigned, the Assembly will consider whether to put the report on its agenda for public comment, and may consider any proposed remedies or recommendations from the report.

The City and Borough of Sitka ("CBS") will not stand in the way or interfere with any CBS employee speaking with the investigator, if the CBS employee chooses to do so. Any investigation the plaintiff may undertake will not impose an affirmative duty or obligation on the Releasees.

In exchange for the payment and agreement regarding an independent investigation referenced above, the parties shall, through counsel, file a Stipulation For Dismissal With Prejudice which shall dismiss with prejudice all of the claims which either were, or which could have been, asserted by the Undersigned against any of the Releasees, with each party bearing their own costs and attorney's fees.

In view of the Alaska Supreme Court case of *Witt v. Watkins*, 579 P.2d 1065 (Alaska

1978), with which the parties are familiar, it is specifically set forth that it is the intention of the Releasees and the Undersigned, and it is the purpose of this Release of All Claims, to discharge absolutely the liability of the Releasees and any and all claims arising out of the incidents described herein, and the Undersigned hereby acknowledges and assumes all risk, chance or hazard that the damages suffered may be different, or may become progressive, greater or more extensive than is now known, anticipated or expected. Furthermore, the Undersigned specifically releases any right she may now or hereafter have to reform, rescind, modify or set aside this Settlement Agreement and Release of All Claims through mutual or unilateral mistake or otherwise. The risk of such uncertainty and mistake is expressly assumed by the Undersigned in consideration of the present payment herein mentioned and in consideration of this being a full and final settlement.

The Undersigned further acknowledges her awareness and understanding of *Industrial Commercial Electric, Inc. v. McLees*, 101 P.3d 593 (Alaska 2004), and expressly states that she did not rely on any representation made by the Releasees or any agent of the Releasees, other than in sworn testimony or sworn statements, in deciding to settle all claims and in deciding to execute this Settlement Agreement and Release of All Claims.

The Undersigned hereby agrees that, in consideration of the payment referenced herein, the Undersigned will satisfy, compromise, or defeat any subrogated liens or claims out of the settlement proceeds and the Undersigned further agrees to defend, indemnify, and hold harmless the Releasees from any subrogated claim, demand, or lien which may be asserted against any of the Releasees by any third party claiming or asserting a

subrogated claim or lien, specifically including any lien claimant who might assert a right to enforce its lien against this settlement.

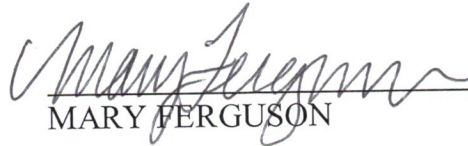
It is expressly agreed by the Undersigned at the time of the signing of this release that no assignment of any claim, stated or otherwise, has been made or executed to any other individual, firm, or corporation, or any other entity as a result of the incident hereinabove mentioned.

Any party to this Settlement Agreement and Release of All Claims may institute suit to enforce the Settlement Agreement and Release of All Claims. The interpretation and enforcement of this Settlement Agreement and Release of All Claims shall be governed by the laws of the State of Alaska and any applicable federal laws. In the event it is necessary for any party hereto, or its authorized representative, successor, or assign, to institute suit to enforce this Settlement Agreement and Release of All Claims, the prevailing party in such suit shall be entitled to reimbursement for its full reasonable costs, expenses, and attorney's fees incurred.

The Undersigned hereby declares that the terms of this Settlement Agreement and Release of All Claims have been carefully read and are fully understood and are voluntarily accepted for the purpose of making a full and final compromise of any and all claims, whether disputed or otherwise, for and on account of the injuries and damages above-mentioned. This Settlement Agreement and Release of All Claims contains seven (7) pages and is the entire agreement of the parties.


IN WITNESS WHEREOF I have hereunto set my hand this 3rd day of August, 2020.

READ BEFORE SIGNING



MARY FERGUSON

SUBSCRIBED AND SWORN to before me this 3rd day of August, 2020.



Notary Public, State of Alaska
My Commission Expires: September 17, 2022

