

**SETTLEMENT AGREEMENT
AND GENERAL RELEASE OF CLAIMS**

This Settlement Agreement and General Release of Claims (the “Agreement”), executed on the dates set forth below, is by and between A. Elizabeth Kraft ("Releasor" and/or "Plaintiff") and the City of Reading ("the City") (collectively referred to herein as the “Parties”).

RECITALS

WHEREAS, Plaintiff filed a lawsuit alleging claims of discrimination and retaliation, captioned: *A. Elizabeth Kraft v. City of Reading and Mayor Eddie Moran* filed in the United States District Court for the Eastern District of Pennsylvania and docketed at Civil Action No. 21-5430 (“Federal Action”), as well as an Action in Mandamus, captioned: *A. Elizabeth Kraft v. City of Reading* filed in the Berks County Court of Common Pleas and docketed at Civil Action No. 21-01618 (“Mandamus Action”) (collectively the “Lawsuits”);

WHEREAS, the City expressly denies any liability to Plaintiff or any other person(s) or entities in connection with the matters alleged in the Lawsuits;

WHEREAS, nothing contained herein is to be construed as an admission of liability on the part of the City or any of its employees and/or officials;

WHEREAS, the Parties now seek to fully and finally settle the Lawsuits and all existing claims, whether known or unknown;

WHEREAS, the terms of this Agreement represent the compromise of disputed claims and do not in any way signify that there was wrongdoing on any Party’s part, all liability being expressly denied.

NOW, THEREFORE, in consideration of the promises, covenants, and releases set forth herein, and to fully, completely, and finally resolve any disputes between them, the Parties agree as follows:

1. **Incorporation of Recitals.** The Recitals set forth above are incorporated herein by reference and are explicitly made a part of this Agreement. This Agreement reflects a compromise concerning the Claim.

2. **Payment to Plaintiff.** In consideration of the promises, agreements and legal releases stated herein, the City agrees to pay the total sum of **ONE HUNDRED TWENTY-FOUR THOUSAND DOLLARS AND 00/100 CENTS (\$124,000.00)** within fourteen (14) days after receipt by defense counsel of a fully executed Agreement and W-9 Form(s) as follows:

- a. A check in the amount of **EIGHTY-NINE THOUSAND ONE HUNDRED SIXTY-SIX DOLLARS AND 00/100 CENTS (\$89,166.00)** made payable to: **"A. Elizabeth Kraft" and;**
- b. A check in the amount of **THIRTY-FOUR THOUSAND EIGHT HUNDRED THIRTY-FOUR DOLLARS AND 00/100 CENTS (\$34,834.00)** made payable to: **"Weinstein Law Firm, LLC".**

3. **General Release and Waiver of Claims.** In exchange for the consideration provided by the City in this Agreement, Plaintiff and Plaintiff's heirs, executors, representatives, administrators, agents, and assigns (collectively the "Releasers") irrevocably and unconditionally fully and forever waive, release, and discharge the City, including it's current and former employees, agents, officers, directors, elected and appointed officials, insurers, including The Travelers Insurance Companies, Inc., attorneys, servants, representatives, subsidiaries, affiliates, predecessors and their successors and assigns and any and all other persons, firms or corporations with whom any of the former have been, are now, or may hereafter be affiliated, together with any and all other persons, firms, entities, or corporations, whether named or unnamed (collectively, the "Releasees"), from

any and all claims, demands, actions, causes of actions whether at law or equity, judgments, rights, fees, damages, debts, obligations, liabilities, and expenses (inclusive of attorneys' fees and costs) of any kind whatsoever, whether known or unknown (collectively, "the Released Claims"), that Releasors may have or have ever had against the Released Parties, or any of them, arising out of, or in any way related to Plaintiff's hire, benefits, employment, termination, and/or separation from employment with the City by reason of any actual or alleged act, omission, transaction, practice, conduct, occurrence, or other matter from the beginning of time up to and including the date of Plaintiff's execution of this Agreement, including, but not limited to:

- a. any and all claims under Title VII of the Civil Rights Act of 1964 (Title VII), the Americans with Disabilities Act (ADA), the Family and Medical Leave Act (FMLA) (regarding existing but not prospective claims), the Fair Labor Standards Act (FLSA), the Civil Rights Act of 1991, Section 1981 of U.S.C. Title 42, , the National Labor Relations Act (NLRA), the Age Discrimination in Employment Act (ADEA), the Pennsylvania "Whistleblower" Law, 43 P.S. 1421-1428, the Pennsylvania Wage Payment and Collection Law, the Pennsylvania Minimum Wage Act, the Pennsylvania Human Relations Act and/or pursuant to common law and/or pursuant to any other statute or ordinance which may be deemed applicable to the Lawsuits, including any amendments and their respective implementing regulations, and any other federal, state, local, or foreign law (statutory, regulatory, or otherwise), including but not limited to any claim under the City of Reading Home Rule Charter that may be legally waived and released; however, the identification of specific statutes is for purposes of example only, and the omission of any specific statute or law shall not limit the scope of this general release in any manner;
- b. any and all claims for compensation of any type whatsoever, including but not limited to claims for salary, wages, bonuses, commissions, incentive compensation, vacation, sick pay, or severance;
- c. any and all claims arising under tort, contract, or quasi-contract law, including but not limited to claims of breach of an express or implied contract, tortious interference with a contract or prospective business advantage, breach of the covenant of good faith and fair dealing, promissory estoppel, detrimental reliance, invasion of privacy, nonphysical injury, personal injury or sickness, or any other harm, wrongful or retaliatory discharge, fraud, defamation, false imprisonment, and negligent or intentional infliction of emotional distress;

- d. any and all claims for monetary or equitable relief, including but not limited to attorneys' fees and costs, back pay, front pay, reinstatement, experts' fees, medical fees or expenses, costs and disbursements, punitive damages, liquidated damages, and penalties; and
- e. indemnification rights that Plaintiff has against the City.

4. **Attorneys Fees.** Each party hereto shall bear all attorneys' fees and costs arising from their actions or the actions of their own counsel in connection with the Lawsuits, this Release and Settlement Agreement and the matters and documents referred to herein and all related matters.

5. **Withdrawal of Mandamus Action.** Plaintiff agrees to voluntarily dismiss with prejudice or cause to be dismissed with prejudice Plaintiff's Mandamus Action.

6. **Confidentiality.** Plaintiff agrees not to disclose or discuss, other than with legal counsel or her financial advisor, the terms of or any details of this Settlement Agreement, except to the extent subpoenaed under court rules. Any breach by Plaintiff of the confidentiality agreed to under this paragraph shall constitute grounds for forfeiture of the benefits contained in this agreement. If asked about the Lawsuits and/or the settlement of the Lawsuits, subject to the provision of the below paragraph pertaining to a joint media statement, Plaintiff may only state that "the matter is over." In the event of a breach of confidentiality, the City shall have the right to institute a breach of contract action to recover any monies paid to Plaintiff under this Agreement, as well as for the payment of counsel fees and costs expended to recover such sums.

7. **Joint Media Statement .** Subject to the Confidentiality provision set forth above, the Parties mutually agree that the following statement shall be released by the Parties to the media. This statement shall be the only statement the parties will make about the Lawsuits and the Settlement:

Elizabeth Kraft: “Although I believe that I filed my lawsuit in good faith, during the course of the case, it has become apparent to me that I misunderstood the Mayor’s words and actions. Because it is now clear to me that the sexual harassment claims would not succeed, I have voluntarily withdrawn the claims.”

The City and Mayor Moran: “Although the City and Mayor wanted very much to try this case and vindicate themselves, the City’s insurance carrier made a business decision and forced the City to settle this case in order to save the costs of defense. The settlement proceeds are coming solely from the City’s insurance carrier, and not from taxpayer funds. Moreover, Ms. Kraft has agreed to withdraw all claims she asserted against the Mayor.”

8. **Owner of Claims, No Other Claim or Interest in The Settlement Payment.**

Plaintiff warrants and represents that she is the sole and rightful owner of all rights, title, and interest in all Released Claims and that she has not sold, assigned, encumbered, conveyed, or in any manner transferred all or any portion of any such Released Claims. Plaintiff further certifies that no claim, lien or interest in the Released Claims or the Settlement Payment, whether for payments or reimbursements of medical bills or medical payments, or benefits, wage loss benefits, Medicare or Medicaid benefits, worker's compensation benefits, social security benefits, death benefits, or other benefits of any other kind, is held by, or has been transferred to any person, company, governmental agency, or party through subrogation, lien, assignment, or otherwise, and any such claims, liens or interests which may have ever existed, have been compromised, settled, waived, released and satisfied, and the undersigned agrees to indemnify and hold harmless Releasees from and against any and all claims, liens and interests and to satisfy any and all claims liens or interest.

9. **Hold Harmless.** Plaintiff agrees to indemnify and hold harmless the Releasees from, and to satisfy in full, any and all claims to the settlement funds or liens presently existing or that might exist in the future against Plaintiff on the settlement funds herein by any person, entity, government agency or corporation.

10. **Waiver.** Plaintiff acknowledges that the laws of some jurisdictions provide that a general release does not extend to claims that are not known or suspected to exist at the time this Agreement is executed, which, if known, would have materially affected the settlement, and Plaintiff specifically waives the provisions of any similar statutory or other provision of law in the Commonwealth of Pennsylvania.

11. **Sufficiency of Consideration.** Plaintiff acknowledges that the covenants contained in this Agreement provide good and sufficient consideration for every promise, duty, release, obligation, agreement, and right contained in this Agreement.

12. **Full Agreement.** This Agreement is intended by the Parties hereto as the final expression of their agreement and as a complete and exclusive statement of the terms and provisions thereof. There are no prior or contemporaneous oral or written agreements modifying, limiting, or expanding the rights and obligations set forth in this Agreement, and this Agreement supersedes any prior agreements, representations, negotiations, or understandings between or among the Parties and their agents, servants, employees, representatives, or attorneys. No representations, understandings, or agreements have been made or relied upon in the reaching of this settlement other than those specifically set forth herein. In executing this Agreement, the Parties have relied solely upon their own judgment, beliefs, and knowledge concerning the nature, extent, and duration of their rights and claims hereunder.

13. Plaintiff further affirms that as of the date she signs this General Release, she is not Medicare eligible (i.e., is not is not 65 years of age or older; is not suffering from end stage renal failure; has not received Social Security Disability Insurance benefits for 24 months or longer, etc.). Nonetheless, if the Centers for Medicare & Medicaid Services (CMS) (this term includes any related agency representing Medicare's interests) determines that Medicare has an interest in the payment to Plaintiff under this settlement, Plaintiff agrees to indemnify, defend and hold Releasees (including but not limited to Plaintiff's insurers, Plaintiff and Plaintiff's attorneys) harmless from any action by CMS relating to medical expenses of Plaintiff. Plaintiff agrees to reasonably cooperate with the City (including but not limited to the City's insurers and the City's attorneys) upon request with respect to any claim that the CMS may make and for which Plaintiff is required to indemnify the City (including but not limited to the City's insurers and the City's attorneys) under this paragraph. Further, Plaintiff agrees to waive any and all future actions against the City (including but not limited to the City's insurers and the City's attorneys) for any private cause of action for damages pursuant to 42 U.S.C. § 1395y(b)(3)(A).

14. **No Oral Modifications.** This Agreement may not be modified or amended except in writing executed by all Parties hereto.

15. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of each Party's representatives, beneficiaries, executors, administrators, heirs, agents, servants, employees, successors, and assigns and to those possessing power of attorney for any Party.

16. **Construction.** The Parties understand and agree that none of them shall be deemed to be the drafter hereof for the purpose of construction or interpretation of this Agreement.

17. **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law; however, if any term or provision (including any paragraph, sentence, clause, or word) of this Agreement shall be determined by a court of competent jurisdiction to be illegal, invalid, or unenforceable for any reason, such determination shall not affect the remaining terms or provisions of this Agreement, which shall continue in full force and effect.

18. **Settlement Authority.** Plaintiff warrants that she is duly authorized to execute this Agreement and is of sound and competent mind. She further warrants that she fully understands, and voluntarily accepts, its terms for the purpose of making a full and final compromise of any and all claims, actions, and causes of action between the Parties to this Agreement.

19. **Voluntary Action.** Plaintiff represents, warrants, and agrees that she has thoroughly read and understood the terms of this Agreement, discussed any questions in regard to this Agreement with her counsel or other representative, and has voluntarily entered into this Agreement to resolve all claims relating hereto.

20. **Ability to Consult with Attorney.** Plaintiff acknowledges that she has consulted with an attorney of her own choosing regarding the contents of this Agreement and the legal effects of entering into this Agreement, or has had a reasonable opportunity to consult with an attorney, but has chosen on his own accord not to do so.

21. **Older Workers Benefit Protection Act.** In accordance with the provisions of the Older Workers Benefit Protection Act, Plaintiff acknowledges the following:

- a. Plaintiff is advised to consult with an attorney prior to executing this General Release and has had an opportunity to consult with legal counsel concerning her rights and this General Release before signing this General Release; and

- b. Plaintiff has 21 days from receipt of this General Release within which to decide if she wants to sign it, but he may sign it in less than 21 days if she wishes; and
- c. Plaintiff has 7 days after signing this General Release within which to change her mind and cancel acceptance, it being understood that the terms of this General Release will not be effective until those 7 days have expired.

22. **Governing Law.** This Release is intended to be a General Release of all persons and entities of those claims, liabilities, rights, demands, damages, punitive damages, attorneys' fees, losses, costs, fees, expenses, actions or causes of action that may arise from the allegations set forth in the Complaint and the Released Claims, under Pennsylvania law, and Pennsylvania law shall control any disputes concerning its interpretation, effect and/or application.

23. **Captions.** The captions herein have been added solely for reference purposes and are not meant and should not be used to add, alter, or substantively interpret any provision herein.

CAUTION: READ BEFORE SIGNING. THIS IS A RELEASE. YOU HAVE THE RIGHT TO SEEK THE ADVICE OF LEGAL COUNSEL PRIOR TO SIGNING.

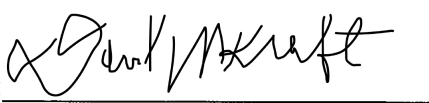
I declare that the terms of the General Release have been completely read, are fully understood, and are voluntarily accepted after complete consideration of all facts and legal claims.

A. ELIZABETH KRAFT

By: 
A. ELIZABETH KRAFT

Date: 1/18/2023

WITNESS

By: 

Date: 01/18/2023

CITY OF READING

WITNESS

By: _____

By: _____

BY: WILLIAM HEIM

Managing Director, City of Reading

Date: _____

Date: _____