

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Charlesetta Woodard-Thompson (hereinafter “Employee”) and Chattanooga-Hamilton County Hospital Authority, doing business as Erlanger Health System, which includes any other affiliated and related organizations that are incorporated or otherwise organized under state law in support of or related to Erlanger’s operations (collectively “Erlanger”); as well as Erlanger’s former and current trustees, directors, officers, agents, attorneys, representatives, medical staff members, and employees.

1. Separation Date. Employee and Erlanger agree that Employee’s employment ended by voluntary retirement, on June 23, 2013, and that Employee’s personnel file shall reflect this fact.

2. Consideration. In exchange for the release of claims and other promises by Employee detailed in this Agreement, Erlanger, and/or its Insurer, agrees to pay Employee \$900,000, allocated and disbursed as follows:

- a) A check in the amount of \$120,000, less an appropriate withholding for taxes, payable to “Charlesetta Woodard-Thompson,” reflecting three (3) months’ wages;
- b) A check in the amount of \$300,000, made payable to “Lawrence & Lawrence, PLLC,” reflecting attorney fees and expenses associated with its representation of Employee;
- c) A check in the amount of \$480,000, made payable to “Charlesetta Woodard-Thompson,” reflecting reimbursement for medical costs and other non-wage items associated with the allegations in the Litigation.
- d) Erlanger agrees that the three (3) checks referenced herein will be delivered to Employee’s attorneys within ten (10) business days after receipt by Erlanger’s attorneys of the full-executed original of this Agreement, a fully executed IRS W-9 Form from Employee’s attorneys, and an executed Agreed Order of Dismissal with Prejudice suitable for filing.
- e) Employee and Erlanger understand and acknowledge that the payments referenced herein were agreed upon following arms-length negotiations based on the parties’ analyses of the claims, defenses, and potential remedies involved in the Litigation. Except for the amounts withheld by Erlanger from the payments referenced herein, Employee agrees that Erlanger is not liable for the payment of any tax assessed against her. Rather, Employee agrees that any such tax shall be her sole responsibility. Nothing contained herein shall be construed or relied upon as any advice or opinion by or on behalf of Erlanger regarding the tax treatment of the payments referenced herein.

3. Non-Admission. Employee understands and acknowledges that this Agreement should in no way be construed as an admission of any legal liability by Erlanger for any acts or omissions arising out of Employee's employment with Erlanger or the end of Employee's employment with Erlanger, and Erlanger specifically disclaims any liability relating to her employment with Erlanger or the end of Employee's employment with Erlanger.

4. Dismissal. Employee agrees to dismiss, with prejudice and on the merits, her Amended Complaint currently pending against Erlanger in the Circuit Court of Hamilton County, Tennessee, identified as Case No. 13-C-979 (the "Litigation"), by filing an Agreed Order of Dismissal with Prejudice, with each party to bear its own discretionary costs, expenses, and attorney fees. Erlanger agrees to bear all court costs and the mediator's fee. Employee and Erlanger understand and acknowledge that the filing of this Agreed Order of Dismissal with Prejudice will fully and forever terminate the Litigation and all claims asserted therein.

5. General Release. Employee hereby releases Erlanger and its affiliates, subsidiaries, parent corporations, and partners, and its and their former and current trustees, officers, directors, employees, agents, representatives, attorneys, insurers, predecessors, successors, and assigns (collectively the "Released Parties"), from any and all claims, causes of action, liabilities, costs (including attorney fees), obligations, and judgments of any kind in Employee's favor, whether known or unknown, including but not limited to claims that arise out of Employee's employment with, or the end of Employee's employment with, Erlanger, except for claims arising under this Agreement (collectively the "Released Claims"). Employee also represents and warrants that she has not sold, assigned, or transferred any Released Claim. The Released Claims shall include, but are not limited to, any rights or claims in law or equity for breach of contract, wrongful termination, or lost wages under applicable state law; claims based upon Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Equal Pay Act, the Sarbanes-Oxley Act of 2002, the Americans with Disabilities Act ("ADA"), the Age Discrimination in Employment Act ("ADEA"), the Family and Medical Leave Act ("FMLA"), the Genetic Information and Nondiscrimination Act ("GINA"), the Tennessee Human Rights Act (Tenn. Code Ann. § 4-21-101, et. seq.), the Tennessee Public Protection Act (Tenn. Code Ann. § 50-1-304), the Tennessee Disability Act (Tenn. Code Ann. § 8-50-103), the Tennessee Leave for Adoption, Pregnancy, Childbirth and Infant Nursing Act (Tenn. Code Ann. § 4-21-108), and/or other federal, state, or local laws or common law; claims based upon the Employee Retirement Income Security Act of 1974 ("ERISA"); claims based upon the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"); claims based upon 42 U.S.C. §§ 1981, 1983, or 1985; claims based upon the Constitution of the United States, the Constitution of the State of Tennessee, or any amendment thereto; claims for personal injury, defamation, mental anguish, injury to health and personal reputation; and any other claim arising out of Employee's employment or termination of employment with Erlanger; provided, however, that this release shall not extend to rights or claims that may arise after the date of this Agreement. As part of this release, Employee covenants not to sue the Released Parties in any court or to request arbitration against the Released Parties on any of the Released Claims. This paragraph shall not apply to any non-waivable charges or claims brought before any governmental agency. With respect to any such non-waivable charges or claims, however, Employee hereby waives her right (if any) to any monetary or other recovery.

6. Acknowledgement Regarding Leave and Wages. Employee acknowledges and agrees that Employee: (a) has received all pay to which Employee was entitled during her employment with Erlanger; (b) does not believe that she is owed unpaid wages or unpaid overtime compensation by Erlanger; and (c) does not believe that her rights under any state or federal wage and hour laws, including the federal Fair Labor Standards Act (“FLSA”), have been violated during her employment with Erlanger.

7. Waiver of Appeal Rights. Employee waives any and all rights Employee may have to a Grievance, hearing, appeal, or other procedure related thereto that might be available before any executive officer or any other governing body or official having jurisdiction or decision-making authority with respect to the employment relationship between Erlanger and its employees. This paragraph shall not apply to any non-waivable charges or claims brought before any governmental agency. With respect to any such non-waivable charges or claims, however, Employee hereby waives her right (if any) to any monetary or other recovery.

8. Acknowledgment of No Other Payments or Benefits. Except for the payments and other benefits noted in Paragraph 2 of this Agreement, no other payments, bonuses, or benefits shall be made by Erlanger to Employee, and Employee acknowledges that she has no entitlement to, or any right to make any claim for, any additional payments by Erlanger of any kind whatsoever.

9. Voluntary Execution. Erlanger has advised and does advise Employee to consult with an attorney of her choice before signing this Agreement. Employee acknowledges that she has been advised to consult, and has consulted, with an attorney of her choice before signing this Agreement; that she has carefully read this Agreement in its entirety; that she has had an adequate opportunity to consider it; that she understands its terms; that she voluntarily assents to all the terms and conditions contained herein; that she is signing it voluntarily and of her own free will; and that she is not suffering from any disability or condition that would render her unable to enter into this Agreement.

10. Non-Disparagement. Employee agrees that she will not disparage Erlanger or any of its component operations or facilities; Erlanger’s Board of Trustees or any past or present member of the Board of Trustees; or any officer, manager, employee, or contractor of Erlanger. Erlanger agrees that its Board of Trustees and its Executive Officers (Vice Presidents and higher) will not disparage Employee. For purposes of this Section, the term “disparage” shall mean the publication of knowingly false information; the publication of information believed to be true but disclosed or published with the sole purpose of holding the other party in a damaging or negative light; or the publication of matters of pure opinion disclosed or published with the sole purpose of holding the other party in a damaging or negative light. Nothing contained in this Agreement shall prohibit or restrict any party’s duty or obligation to disclose or publish factually accurate information in response to facially valid legal process or other legally-binding obligations.

11. Entire Agreement. This Agreement constitutes the entire understanding of the parties, supersedes all prior oral or written agreements on the subject matter of this Agreement, and cannot be modified except by a writing signed by both parties.

12. Choice of Law. This Agreement shall be governed and construed under the laws of the State of Tennessee without regard to the conflict of laws principles of that state. Any suit, action or other legal proceeding arising out of or relating to this Agreement shall be brought exclusively in the federal or state courts located in Chattanooga, Tennessee. Erlanger and Employee hereby submit to personal jurisdiction in the State of Tennessee and to venue in the federal or state courts located in Chattanooga, Tennessee.

13. Binding Effect. This Agreement inures to the benefit of, and shall be binding upon, the parties and their respective successors and assigns.

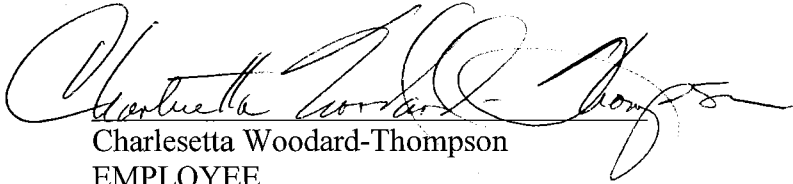
14. Captions. The captions to the various paragraphs of this Agreement are for convenience only and are not part of the Agreement.

15. Severability. If any provisions of this Agreement are determined to be invalid or unenforceable for any reason, such determination shall not affect the validity of the remainder of the Agreement, including any other provision of the Agreement. If a court finds that any provision of this Agreement is invalid or unenforceable, but that modification of such provision will make it valid or enforceable, then such provision shall be deemed to be so modified.

16. Waiver. The waiver by either party of a breach by the other party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the party.

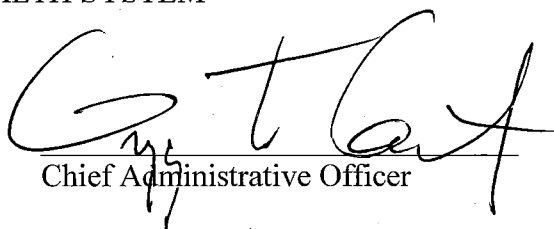
SIGNATURES TO APPEAR ON THE FOLLOWING PAGE

October 6, 2015
Date


Charlesetta Woodard-Thompson
EMPLOYEE

CHATTANOOGA-HAMILTON COUNTY
HOSPITAL AUTHORITY d/b/a ERLANGER
HEALTH SYSTEM

October 6, 2015
Date

By: 
Chief Administrative Officer