

EARLY RETIREMENT SEPARATION AGREEMENT

THIS SEPARATION AGREEMENT (this "Agreement") is entered into effective July 1, 2025 (the "Effective Date"), between Mary Kay Thomas ("Employee"), Marshall Public Schools, ISD No. 413 ("Employer"), and Marshall Education Association ("Union").

1. Meaning of Terms.

- (a) As used in this Agreement, "Employer" shall mean Marshall Public Schools, ISD No. 413, its past, present, and future entities or related entities, subsidiaries, and all of its past, present, and future successors and assigns.
- (b) As used in this Agreement, "Employee" shall mean Mary Kay Thomas, her heirs, executors, administrators, agents, attorneys, assigns, and anyone claiming through any of them.
- (c) As used in this Agreement, "Contract" shall mean the Marshall Principals' Association collective bargaining agreement entered into between Union and Employer for the period of July 1, 2024, through June 30, 2026, together with any predecessor contracts amongst the parties.

2. Consideration and Contract Termination.

- (a) In consideration of Employee's resignation and years of service with Employer, Employer agrees to pay and perform, and Employee agrees to accept, the following early retirement separation arrangements, conditioned upon (a) Employee's compliance with this Agreement and (b) delivery of a fully signed original of this Agreement and Employee's attached resignation letter:
 - 1. Wages equal to seven months' salary, in the amount of \$82,642.00, in a lump sum, subject to all usual and customary payroll taxes and withholdings.
 - 2. Payment for insurance premium costs into a Health Reimbursement Account (HRA) in the amount equal to four years' health insurance premiums at the current rate of \$22,494.00 per year, for a total of \$89,976.00, in a lump sum, subject to all usual and customary payroll taxes and withholdings.
 - 3. Payment for paragraphs (1) and (2) will be made upon completion of the current school year, on or about July 1, 2025. Employee shall also be paid any severance she is entitled to under the Contract.
 - 4. The Employer will issue a positive letter of reference to the Employee.

- (b) After the Resignation Date, Employee will receive a Consolidated Omnibus Budget Reconciliation Act (COBRA) notice allowing Employee to elect to continue health insurance at Employee's sole expense. Employee is solely responsible for electing COBRA coverage within the appropriate timeframes, and for paying the entire premium amounts in order to continue to maintain COBRA coverage for each month beyond, if desired, for as long as Employee remains eligible for COBRA coverage.
- (c) As of the Effective Date, the Contract shall be deemed terminated by mutual consent of the parties and shall be null and void as to this Employee only. All services to be delivered by Employee under the Contract shall terminate as of the Resignation Date, except as otherwise provided in this Agreement. Except for the payments set forth above in this Agreement, and except for any claim for wages, pay, or other damages sought in the lawsuit entitled *Mary Kay Thomas v. Marshall Public Schools (Independent School District 413); Members of the Marshall School Board (in their official capacities); Jeff Chapman (in his individual and official capacities); Bill Swope (in his individual and official capacities); and Superintendent Jeremy Williams (in his individual and official capacities)*, No. 21-CV-2581(PJS/DJF) (D. Minn.) (the "Lawsuit") or any related or subsequent litigation regardless of forum, Employee shall have no claim for wages, pay, or other compensation from Employer, and the rights, privileges, and benefits afforded Employee under the Contract shall terminate and be of no further force and effect as of the Resignation Date.
- (d) Employee shall be solely responsible for the payment of her share of any income, employment, or other taxes which may be due or payable as a result of the foregoing amounts and will indemnify and hold harmless Employer from the same.
- (e) As a condition of Employee entering into this Agreement, Employer expressly affirms and agrees that this Agreement shall not be construed to waive or release any of the Employee's claims in the Lawsuit and any related or subsequent litigation regardless of forum, or to limit Employee's right to any damages or other relief in the same.

3. Irrevocable Resignation.

Employee hereby voluntarily resigns her employment with Employer effective July 1, 2025 (the "Resignation Date"). Employee expressly understands and agrees that her resignation is irrevocable upon the signing of this Agreement by all parties. Employer hereby accepts Employee's resignation.

4. Benefit Plans.

Employee's entitlement to any benefits afforded by any Employer benefit plans, including, without limitation, health, accident, life, and compensation insurance plans and retirement plans, are governed solely by their applicable plans and policies which are incorporated herein by this reference.

5. Return of Property and Cooperation.

On or before the Resignation Date, Employee will return to Employer any and all data, documents, and property of Employer, including, but not limited to, files, records, computer software, computer access codes, desktop computers, laptop computers, cellular phones, company IDs, company credit cards, and company property keys or passkeys, together with all proprietary, confidential, and other company information of Employer, (together, "Data"), and will not retain any copies, duplicates, or excerpts thereof. Notwithstanding the foregoing, this Agreement permits Employee, her lawyers, agents, or assigns to retain all Data related to the Lawsuit to the extent such Data is in her possession. All Data retained by Employee shall be handled as required by the protective order entered in the Lawsuit.

6. No Admission.

The parties agree that, by entering in this Agreement, neither party admits, and specifically denies, any violation of any local, state, or federal law, common or statutory. The parties recognize that this Agreement has been entered into in order to achieve an orderly separation and nothing contained herein shall be construed to be an admission of liability or a concession of any kind.

7. Resolution of Disputes.

Any dispute between the parties concerning the interpretation, application, or claimed breach of this Agreement shall be submitted to binding, confidential arbitration to be conducted in the city of Marshall, state of Minnesota. Such arbitration shall be conducted pursuant to the rules of the American Arbitration Association governing employment disputes (but need not be administered by AAA) before an arbitrator licensed to practice law in Minnesota and familiar with employment law disputes. Prior to submitting the matter to arbitration, the parties shall first attempt to resolve the matter by the claimant's notifying the other party in writing of the claim, by giving the other party the opportunity to respond in writing to the claim within ten (10) days of receipt of the claim, and by giving the other party the opportunity to meet and confer. If the matter is not resolved in this manner, the dispute may then proceed to arbitration at the request of either party. Without regard to outcome, the parties shall bear equally the arbitrator's fees and expenses, as well as the administrative costs, if any, of this arbitration. Should any party institute any court action against the other under this Agreement, the responding party shall be entitled to recovery from the initiating party all damages, costs, expenses, and attorney fees incurred as a result of this action.

8. Injunctive Relief.

Each party understands that in the event of a breach or threatened breach of this Agreement, the other will suffer irreparable harm and will, therefore, be entitled to injunctive relief to enforce this Agreement in addition to any and all other legal or equitable remedies that may be available.

9. Review of Agreement and Voluntary Execution.

Employee acknowledges that this Agreement has been explained to her, that she has had adequate time to consider whether to sign this Agreement and that she has been given an opportunity to

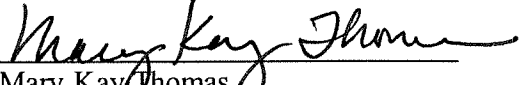
consult with her attorneys prior to executing this Agreement. Employee agrees and represents that she has been advised of and fully understands her right to discuss all aspects of this Agreement with counsel of her choice. Employee's execution of this Agreement establishes that she has had the opportunity to seek the advice of counsel by the date she signed this document. Employee agrees she has carefully read and fully understands all the provisions of this Agreement. Employee further acknowledges that she is executing this Agreement with full, knowing, and voluntary agreement as to its terms and without coercion, intimidation, or pressure of any kind.

10. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

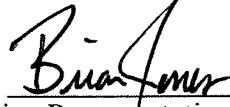
EMPLOYEE HAS READ THE FOREGOING AND UNDERSTANDS THE EFFECT OF THIS AGREEMENT. EMPLOYEE UNDERSTANDS THAT THIS AGREEMENT IS SUBJECT TO APPROVAL BY MARSHALL PUBLIC SCHOOLS BOARD OF EDUCATION AND IS VOIDABLE BY EITHER PARTY AT ANY TIME PRIOR TO BOARD APPROVAL.

Dated this 1 day of May, 2025.


Mary Kay Thomas

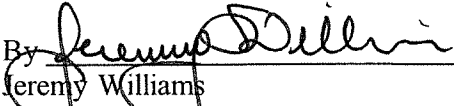
Dated this 1 day of May, 2025.

MARSHALL PRINCIPALS'
ASSOCIATION

By 
Union Representative

Dated this 1 day of May, 2025.

MARSHALL PUBLIC SCHOOLS,
ISD No. 413

By 
Jeremy Williams
Superintendent

On this _____ day of _____, 2025
this agreement was approved by Marshall Public
Schools Board of Education.

Minutes are attached.

ATTACHMENTS:

A: Resignation Letter

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May 1, 2025

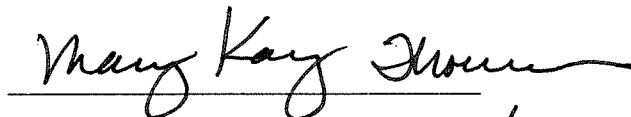
Superintendent Jeremy Williams

401 S. Saratoga St

Marshall, MN 56258

RE: Resignation

I hereby resign my employment position with Marshall Public Schools, ISD No. 413,
effective July 1, 2025.

A handwritten signature in cursive script that reads "Mary Kay Thomas". The signature is written in black ink and is positioned above a horizontal line.

Mary Kay Thomas

5/1/25