SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Settlement Agreement and Release ("Agreement") is entered into by and between Columbia Borough (the "Borough") and Paula Diffenderfer ("Diffenderfer" and collectively, the "Parties") to resolve any and all grievances as set forth herein.

WHEREAS, Diffenderfer is a salaried, exempt employee of the Borough;

WHEREAS, Diffenderfer has agreed to separate from her employment with the Borough;

WHEREAS, all Parties have been free to consult, and have consulted, with independent legal counsel of their choice;

NOW, THEREFORE, intending to be legally bound, and in consideration of the mutual covenants contained herein, it is hereby agreed as follows:

1. **COVENANTS:** In exchange for the valuable consideration set forth herein, the Parties agree to the following:

   A. Upon her signature on this Agreement, Diffenderfer agrees that she is separating from her employment with the Borough effective Monday, October 26, 2026.

   B. By agreement of the Parties, Diffenderfer will receive payment for all accumulated, but unused, flex time as well as any accumulated, but unused leave time consistent with Borough policy. That amount shall be less all applicable taxes and withholdings and shall represent settlement of all disputed amounts owed her. That payment shall be made in the payroll following November 8, 2026.

   C. Diffenderfer acknowledges that her Borough-provided insurance benefits will cease, effective November 31, 2026. After said date, Diffenderfer may obtain COBRA coverage through the Borough at her sole cost.

   D. Diffenderfer acknowledges that he is solely responsible for the tax liabilities and consequences which are attributable to her and may result from her receipt of any payment or benefits under this Agreement and that the Borough shall bear absolutely no responsibility for such liabilities or consequences. Further, Diffenderfer agrees that the Borough shall not be required to pay any further sums to her, or to any other person or entity, if for any reason the tax liabilities and consequences to Diffenderfer are ultimately assessed in a fashion not presently anticipated. Diffenderfer hereby also acknowledges and agrees that the Borough

has not made any representations, or given any advice, about the tax consequences of this Agreement.

E. Diffenderfer agrees to cooperate in returning any Borough property or equipment that is in her possession or control to the Borough on or before October 30, 2026.

F. The parties agree that the covenants contained herein constitute full and complete consideration for any and all claims by Diffenderfer or on her behalf against the Borough and/or its agents or employees, including but not limited to, any claims for attorneys' fees, expenses, and costs incurred by her. Diffenderfer agrees and specifically covenants that he is not entitled to any additional compensation or accrued benefits regarding any claim or right asserted by her as described herein other than outlined in this Agreement.

2. **RELEASE:** In exchange for the valuable consideration set forth herein, Diffenderfer agrees to the following:

A. In consideration for the commitments and benefits set forth above, consideration which Diffenderfer hereby acknowledges is in addition to anything of value to which he is already entitled, Diffenderfer and the Union on behalf of their heirs, estate, representatives, successors, assigns and agents additionally release and discharge the Borough, its elected and appointed officials, agents, attorneys, employees, former employees, members, benefit plans and servants (collectively, the "Releasees") from all other grievances, claims, liabilities, demands, and causes of action known or unknown, fixed or contingent, asserted or unasserted (including, but not limited to, the continuing effects thereof) regarding, or arising out of, Diffenderfer's employment with the Borough, her separation from employment, including, without limitation, (1) The Pennsylvania Labor Relations Act; (2) Title VII of the Civil Rights Act of 1964, *as amended*; (3) The Civil Rights Act of 1991; (4) Sections 1981 through 1988 of Title 42 of the United States Code, *as amended*; (5) The Pennsylvania Human Relations Act, *as amended*; (6) The Age Discrimination in Employment Act, *as amended*; (7) The Family and Medical Leave Act; (8) The Americans with Disabilities Act of 1990, *as amended*; (9) The Fair Labor Standards Act, *as amended*; (10) The Local Agency Law; (11) Act 111, *as amended*; (12) any claim for attorneys' fees under any state or federal statute; and (13) any and all laws, acts, statutes, ordinances, regulations, or any recognized cause of action of the Commonwealth of Pennsylvania that relate in any way to any claim

or possible claim, including claims for wrongful termination, employment discrimination, harassment, retaliation and equal pay, that Diffenderfer may have against the Borough arising out of or in any way connected to her employment with the Borough or her separation from employment.

B. Diffenderfer expressly understands and agrees that this is a General Release and that no reference herein to any specific form of claim, statute or type of ruling is intended in any way to limit the scope of the Release contained in this Agreement.

C. Diffenderfer and the Union agree to withdraw, in writing and with prejudice, any and all grievances, complaints, charges, or lawsuits previously filed on her behalf within seven (7) days of the Effective Date of this Agreement. Further, Diffenderfer represents that, through the effective date of this Agreement, he has not filed, or permitted to be filed, against the Borough or Releasees, any additional grievances, complaints, charges, lawsuits, or unfair labor practices. For its part, the Borough will conclude any active investigations regarding Diffenderfer and further that it will not take any legal action on any current or prior investigations regarding Diffenderfer except with respect to matters that may require investigation or action from another law enforcement agency.

D. This release and waiver applies to any claims brought by any person or agency on behalf of Diffenderfer or any class action pursuant to which Diffenderfer may have any right or benefit; provided, however, that nothing in this Agreement shall be construed to prohibit Diffenderfer from filing a charge or complaint, including a challenge to the validity of this Agreement, with the Equal Employment Opportunity Commission ("EEOC") or participating in any investigation or proceeding conducted by the EEOC. Diffenderfer understands and agrees that, if he files such a charge or complaint with the EEOC or participates in any investigation or proceeding that this release and waiver bars any personal recovery (monetary or otherwise).

E. This Agreement shall not be construed as a release and waiver of any vested rights that Diffenderfer has or may have in any pension, plan, or other vested qualified retirement plans. Those rights shall be governed by the terms of the Plan Document.

4. **CONFIDENTIALITY AND NON-DISCLOSURE:** To the extent permitted by applicable law, Diffenderfer agrees not to disclose or use for any unauthorized purpose any non-public, confidential information concerning the Borough's operations, personnel, finances, security, or other protected municipal information obtained during Diffenderfer's

employment, except as necessary to comply with legal obligations or to exercise rights protected by law.

Diffenderfer further agrees to maintain the confidentiality of the terms of this Separation Agreement to the extent permitted by law, except that Diffenderfer may disclose such terms to Diffenderfer's spouse or domestic partner, attorney, tax advisor, financial advisor, or other professional advisor who has a legitimate need to know, provided that Diffenderfer may also make any disclosure required or protected by law.

Nothing in this provision shall require the Borough to withhold information that is subject to disclosure under the Pennsylvania Right-to-Know Law, applicable public-records requirements, court order, subpoena, or other legal obligation.

5. **NON-DISPARAGEMENT**: To the extent permitted by applicable law, Diffenderfer agrees not to knowingly make or publish false statements of fact about the Borough, its elected officials, officers, employees, or representatives that are intended to harm their professional or personal reputations.

   The Borough agrees that its designated representatives will not knowingly make or publish false statements of fact about Diffenderfer that are intended to harm Diffenderfer's professional or personal reputation, subject to applicable law and the duties of public officials and employees.

6. **NON-ADMISSION OF LIABILITY/NO PAST PRACTICE:** Diffenderfer expressly understands and agrees that the Borough (nor any of the Releasees) in no way admit that they harmed Diffenderfer or otherwise treated her unlawfully or discriminatorily in any manner. Neither this Agreement, nor the implementation thereof, shall be construed to be, or shall be admissible in any proceedings, as evidence of an admission by the Borough (or any of the Releasees) of any violation of or failure to comply with any federal, state or local law, ordinance, agreement, rule, regulation, or order; the preceding portion of this sentence does not preclude introduction of this Agreement by the Borough or any of the Releasees in any proceeding to establish that claims were settled, resolved, compromised and released according to the terms of this Agreement or to establish any breach of this Agreement. This Agreement shall not be construed as or establish any past practice or precedent regarding any other employee.

7. **GOVERNING LAW:** This Agreement shall be governed by and construed under the laws of the Commonwealth of Pennsylvania. A photocopy of a fully executed Agreement shall be deemed an original for all purposes.

8. **LEGAL ACTION:** Nothing in this Agreement shall be construed to prevent the Borough or Diffenderfer from taking legal action to enforce the terms of this Agreement.

9. **ENTIRE AGREEMENT:** Diffenderfer acknowledges that he has carefully read and fully understands the provisions of this Agreement, which sets forth the entire agreement among

the parties and supersedes any prior agreement among the parties. Diffenderfer acknowledges that he has not relied upon any representation or statement, written or oral, not set forth in this Agreement. This Agreement may only be amended by a subsequent written agreement.

10. **NO REEMPLOYMENT:** The Parties expressly waive, release, and forego any chance, right or opportunity for Diffenderfer to seek employment, reemployment, or reinstatement with the Borough or any of the Releasees, now or ever in the future, and Diffenderfer expressly agrees that he shall not now or in the future apply for or seek in any way to be employed, reemployed, or reinstated by the Borough or any of the Releasees. Neither the Borough, nor the Releasees shall have any obligation to employ, reemploy, hire, rehire, or reinstate Diffenderfer now or ever in the future.

11. **SEVERABILITY:** If any term, condition, clause or provision of this Agreement shall be determined by a court of competent jurisdiction to be void or invalid at law, or for any other reason, then only that term, condition, clause, or provision as is determined to be void or invalid shall be stricken from this Agreement, and this Agreement shall remain in full force and effect in all other respects.

12. **REVIEW PERIOD & CONSULTATION WITH LEGAL COUNSEL:** Diffenderfer hereby acknowledges that he has been given at least twenty-one (21) days within which to consider this Agreement and that he has been advised in writing that he should consult an attorney prior to executing it. Diffenderfer further acknowledges that he has carefully read and fully understands all of the provisions of this Agreement and that he enters into it knowingly and voluntarily. Diffenderfer acknowledges that, by signing this Agreement before the expiration of this twenty-one (21) day review period, he waives any remaining time under this Paragraph. The Parties agree that changes made to this Agreement after it was first presented, whether material or immaterial, will not restart the running of the twenty-one (21) day review period. Diffenderfer understands that he may revoke her consent to this Agreement for a period of seven (7) days after he has signed it. Any such revocation must be received by Jack Brommer, Borough Manager, within the revocation period. Diffenderfer understands that, in the event that he revokes her consent to this Agreement, he shall not receive any of the benefits set forth herein.

13. **EFFECTIVE DATE:** The Effective Date of this Agreement shall be the date on which the Borough executes the Agreement following any formal approval as required by law.

14. **COSTS:** The Parties shall each bear their own costs incurred in the settlement of this matter.

INTENDING TO BE LEGALLY BOUND, the Parties have agreed to the foregoing as evidenced by their signatures below:

PAULA DIEFENDERFER

10.26.2026
Date

BOROUGH REPRESENTATIVE

10-26-2026
Date