SEVERANCE AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Agreement") is entered into by and between the Metropolitan Government of Nashville and Davidson County, acting through the Hospital Authority of Metropolitan Nashville and Davidson County and in its own capacity (collectively the "Metropolitan Government") and Dr. Joseph Webb, D.Sc., FACHE (Dr. Webb) (collectively, the "Settling Parties") as of March 17, 2025 Effective Date, defined below:

I. <u>RECITALS</u>

WHEREAS, pursuant to the Chief Executive Officer Services Agreement between the Hospital Authority of Nashville and Davidson County, Tennessee and Joseph Webb, D.Sc., FACHE dated as of September 1, 2022 (the "Contract"), the term of Dr. Webb's employment to serve as Chief Executive Officer of Nashville General Hospital ("NGH") concludes on June 30, 2025; and

WHEREAS Dr. Webb has asserted a claim for compensation and benefits under the Contract, including without limitation, back and future pay, and for an unfunded retirement benefit that he claims the Hospital Authority promised to pay him; and

WHEREAS, the Metropolitan Government, while denying any liability potentially asserted in Dr. Webb's Claims against any defendant, wishes to avoid the delay, expense, and uncertainty of litigation, and to reach an amicable resolution of any disputed matter, claim or controversy, known and unknown; and

WHEREAS, Dr. Webb, with the assistance of counsel, has reviewed and considered the relevant issues, concerns, and potential claims; has considered the delay, expense, and uncertainty of litigation; and has determined that the resolution set forth in this Agreement is in his best interest; and

WHEREAS, the Settling Parties have reached a settlement of any and all claims, demands, and / or causes of action arising under or related in any way to the Contract) that Dr. Webb asserted or could have asserted, or in any lawsuit against the Metropolitan Government and all of their current and / or former insurers, directors, officers, fiduciaries, employees, agents, successors, assigns, and / or any and all other entities currently and / or formerly affiliated with or related to the Metropolitan Government (collectively, "Metro Affiliates").

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, undertakings, obligations, and commitments hereinafter set forth, and intending to be legally bound, the Settling Parties do hereby covenant and agree as follows:

II. TERMS AND CONDITIONS

1. <u>Metropolitan Government's Agreement</u>. In exchange for the consideration provided by Dr. Webb under this Agreement, the Metropolitan Government agrees as follows:

<u>Payment</u>. Payment of \$890,813.26, paid as a one-time retirement payment from NGH within fifteen (15) days following (1) the approval of this Agreement by the Hospital

Authority, (2) the approval of this Agreement by the Metropolitan Council, and (3) the approval of a supplemental budget authorization to NGH for FY 2025 by the Metropolitan Council.

2. <u>Dr. Webb's Agreement</u>. In exchange for the consideration provided by the Metropolitan Government under this Agreement, the adequacy and sufficiency of which Dr. Webb hereby acknowledges, Dr. Webb agrees as follows:

3. <u>Release of Liability</u>. In exchange for the consideration provided under this Agreement, Dr. Webb, for himself and his heirs, executors, administrators, representatives, predecessors, successors, and assigns, does hereby fully, finally, and forever release and discharge the Metropolitan Hospital Authority, NGH, the Metropolitan Government and Metro Affiliates, of and from any and all claims, actions, causes or rights of action, suits, debts, sums of money, liabilities, losses, covenants, contracts, agreements, promises, assertions, allegations, contentions, controversies, and demands of any kind or nature whatsoever, whether at law or in equity, that Dr. Webb may have relating to any act, omission or other matter, cause, or thing whatsoever including, without limitation, in any way arising out of, in connection with, or relating to the Contract and/or his employment with the Metropolitan Government, and any claims that are, were, or could have brought.

4. Early cessation of work./Compensation through Contract term/No role in selection of new CEO. Dr. Webb agrees to vacate his office and cease working on March 14, 2025. Dr. Webb agrees to return all work files, and all equipment provided by the Hospital Authority. The Hospital Authority will continue to pay Dr. Webb all salary and benefits under the Contract through June 30, 2025. Dr. Webb agrees not to be involved in the discussions about an interim CEO, a permanent CEO, or other NGH operations, unless NGH engages Dr. Webb as a consultant.

5. <u>Conditions Precedent to Settlement</u>. Nothing in this Agreement shall become binding on any party unless and until (1) the Hospital Authority approves this Agreement, and (2) the Metropolitan Council for the Metropolitan Government approves the Resolution to approve this Agreement that will be filed with the Metropolitan Council in conjunction with this Agreement and the Resolution becomes effective under Article 5, Section 5.04 of the Metropolitan Charter and (3) the Metropolitan Council approves the supplemental budget appropriation for NGH for FY 2025.

6. <u>Tax Treatment</u>. Dr. Webb acknowledges and agrees that the Metropolitan Government has made no representations to Dr. Webb regarding the tax consequences of any amounts received by Dr. Webb pursuant to this Agreement. It is expressly understood that to the extent any liability or responsibility exists for Dr. Webb's federal, state, and local income or other taxes, such liability or responsibility rests solely with him.

7. <u>Medical / Property Liens</u>. Dr. Webb represents that he has notified TennCare, Medicare, and any other person or entity holding a subrogation interest, of his settlement of this claim. He acknowledges and agrees that any subrogation rights

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asserted by TennCare, Medicare, or any other person or entity holding a subrogation interest, shall be solely his responsibility. Furthermore, Dr. Webb agrees that he will indemnify and hold harmless the Metropolitan Government (including Metro Affiliates) from any liability in connection with any such liens or subrogation interests.

8. <u>Release of Liens</u>. Dr. Webb acknowledges and represents that he will satisfy any attorneys' liens, or other form of lien or claimed right to subrogation, that are not extinguished or satisfied by the execution of this Agreement, and that he will indemnify and hold harmless the Metropolitan Government (including Metro Affiliates) for any liability in connection with such liens or subrogation interests.

9. No Admission of Liability for Damages. The Settling Parties understand that payment of the consideration described above is not an express or implied admission of responsibility or liability on the part of the Metropolitan Government, including Metro Affiliates. Such consideration is being paid solely in order to compromise disputed claims so that the parties may forever avoid the expense, uncertainty, and hazard of litigation.

10. <u>Covenant Not to Sue</u>. Dr. Webb agrees never to file, institute, direct, or maintain against any of the other Settling Parties (or their respective Releasees as provided herein) any suit, charge, claim, proceeding or action in or before any court, administrative agency, arbitral panel, or other body or tribunal asserting, directly or indirectly, any claim that is released and compromised by this Agreement.

11. Assignment or Transfer. Each of the Settling Parties represents and warrants that it has not assigned or transferred, or purported to assign or transfer, to any other person or entity, in whole or in part, voluntarily, involuntarily, or by operation of law, any right, claim, interest, and property released or transferred pursuant to this Agreement, or any portion thereof, and that it has sole, complete and entirely unencumbered right, title and interest in and to the rights, claims, interests, and property released or transferred under this Agreement.

12. <u>Consultation of Legal Counsel</u>. Each of the Settling Parties acknowledges and represents that: (i) they have had an opportunity to receive independent legal and other advice in this matter from counsel and advisors of its own choosing and is entering into this Agreement freely and voluntarily, wholly upon their own judgment, belief and knowledge; and (ii) except as expressly set forth herein, they do not rely and have not relied upon any warranty, inducement, or promise by any other party hereto, or any of such other party's agents, directors, officers, employees, representatives, or attorneys, with respect to the subject matter, basis, or effect of this Agreement.

13. <u>Severability</u>. If any provision of this Agreement other than Paragraph 2 is ever declared unenforceable, void, invalid, or voidable, then the parties intend that the validity, legality, and enforceability of the remaining provisions of this Agreement shall in no way be affected or impaired and that the remaining provisions of this Agreement shall remain valid and enforceable as written to the maximum extent permitted by law.

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14. <u>Effect of Settlement Agreement and Release</u>. This Agreement shall be binding upon and inure to the benefit of the Settling Parties and their respective heirs, legal representatives, executors, administrators, predecessors, successors, transferees, and assigns.

15. <u>Choice of Law</u>. This Agreement shall be governed and construed under the laws of the State of Tennessee.

16. <u>Execution in Counterparts</u>. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same document.

17. Entire Agreement. This Agreement constitutes the entire agreement and understanding among the Settling Parties with respect to the subject matter hereof and fully supersedes any and all prior or contemporaneous agreements, understandings, negotiations, and discussions, both written and oral, among the Settling Parties with respect to the subject matter covered hereunder.

18. <u>Modification</u>. Neither this Agreement, nor any term hereof, may be modified, canceled, amended, waived, or otherwise altered in any way, in whole or in part, except by way of a written agreement signed by the authorized representatives of the Settling Parties and which specifically mentions this Agreement.

19. <u>Waiver</u>. No provision of, or breach or default under, this Agreement shall be deemed waived, in whole or in part, by the course of conduct of any Settling Party, and the failure of any Settling Party to insist upon strict adherence to any term of this Agreement shall not constitute a waiver of any right arising hereunder or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

20. <u>No Presumption</u>. This Agreement has been drafted and reviewed jointly by the Settling Parties and their respective counsel and no presumption in construction or interpretation shall be applied for the benefit of, or against, any of the Settling Parties.

21. <u>Effectuating the Settlement Agreement and Release</u>. The Settling Parties agree to execute all documents and to take all actions that may be necessary or appropriate to effectuate this Agreement.

22. <u>Costs</u>. Except as otherwise expressly set forth herein, the Settling Parties shall each bear their own costs and expenses, including attorney and other advisor fees, with respect to matters relating to the subject matter of this Agreement, including without limitation the preparation, execution, and implementation of this Agreement.

23. <u>Effective Date</u>. This Agreement shall become effective upon the execution of this agreement by all of the Settling Parties.

IN WITNESS WHEREOF, the Settling Parties have executed this Agreement as of the date indicated above.

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[signature pages to follow]

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JOSEPH WEBB, D.Sc., FACHE

Joseph Webb, D.Sc., FACHE

Signature Dated: 3/17/25

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THE DEPARTMENT OF LAW OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Signature Dated:

Derrick Smith Senior Counsel

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