

## **AGREEMENT AND RELEASE**

**THIS AGREEMENT AND RELEASE** ("Agreement") is made and entered into by and between THOMAS P. HARWOOD III ("Harwood") and AMERICAN AIRLINES, INC. ("American") (collectively, "the Parties").

**WHEREAS**, Harwood filed a complaint with the Department of Labor against American alleging a violation of the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"), as amended, 38 U.S.C. § 4301 *et seq.* (the "Complaint");

**WHEREAS**, American denies Harwood's allegations and asserts that it acted in full compliance with all applicable laws; and,

**WHEREAS**, the Parties desire to resolve all outstanding matters between them, known and unknown, in an effort to limit any further litigation expenses, provided that neither party admits that they engaged in any wrongdoing or unlawful conduct;

**NOW, THEREFORE**, in consideration of the mutual promises contained in this Agreement, the Parties agree as follows:

1. **NON-ADMISSION**: This Agreement is not and shall not in any way be construed as an admission by American of any wrongdoing or liability. The Parties have entered into this Agreement for the sole purpose of resolving the Complaint and any other disputes or differences between the Parties, other than the claims pending in *Harwood v. American Airlines, Inc.*, Case No. 1:17-cv-00484-LO-JFA (E.D. Va.), and *Scanlan v. American Airlines Group, Inc.*, Case No. 2:18-cv-04040-HB (E.D. Pa.), including any appeals, and to avoid the burden, expense, and delay of litigation.

2. **COMPLIANCE WITH USERRA**: American shall comply with all of the provisions of USERRA and shall not take any action against any person which constitutes discrimination, retaliation, or interference with the exercise of such person's rights under USERRA. American also shall not take any action against any person because such person gave testimony or assistance or participated in any manner in any investigation or proceeding in connection with USERRA and/or in connection with this case.

3. **SETTLEMENT AND CONSIDERATION**: In full settlement of all claims raised or that could have been raised in the Complaint, including any alleged attorney's fees and costs, American agrees to pay Harwood the total amount of Fifteen-Thousand-Six-Hundred-Seventy-One Dollars and Zero Cents (\$15,671.00) in a single payment (the "Settlement Amount") for damages. American shall issue a 1099-MISC form to Harwood for this payment. American will transmit the Settlement Amount to Harwood within twenty (20) calendar days from the execution of this Agreement, either by direct deposit or by bank check to the following address:

Thomas P. Harwood III  
1731 East Samuel Drive  
Phoenix, AZ 85024

By signing this Agreement, Harwood represents and warrants that, other than the VETS Complaint and the claims pending in *Harwood v. American Airlines, Inc.*, Case No. 1:17-cv-00484-LO-JFA (E.D. Va.), and *Scanlan v. American Airlines Group, Inc.*, Case No. 2:18-cv-04040-HB (E.D. Pa.), including any appeals, he has not filed any charges, lawsuits, claims, or taken other legal actions against American and that he has no pending charges, lawsuits, or claims against American. To the fullest extent allowed by law, and other than the claims pending in *Harwood v. American Airlines, Inc.*, Case No. 1:17-cv-00484-LO-JFA (E.D. Va.), and *Scanlan v. American Airlines Group, Inc.*, Case No. 2:18-cv-04040-HB (E.D. Pa.), including any appeals, Harwood agrees not to file any lawsuits, charges, or claims against American based on any claims that he has, had, or may have relating to any matter arising out of or related to the Complaint. Consistent with this release, in the event that any other person or governmental agency pursues a charge or claim in any way related to the Complaint, Harwood waives the right to recover or accept any payments or other relief except for that set forth in this Agreement.

It is expressly understood by Harwood that the obligations of American contained in Paragraph 3 of this Agreement shall be in lieu of any and all amounts to which Harwood claims he is, or may become, entitled to, based upon any claim whatsoever against American arising out of or related to the Complaint.

4. **USERRA TRAINING:** Within one-hundred-eighty (180) calendar days from the date of the execution of this Settlement Agreement, American shall provide at least one hour of training on the requirements of USERRA and on employers' and servicemembers' rights and obligations under the statute to all staff, including supervisory staff, in American's 401(k) department. Such training shall be held at American's own expense and shall include, at least, discussion of calculating imputed income under USERRA and shall incorporate the Department of Labor's "VETS USERRA Factsheet # 1: Frequently Asked Questions – Employers' Pension Obligations to Reemployed Service Members Under USERRA."

At least thirty (30) calendar days before the date of the training, American shall send the United States, for review and approval, a description of the training and the proposed training materials. All documents provided to the United States shall be sent electronically to Robert Rich at Robert.Rich@usdoj.gov.

The United States shall provide American with comments and/or approval of the training materials within twenty-one (21) calendar days of receipt. If the Parties cannot agree on the content of the training and/or the training materials, the dispute resolution provisions in paragraph 11 shall apply.

Within ten (10) calendar days from the date that American conducts the training, American shall provide the United States with documentary evidence that the training occurred, including a copy of the final training materials, a disclosure of when the training was provided, and a list of all persons trained. All documents provided to the United States shall be sent electronically to Robert Rich at Robert.Rich@usdoj.gov.

5. **RELEASE:** For and in consideration of the relief being provided to him as described in Paragraphs 3 and 4 of this Agreement, Harwood releases and discharges American (including any and all of its officers, directors, employees, agents, attorneys, and all of their predecessors and successors in interest) from his USERRA claim arising out of or related to the Complaint.

Harwood maintains his right to pursue any charges, lawsuits, or claims against American resulting from events that occur after the execution of this Agreement.

6. **SCOPE OF AGREEMENT:** The terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by any American representatives, successors and/or assigns, as well as Harwood's representatives, successors, and/or assigns.

7. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement and commitments of the Parties. Any modifications to this Agreement must be mutually agreed upon and memorialized in writing signed by all the Parties.

8. **SEVERABILITY AND CONSTRUCTION:** If any provision of this Agreement is found invalid, or incapable of being enforced by reason of any law, rule, or public policy, all other provisions shall, nevertheless, remain in full force and effect, and no provision herein shall be dependent upon any other provision. This Agreement shall be construed and governed in accordance with the laws of Arizona. No ambiguity in this Agreement shall be construed against any party based upon a claim that the party drafted the ambiguous language. The Parties agree that they will not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement is illegal or invalid.

9. **KNOWING AND VOLUNTARY AGREEMENT:** Each party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any party for that reason in any subsequent dispute. The Parties acknowledge that they have read this Agreement and that they understand the words, terms, conditions, and legal significance of this Agreement.

10. **EXECUTION OF AGREEMENT:** Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement. This Agreement may be executed in separate counterparts, which may be in original or in electronic image copy (facsimile, .pdf, .tiff, etc.).

11. **DISPUTE RESOLUTION AND COMPLIANCE:** If either party believes that there has been a failure by the other party to perform in a timely manner any act required by this Agreement, or otherwise to act in conformance with any provision thereof, whether intentionally or not, the first party will notify the other party in writing of the concerns about breach and the Parties will attempt to resolve those concerns in good faith. Unless otherwise expressly agreed in writing, the responding party shall have thirty (30) days from the date the first party provides


notification of any breach of this Agreement to cure the breach, unless such breach cannot be cured using reasonable efforts in such period, in which case the responding party will begin undertaking the curing of such breach within such period and will diligently pursue such cure. If the Parties are unable to resolve a dispute over whether either party has breached the Agreement, either party may file a civil action to enforce the Agreement. The Parties agree that they may, in any action to enforce this Agreement, seek to have a court impose any remedy authorized at law or equity.

12. **CLOSURE OF THE COMPLAINT:** Upon Harwood's receipt of the Settlement Amount and American's completion of the training session, as described in Paragraphs 3 and 4 of this Agreement, Harwood shall direct the Department of Justice to close the Complaint (USERRA Case No. TX-2020-00008-10-V, U.S. Department of Justice DJ Number 170-USE-73-31) and return the closed file to the Department of Labor, and take such further action as may be reasonably necessary to help secure the closure of the Department of Justice investigation. Upon closure of the Complaint, the Department of Justice shall immediately notify American of the closure via email.

8/23/2022  
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Date

  
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Thomas P. Harwood III

8/23/2022  
\_\_\_\_\_  
Date

For American Airlines, Inc.:  
  
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VINCENT S. CARVER