



ORIGINAL

## Employment Agreement

This Employment Agreement is made and entered into by and between the Town of Coventry, Rhode Island (“Coventry” or “Town”), an autonomous, Rhode Island governmental subdivision and municipal corporation, with its principal place of business at Coventry Town Hall located at 1670 Flat River Road in Coventry, Rhode Island, and Daniel O. Parrillo (“Parrillo”) as of March 20, 2023, the Effective Date of this Agreement.

WHEREAS, Parrillo and Coventry wish to memorialize their agreement that Parrillo shall serve as the **Town Manager** of the Town of Coventry, Rhode Island in accordance with terms of this Agreement.

NOW, THEREFORE, in consideration of the foregoing promises and the mutual promises, terms, provisions and conditions set forth in this Agreement, Parrillo and Coventry hereby agree:

1. Employment. Subject to the terms and conditions set forth in this Agreement, Coventry offers, and Parrillo accepts, employment with Coventry as its Town Manager, which means that Parrillo is the chief administrative officer of the Town of Coventry.
2. Term. Subject to earlier termination as hereinafter provided, Parrillo’s Term of employment shall be for a Term of three (3) years and shall commence on the Effective Date, and it shall continue until terminated or not renewed pursuant to Section 5 (the “Term”).
3. Capacity and Performance.
  - (a) During the Term, Parrillo shall serve as the Town Manager of Coventry and Parrillo shall be directly responsible to and report to the Coventry Town Council (the “Council” or the “Town Council”) as a whole in accordance with Coventry’s Home Rule Charter. Notwithstanding the foregoing, Parrillo shall be responsible to the Presiding Officer<sup>1</sup> of the Council as his immediate supervisor concerning his day-to-day activities as an employee of the Town.
  - (b) During the Term, Parrillo’s responsibilities and duties as Town Manager shall be and are annexed hereto as Exhibit A. In addition to those responsibilities and duties and as a part thereof, Parrillo shall: (1) perform all such other duties as may be assigned to him by the Town Council or by the Presiding Officer, subject to ratification by the Town Council; and (2) be available to communicate telephonically and electronically twenty-four (24) hours per day, seven (7) days per week, including the duration of any PTO (as defined infra).
  - (c) During the Term, Parrillo shall be employed by Coventry on a full-time basis, shall work at and/or be primarily located at Coventry Town Hall, or such other location as may be required by his duties or such other location as may be approved by the Presiding Officer, and shall perform the duties and responsibilities of the position and such other duties and responsibilities on behalf of Coventry as reasonably may be designated from time-to-time by the Council. During the Term, Parrillo shall undertake such business activities as is necessary for the proper performance of his duties in Coventry.

<sup>1</sup> Generally, the President of the Town Council is the Presiding Officer of the Council; however, in the absence or incapacity of the President or a vacancy in the office of President, the Town Council Vice-President is the Presiding Officer.

HL  
OP

(d) During the Term, Parrillo shall devote his full business time and his best efforts, and he shall exercise the professional judgment, skill and knowledge expected of the position exclusively for the advancement of the business and interests of Coventry and to the discharge of his responsibilities and duties as set forth in this Agreement. Parrillo shall not engage in any other business activity or serve in or be employed (as an independent contractor or employee) in any other industry, trade, professional, governmental or academic position during the Term of this Agreement, except as may be expressly approved in advance by the Council in writing.

(e) The effectiveness of this Agreement is specifically conditioned on Parrillo's: obtaining and maintaining the legal right to work in the United States; being in compliance with and not in violation of any state or federal law or regulation impacting on his ability to carry out his job duties or his ability to otherwise be associated with Coventry; providing a certified "clean" NBCI background check to Coventry; truthfulness and accuracy in representing his credentials as set forth in his resume, including educational degrees. In addition, this Agreement is specifically conditioned on Parrillo's representation that he is not bound by any restrictive covenants from any former employer; or if Parrillo is bound by such restrictive covenant, he shall advise Coventry forthwith by providing such contractual language to Coventry and he shall warrant that he is in compliance with any and all existing restrictive covenants.

(f) During the Term, Parrillo shall:

(i) Not take any action that would harm the reputation of Coventry or otherwise pose or cause reputational risk to Coventry;

(ii) Report, as soon as practicable, to the Council his own material wrongdoing (including any material change in the conditions of paragraph 3(e) herein) and any material wrongdoing or reasonably known or known prospective material wrongdoing of any employee, appointed official, or elected official (including any Town Council Member), of Coventry (whether alone or in concert with any other employee, appointed official or Town Council Member);

(iii) Report, as soon as practicable, to the Council:

(A) the plans of any employee, appointed official or elected official of Coventry to leave the employ or service of Coventry; or

(B) the misuse or misappropriation by any employee, appointed official or elected official of Coventry of any Town property or equipment, including but not limited to the Confidential Information and Intellectual Property of Coventry; and

(iv) When requested to do so (including, but not limited to all Council meetings), fully and promptly give the Council and its individual members such explanations, information and assistance as it may require relating to the business, transactions and affairs of Coventry of which Parrillo shall have knowledge or of which Parrillo ought to have knowledge.

4. Compensation and Benefits. As compensation for all services performed by Parrillo during the Term and subject to Parrillo's performance of his duties and obligations to Coventry, pursuant to this Agreement or otherwise, Coventry shall provide Parrillo with the following compensation and benefits:

(a) Base Salary. During the Term, Coventry shall pay Parrillo a base salary at the rate of One Hundred-Fifty-Thousand Dollars (\$150,000.00) per annum, payable in accordance with the payroll practices of Coventry (such base salary, as from time to time adjusted, the "Base Salary"). The Base Salary shall be reviewed not less than once in each calendar year and shall be eligible for adjustment by the Council, acting in its sole discretion.

(b) Legal Holidays; Sick Time; Paid Time Off ("PTO"); Accrual of Sick and PTO Time.

(i) Legal Holidays. During the Term, Parrillo shall be entitled to take all legal holidays recognized by Coventry as a holiday from his duties.

(ii) Sick Time. During the Term, Parrillo shall be entitled to five (5) sick days as of the Effective Date of this Agreement and thereafter, beginning in the second (2<sup>nd</sup>) year of the Term, he shall be entitled to earn and accrue up to five (5) days of sick time per year during the Term. Any earned and accrued, but unused sick time may be carried forward from one year to the next year, provided that the total of all such accrued time may not exceed twenty (20) days. Any accrued sick time in excess of twenty (20) days is lost (not carried forward as an accrual), if unused before the next year in the Term.

(iii) PTO. During the Term Parrillo shall be entitled to twenty (20) days of PTO. Parrillo may discharge PTO at the discretion of and by approval of the Presiding Officer in daily increments; however, no more than ten (10) consecutive days may be taken at any one time without the prior written consent of the Presiding Officer of the Council, which shall not be unreasonably withheld. All PTO must be used by the end of the year in which it is earned and accrued. PTO that is earned and accrued during a calendar year, in whole or in part, is not carried forward from one year to the next.

(iv) Accrual of Sick and PTO Time. All sick time and PTO is earned and accrues on a calendar year, quarterly basis. Such time is credited for Parrillo's use on the first day of each quarter. Sick time is earned and accrues as follows: two (2) days in the first quarter; and one (1) day for each of the remaining quarters. PTO is earned and accrues at a rate of five (5) days per quarter.

(d) Other Benefits. During the Term, Parrillo shall be entitled to participate in any and all Employee Benefit Plans from time-to-time in effect for employees of Coventry generally, except to the extent any such Employee Benefit Plan is in a category of benefit otherwise provided to Parrillo. Such participation shall be subject to the terms of the applicable plan documents and generally applicable Coventry policies. Coventry may alter, modify, add to or delete its Employee Benefit Plans at any time as it, in its sole judgment, determines to be appropriate or fiscally feasible, without recourse by Parrillo. For purposes of this Agreement, "Employee Benefit Plan" shall have the meaning ascribed to such term in Section 3(3) of ERISA, as amended from time-to-time.

(e) Business Expenses. Coventry shall pay or reimburse Parrillo for all reasonable business expenses incurred or paid by Parrillo in the performance of his duties and responsibilities hereunder, subject to any maximum annual limit and other restrictions on such expenses as set by Coventry and to such reasonable substantiation and documentation as may be specified by Coventry from time-to-time. Any such expense shall be claimed by Parrillo and presented to the Council within thirty (30) days of incurring such expense or as soon as practicable after the expense is incurred. Reimbursement to Parrillo for expenses eligible for reimbursement shall be

paid to Parrillo not later than thirty (30) days following the presentation of the required substantiation and documentation for the same.

Except for mileage, all Business Expenses must be approved by the Presiding Officer of the Council before incurrence of the same and it shall be the Presiding Officer's responsibility to bring such expenses before the Council for ratification within thirty (30) days. Notwithstanding, no approved, but un-ratified expense shall be unreimbursed to Parrillo after the Presiding Officer's approval of the same.

(f) Town Vehicle. A Town vehicle shall be made available for Parrillo's use in the course of his ordinary, reasonable and incidental<sup>2</sup> travel as may be required to carry out his duties and responsibilities as defined by this Agreement, subject to Town Council approval as to the type of vehicle, subject to budgetary constraints and subject to the financial terms of the vehicle - acquisition and maintenance cost. If Parrillo elects to use his personal vehicle: Parrillo shall bear all financial cost and legal liability related to the same, including the cost of its acquisition, maintenance, and operation; Parrillo shall indemnify and hold Coventry harmless from any and all liability that may accrue as a result of the vehicle's operation; and Coventry shall reimburse Parrillo at the applicable and published Internal Revenue Service rate for "mileage" expense for the calendar year of use, subject to Parrillo's contemporaneous accounting for his mileage. Reimbursement for mileage shall be a Business Expense reported to the Council monthly for approval as to the prior month's mileage.

5. Termination of Employment; Severance Benefits; Performance Evaluation.

Parrillo's employment hereunder shall terminate prior to the expiration of the Term under the following circumstances:

(a) Death.

In the event of Parrillo's death during the Term, Parrillo's employment hereunder shall immediately and automatically terminate. In such event, Coventry shall pay to Parrillo's designated beneficiary or, if no beneficiary has been designated by Parrillo in writing, to his estate, (i) any Base Salary earned but not paid during the final payroll period of Parrillo's employment through the date of termination, (ii) pay for any PTO earned but not used through the date of termination, and (iii) any business expenses incurred by Parrillo but unreimbursed on the date of termination, provided that such expenses and required substantiation and documentation are submitted within sixty (60) days of termination, that such expenses are reimbursable under Coventry policy and that any such expenses subject to the last sentence of Section 4(e) shall be paid not later than the deadline specified therein (all of the foregoing items shall constitute "Final Compensation"). Any Base Salary and accrued PTO payable to Parrillo shall be payable on the next regular Coventry payroll date following Parrillo's death. Coventry shall have no further obligation to Parrillo hereunder.

(b) Disability.

(i) Coventry may terminate Parrillo's employment hereunder, upon ninety (90) days' notice to Parrillo, in the event that Parrillo becomes disabled during his employment hereunder through any illness, injury, accident or condition of either a physical or

---

<sup>2</sup> The term "incidental" shall mean a minor or accompanying expense. For example, out of state travel, including but not limited to tolls and parking expense, is not an incidental expense.

psychological nature and, as a result, is unable to perform substantially all of his duties and responsibilities hereunder, notwithstanding the provision of any reasonable accommodation, for ninety (90) days during any period of three hundred and sixty-five (365) consecutive calendar days. Upon the termination of Parrillo's employment as a result of disability, Coventry shall have no further obligation to Parrillo, other than for Final Compensation, which shall be paid to Parrillo in accordance with Section 5(a); provided that Base Salary and accrued PTO payable to Parrillo shall be payable on the date Coventry notifies Parrillo of such termination of employment.

(ii) The Council may designate another employee to act in Parrillo's place during any period of Parrillo's disability or during the notice period provided in Section 5(b)(i). Notwithstanding any such designation, Parrillo shall continue to receive the Base Salary in accordance with Section 4(a) and benefits in accordance with Section 4(d), to the extent permitted by the then-current terms of the applicable benefit plans, until Parrillo becomes eligible for disability income benefits under any disability income plan of Coventry or the State of Rhode Island or until the termination of his employment, whichever shall first occur.

(iii) While receiving disability income payments under any disability income plan of Coventry or of the State of Rhode Island, Parrillo shall not be entitled to receive any Base Salary under Section 4(a) hereof, but shall continue to participate in Coventry benefit plans in accordance with Section 4(d) and the terms of such plans, until the termination of his employment.

(iv) If any question shall arise as to whether during any period Parrillo is disabled through any illness, injury, accident or condition of either a physical or psychological/mental capacity nature so as to be unable to perform substantially all of his duties and responsibilities hereunder, Parrillo shall submit, based on a majority vote of the Council, to a medical examination by a physician who is a medical doctor selected by Coventry to whom Parrillo or his duly appointed guardian, if any, has no reasonable objection to determine whether Parrillo is so disabled. Such determination shall for the purposes of this Agreement be conclusive of the issue. If such question shall arise and Parrillo shall fail to submit to such medical examination, Coventry's determination of the issue shall be binding on Parrillo.

(c) By Coventry for Cause.

Coventry may terminate Parrillo's employment hereunder for Cause at any time upon notice to Parrillo setting forth in reasonable detail the nature of such Cause. Any proceeding by Coventry to terminate this Agreement for Cause shall conform to Article V § 5.06 of the Coventry Home Rule Charter (the "Charter"). The following, as determined by the Council in its reasonable judgment, shall constitute Cause for termination:

(i) Parrillo's significant failure to perform (other than by reason of disability), or material negligence in the performance of, his duties and responsibilities to Coventry;

(ii) Material breach by Parrillo of any provision of this Agreement or any other agreement with Coventry that, if susceptible of cure, is not cured within ten (10) days following notice of such breach from the Council;

HL  
DP

(iii) Other conduct by Parrillo that could reasonably be expected to be harmful to the business, interests or reputation of Coventry;

(iv) Parrillo's commission of any criminal offense or any act of dishonesty or any serious misconduct of any nature, in each case whether during the performance of his duties or otherwise, that in the opinion of the Council renders Parrillo unfit to continue in his position of Town Manager;

(v) Parrillo's being disqualified to take part in the management of Coventry pursuant to applicable law or regulation;

(vi) Parrillo's failure to meet the requirements of, or his breach of the rules of, any regulatory body whose consent or approval is required to enable Parrillo to undertake all or any of his duties;

(vii) Parrillo's failure to meet the requirements of, or his breach of the law, rules, directive/instruction, regulations or decision of, any court, administrative adjudicative authority, administrative or regulatory agency or body during the performance of his duties and responsibilities or otherwise;

(viii) Parrillo's repeated failure to perform his duties to a standard satisfactory to the Council after being provided a written warning from the Council setting forth in reasonable detail the nature of such failure and a time to cure such failure;

(ix) Parrillo's failure to comply with any reasonable direction of the Council; or

(x) Parrillo's failure to perform, in whole or in part, his responsibilities and duties as set forth in Section 3 (b) herein.

Parrillo's employment shall terminate in accordance with Article V § 5.06 of the Charter and the terms and conditions of this Agreement upon the expiration of time periods set forth in Article V § 5.06 of the Charter from the delivery of the notice of termination for Cause described in this Section 5(c) herein and the expiration of any applicable cure period without cure by Parrillo. In the event of termination of Parrillo pursuant to this Section 5(c), the Council may elect to waive the period of notice, or any portion thereof, and, if the Council so elects, Coventry will pay Parrillo his Base Salary for the period so waived as part of his Final Compensation. Upon the termination of Parrillo's employment for Cause, Coventry shall have no further obligation to Parrillo, other than for Final Compensation, which shall be paid to Parrillo in accordance with Section 5(a); provided that Base Salary and accrued PTO payable to Parrillo shall be payable on the date Coventry notifies Parrillo of such termination of employment.

(d) By Coventry Other than for Cause, Disability or Non-Renewal.

Coventry may terminate Parrillo's employment hereunder Other than for Cause, Disability or Non-Renewal at any time upon notice to Parrillo. Upon the termination of Parrillo's employment other than for Cause, Disability or Non-Renewal, Coventry shall provide Parrillo with his Final Compensation, which shall be paid to Parrillo in accordance with Section 5(a); provided that Base Salary and accrued PTO payable to Parrillo shall be payable on the date Coventry notifies Parrillo of such termination of employment. In addition to Final Compensation and provided that no benefits are payable to Parrillo under a separate severance agreement as a result of such termination, Coventry shall continue to pay Parrillo the Base Salary until the expiration

of two (2) months following the date of termination (the "Severance"). Any obligation of Coventry to provide the Severance is conditioned, however, on the execution and delivery to Coventry by Parrillo of a timely and effective release of claims substantially and materially in the form attached hereto as Exhibit B and only so long as Parrillo has not breached the provisions of Sections 8, 9, and 10 hereof, and such executed release shall have occurred no later than the tenth (10<sup>th</sup>) calendar day following the date of termination (the "Release of Claims"). Subject to Section 7 below, any Severance to which Parrillo is entitled hereunder shall be payable in accordance with the normal payroll practices of Coventry for its employees, with the first payment, which shall be retroactive to the day immediately following the date Parrillo's employment terminated, being due and payable on Coventry's next regular payday for employees that follows the expiration of ten (10) calendar days from the date Parrillo's employment terminates.

Coventry and Parrillo agree that within one hundred and ninety-five (195) days of the Effective Date of this Agreement that Parrillo may be terminated for a reason "Other than for Cause" based on an unfavorable Performance Evaluation as agreed upon and determined by a super majority of the Council voting in the affirmative as to the same and that a period to cure any such performance deficiencies need not be provided and that such cure period is expressly waived by Parrillo. All other provisions of this section of the Agreement shall apply to such termination.

(e) By Parrillo.

Parrillo may terminate his employment hereunder at any time upon ninety (90) days' notice to Coventry, unless such termination would violate any obligation of Parrillo to Coventry under a separate severance agreement. In the event of termination of Parrillo pursuant to this Section 5(e), the Council may elect to waive the period of notice, or any portion thereof, and, if the Council so elects, Coventry will pay Parrillo his Base Salary for the period so waived as part of his Final Compensation. Upon the termination of Parrillo's employment by Parrillo, Coventry shall have no further obligation to Parrillo, other than for Final Compensation, which shall be paid to Parrillo in accordance with Section 5(a).

(f) Non-Renewal of Agreement.

This Agreement does not automatically renew for successive Terms. However, Coventry shall provide Parrillo with three (3) months' notice of its intent not to renew Parrillo's employment contract, after which the Agreement will terminate on the last day of the 3<sup>rd</sup> year. Coventry shall have no further obligation to Parrillo, other than for Final Compensation, which shall be paid to Parrillo in accordance with Section 5(a).

(g) Performance Evaluation. Parrillo shall be evaluated by the Council not less than annually on or about the anniversary of the Effective Date of this Agreement on a form and in substance proscribed by the Town Council. Such evaluation shall include, but not be limited to a self-assessment of performance by Parrillo as well as the Council's performance metrics, recommendations for professional development and goals, corrective actions (as may be applicable), and warnings (as may be applicable). The Presiding Officer of the Council shall facilitate the evaluation process in consultation with the Solicitor. Notwithstanding the foregoing, Parrillo shall be evaluated on or about the one hundred and eightieth (180<sup>th</sup>) calendar day of the initial Term following the Effective Date of the Agreement.

6. Effect of Termination. The provisions of this Section 6 shall apply to any termination of Parrillo's employment hereunder:

(a) Payment by Coventry of Final Compensation and any Severance that may be due under Section 5 shall constitute the entire obligation of Coventry to Parrillo.

(b) Except for any right of Parrillo to continue medical and dental plan participation in accordance with applicable law, benefits shall terminate pursuant to the terms of the applicable benefit plans based on the date of termination of Parrillo's employment without regard to any payment of Severance or other payment to Parrillo following such date of termination.

(c) Provisions of this Agreement shall survive any termination if so provided herein or if necessary or desirable to accomplish the purposes of other surviving provisions, including without limitation the obligations of Parrillo under Sections 8, 9 and 10. The obligation of Coventry to make payments to or on behalf of Parrillo under Section 5(d) is expressly conditioned upon Parrillo's continued full performance of obligations under Sections 8, 9 and 10. Parrillo recognizes that, except as expressly provided in Section 5(d), no compensation is earned after termination of employment.

7. Timing of Payments and Section 409A Compliance.

(a) Notwithstanding anything to the contrary in this Agreement, if at the time of Parrillo's termination of employment, Parrillo is a "specified employee," as defined below, any and all amounts payable under Section 5 on account of such separation from service that constitute deferred compensation and would (but for this provision) be payable within six (6) months following the date of termination, shall instead be paid on the next business day following the expiration of such six (6) month period or, if earlier, upon Parrillo's death; except (A) to the extent of amounts that do not constitute a deferral of compensation within the meaning of Treasury regulation Section 1.409A-1(b) (including without limitation by reason of the safe harbor set forth in Section 1.409A-1(b)(9)(iii), as determined by Coventry in its reasonable good faith discretion); (B) benefits that qualify as excepted welfare benefits pursuant to Treasury regulation Section 1.409A-1(a)(5); or (C) other amounts or benefits that are not subject to the requirements of Section 409A.

(b) For purposes of this Agreement, all references to "termination of employment" and correlative phrases shall be construed to require a "separation from service" (as defined in Section 1.409A-1(h) of the Treasury regulations after giving effect to the presumptions contained therein), and the term "specified employee" means an individual determined by Coventry to be a specified employee under Treasury Regulation Section 1.409A-1(i).

(c) For the purposes of Section 409A, each payment made under this Agreement shall be treated as a separate payment and the right to a series of installment payments under this Agreement is to be treated as a right to a series of separate payments.

(d) Any reimbursement for expenses that would constitute nonqualified deferred compensation subject to Section 409A, shall be subject to the following additional rules: (i) no reimbursement of any such expense shall affect Parrillo's right to reimbursement of any such expense in any other taxable year; (ii) reimbursement of such expense shall be made, if at all, promptly, but not later than the end of the calendar year following the calendar year in which the expense was incurred; and (iii) the right to reimbursement shall not be subject to liquidation or exchange for any other benefit.



(e) In no event shall Coventry have any liability relating to the failure or alleged failure of any payment or benefit under this Agreement to comply with, or be exempt from, the requirements of Section 409A.

8. Confidential Information.

(a) Parrillo acknowledges that Coventry continually develops and acquires Confidential Information essential to its operation, that Parrillo has and will continue to develop and acquire Confidential Information for Coventry and that Parrillo has and will continue to learn of Confidential Information during the course of employment. Parrillo will comply with any law or regulation and any policy and/or procedure of Coventry for protecting Confidential Information and shall not disclose to any Person or use, other than as required by applicable law or for the proper performance of his duties and responsibilities to Coventry, any Confidential Information obtained by Parrillo incident to his employment or other association with Coventry; except as authorized by Coventry and as his duties may require; provided, however, that nothing in this Agreement will prevent Parrillo from filing a lawsuit for retaliation by Coventry for reporting a suspected violation of law to Parrillo's attorney and using Trade Secret information in a court proceeding, if Parrillo (i) files any documents containing the Trade Secret under seal; and (ii) does not disclose the Trade Secret, except pursuant to court order. Parrillo understands that this restriction shall continue to apply after his employment terminates, regardless of the reason for such termination. The confidentiality obligation under this Section 8 shall not apply to information which is generally known or readily available to the public at the time of disclosure or becomes generally known through no wrongful act on the part of Parrillo or any other Person having an obligation of confidentiality to Coventry.

(b) All documents, records, tapes and other media of every kind and description, in whatever medium so kept or stored, relating to the business, present or otherwise, of Coventry and any copies, in whole or in part, thereof (the "Documents"), whether or not prepared by Parrillo, shall be the sole and exclusive property of Coventry. Parrillo shall safeguard all Documents and shall surrender to Coventry at the time his employment terminates, or at such earlier time or times as the Council or its designee may specify, all Documents then in Parrillo's possession or control.

(c) Upon the termination of Parrillo's employment for any reason, or upon the request of the Council, Parrillo shall permanently delete any Confidential Information or Document stored on or in any medium under Parrillo's control and disclose any and all passwords necessary or desirable to access information of any kind stored on the information systems of Coventry.

9. Assignment of Rights to Intellectual Property. Parrillo shall promptly and fully disclose all Intellectual Property to Coventry. Parrillo hereby assigns and agrees to assign to Coventry (or as otherwise directed by Coventry) Parrillo's full right, title and interest in and to all Intellectual Property. Parrillo agrees to execute any and all applications for domestic and foreign patents, copyrights or other proprietary rights and to do such other acts (including without limitation the execution and delivery of instruments of further assurance or confirmation) requested by Coventry to assign the Intellectual Property to Coventry and to permit Coventry to enforce any patents, copyrights or other proprietary rights to the Intellectual Property. Parrillo will not charge Coventry for time spent in complying with these obligations. All copyrightable works that Parrillo creates shall be considered "work made for hire" and shall, upon creation, be owned exclusively by Coventry.

10. Restricted Activities.

(a) Parrillo agrees that the following restrictions on his activities during and after his employment hereunder are necessary to protect the goodwill, Confidential Information and other legitimate interests of Coventry:

(i) During the Term, Parrillo will not undertake any outside activity, whether or not competitive with the business of Coventry that could reasonably give rise to a conflict of interest or otherwise interfere with his duties and obligations to Coventry.

(ii) During the Term and for twelve (12) months after his employment terminates (the "Restricted Period"), Parrillo shall not, and will not assist any other Person to, (a) hire or solicit for hiring any employee of Coventry or seek to persuade any employee of Coventry to discontinue employment or (b) solicit or encourage any independent contractor providing services to Coventry to terminate or diminish its relationship with them. For the purposes of this Agreement, an "employee" of Coventry is any person who was such at any time within the preceding twelve (12) months.

11. Enforcement of Covenants. Parrillo acknowledges that he has carefully read and considered all the terms and conditions of this Agreement, including the restraints imposed upon him pursuant to Sections 8, 9 and 10 hereof. Parrillo agrees without reservation that each of the restraints contained herein is necessary for the reasonable and proper protection of the good will, Confidential Information and other legitimate interests of Coventry; that each and every one of those restraints is reasonable in respect to subject matter, length of time and geographic area; and that these restraints, individually or in the aggregate, will not prevent his from obtaining other suitable employment during the period in which Parrillo is bound by these restraints. Parrillo further agrees that he will never assert, or permit to be asserted on his behalf, in any forum, any position contrary to the foregoing. Parrillo further acknowledges that, were he to breach any of the covenants contained in Sections 8, 9 or 10 hereof, the damage to Coventry would be irreparable. Parrillo therefore agrees that Coventry, in addition to any other remedies available to it, shall be entitled to preliminary and permanent injunctive relief against any breach or threatened breach by Parrillo of any of said covenants, without having to post bond and to recover its reasonable attorneys' fees and costs incurred in securing such relief. Parrillo agrees that the Restricted Period shall be tolled, and shall not run, during any period of time in which he is in violation of the terms thereof, in order that Coventry shall have all of the agreed-upon temporal protection recited herein. The parties further agree that, in the event that any provision of Section 8, 9 or 10 hereof shall be determined by any court of competent jurisdiction to be unenforceable by reason of its being extended over too great a time, too large a geographic area or too great a range of activities, such provision shall be deemed to be modified to permit its enforcement to the maximum extent permitted by law.

12. Data Protection.

(a) Parrillo agrees that personal data (other than sensitive personal data) relating to his and to his employment with Coventry may to the extent that it is reasonably necessary in connection with his employment or the business of Coventry:

(i) Be collected and held (in hard copy and/or digital, computer readable form) and processed by Coventry; and

H  
OP

(ii) Be disclosed or transferred to other employees of Coventry to any other persons as may be reasonably necessary, and as otherwise required or permitted by law.

(b) Parrillo agrees that Coventry may process sensitive personal data relating to him only as required by applicable law for the purpose of monitoring the equal employment opportunity obligations of Coventry or as otherwise required by law. Parrillo agrees that Coventry may disclose or transfer such sensitive personal data to other persons if it is required by law to do so or, in the case of personal data relating to gender, race or ethnic origin, for the purpose of monitoring or enabling the monitoring of any equal opportunity policy of Coventry.

(c) Parrillo consents to the transfer and disclosure of personal data as set out above which shall apply regardless of the country to which the data is to be transferred whether within or outside the European Economic Area. Where the disclosure or transfer is to a person resident outside the European Economic Area, Coventry shall take reasonable steps to ensure that Parrillo's rights and freedoms in relation to the processing of the relevant personal data are adequately protected.

(d) Coventry may, from time-to-time, monitor Parrillo's use of the internet and of email communications received, created, stored, sent or forwarded by Parrillo on equipment provided by Coventry to Parrillo for the performance of his duties where reasonably necessary to check facts relevant to the business, ensure compliance with Coventry policies and procedures and investigate or detect unauthorized use of Coventry system.

13. Conflicting Agreements. Parrillo hereby represents and warrants that the execution of this Agreement and the performance of his obligations hereunder will not breach or be in conflict with any other agreement to which Parrillo is a party or is bound and that Parrillo is not now subject to any covenants against competition or similar covenants or any court order or other legal obligation that would affect the performance of his obligations hereunder. Parrillo will not disclose to or use on behalf of Coventry any proprietary information of a third party without such party's consent.

14. Definitions. Words or phrases which are initially capitalized or are within quotation marks shall have the meanings provided in this Section and as provided elsewhere herein. For purposes of this Agreement, the following definitions apply:

(a) "Confidential Information" means any and all information of Coventry that is not generally known by those with whom Coventry competes or does business, or with whom Coventry plans to compete or do business and any and all information, publicly known in whole or in part or not, which, if disclosed by Coventry would assist in competition against them. Confidential Information includes without limitation such information relating to (i) the development, research, testing, manufacturing, marketing and financial activities of Coventry, (ii) the Services, (iii) the costs, sources of supply, financial performance and strategic plans of Coventry, (iv) the identity and special needs of the taxpayers of Coventry, (v) Trade Secrets (defined below), and (vi) the people and organizations with whom Coventry have business relationships and the nature and substance of those relationships. "Trade Secrets" shall include all forms and types of financial, business, scientific, technical, economic, or engineering information, including patterns, plans, compilations, program devices, formulas, designs, prototypes, methods, techniques, processes, procedures, programs, or codes, whether tangible or intangible, and whether or how stored, compiled, or memorialized physically, electronically, graphically, or photographically. Confidential Information also includes any information that Coventry has received, or may re-

He  
DP

ceive hereafter, belonging to taxpayers, business partners (real or prospective) and vendors or others with any understanding, express or implied, that the information would not be disclosed.

(b) "Intellectual Property" means inventions, discoveries, developments, methods, processes, compositions, works, concepts and ideas (whether or not patentable or copyrightable or constituting trade secrets) conceived, made, created, developed or reduced to practice by Parrillo (whether alone or with others, whether or not during normal business hours or on or off Coventry premises) and that Intellectual Property of other employees and vendors during Parrillo's employment that relate to either the Services or any prospective activity of Coventry or that make use of Confidential Information or any of the equipment or facilities of Coventry.

(c) "Person" means an individual, legal cognizable business entity (e.g., a corporation, a limited liability company, an association, a partnership), an estate, a trust, a governmental subdivision and any other entity or organization, other than Coventry.

(d) "Services" means any and all services planned, researched, developed, tested, sold, licensed, or otherwise provided or put into use by Coventry in conduct of its operations, together with all services provided or planned by Coventry, during Parrillo's Term of employment.

(e) "Property" means any and all real, tangible or any other thing or item, in whatever medium so existing or stored, and regardless of who is the custodian of the same that belongs to Coventry.

15. Withholding. All payments made by Coventry under this Agreement shall be reduced by any tax or other amounts required to be withheld by Coventry under applicable law.

16. Assignment. Neither Coventry nor Parrillo may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other; provided, however, that Coventry may assign its rights and obligations under this Agreement without the consent of Parrillo in the event of a state imposed budget commission or receivership. This Agreement shall inure to the benefit of and be binding upon Coventry and Parrillo, their respective successors, executors, administrators, heirs and permitted assigns.

17. Severability. If any portion or provision of this Agreement shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

18. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of either party to require the performance of any term or obligation of this Agreement, or the waiver by either party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

19. Notices. Any and all notices, requests, demands and other communications provided for by this Agreement shall be in writing and shall be effective when delivered in person, consigned to a reputable national or international courier or delivery service or deposited in the United States mail, postage prepaid, registered or certified, and addressed to Parrillo at his last known address on file with the human resources department and/or finance department of Coventry or, in the case of Coventry, at its principal place of business, attention of the Presiding Officer of the

Council, or to such other address as either party may specify by notice to the other actually received.

20. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior communications, agreements and understandings, written or oral, with respect to the terms and conditions of Parrillo's employment herein.

21. Amendment. This Agreement may be amended or modified only by a written instrument signed by Parrillo and by an expressly authorized representative of Coventry.


22. Headings. The headings and captions in this Agreement are for convenience only and in no way define or describe the scope or content of any provision of this Agreement.

23. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

24. Governing Law. This is a Rhode Island contract and shall be construed and enforced under and be governed in all respects by the laws of the State of Rhode Island, without regard to the conflict of laws principles thereof. Each party irrevocably agrees that any action, suit or other legal proceeding against them shall be brought in a court of the State of Rhode Island or in the United States District Court for the State of Rhode Island. By execution and delivery of the Agreement, each party irrevocably submits to and accepts the jurisdiction of each of such court and waives any objection (including any objection to venue, enforcement, or grounds of forum non conveniens) which might be asserted against the bringing of any such action, suit or other legal proceeding in such court.


IN WITNESS WHEREOF, this Agreement has been executed as a sealed instrument by Coventry, by its duly authorized representative, and by Parrillo, with an Effective Date as first above written.

Employee:

  
\_\_\_\_\_  
Daniel O. Parrillo


March 20, 2023

Coventry Town Council by:

  
\_\_\_\_\_  
Hillary V. Lima, Town Council President


March 20, 2023

Witness to the signature of Mr. Parrillo:

  
\_\_\_\_\_  
Printed name: Stephen J. Angell

March 20, 2023

Witness to the signature of President Lima:

  
\_\_\_\_\_  
Printed name: Stephen J. Angell

March 20, 2023



## **Exhibit A**

### **Responsibilities and Duties of the Town Manager**

1. Appoint, when Parrillo deems it necessary for the good of the Town, suspend or remove any employee and any appointed administrative officers of Coventry provided for, by or under the Charter, except as otherwise provided by law, the Charter, or by personnel rules adopted pursuant to the Charter. Parrillo may authorize any department head or administrative officer who is subject to his direction and supervision to exercise these powers with respect to subordinates in that officer's department, office, or agency; and
2. Direct and supervise the performance and activities all department heads and administrative officers as well as the administration of all departments, offices and agencies of Coventry, except as otherwise provided for by the Charter, local law, state or federal law, or by regulation; and
3. Attend all Town Council meetings and joint Town Council-School Committee meetings and take part in the discussion of Town business at such meetings; and
4. Ensure that all state and federal laws, local laws, provisions of this Charter and acts of the Town Council, subject to enforcement by the manager or by Town officers subject to Parrillo's direction and supervision, are faithfully executed and followed; and
5. Prepare and submit Coventry's annual budget and capital program to the Town Council; and
6. Submit to the Town Council, and make available to the public, a complete report on the finances, financial condition and administrative activities of Coventry as of the end of each fiscal year; and
7. Make, cause and/or facilitate "budget-to-actual" financial reporting to the Council; and
8. Make such other reports as the Town Council may require concerning the operations of any department, office, and/or agency of Coventry subject to Parrillo's direction and supervision; and
9. Keep the Town Council fully advised as to the financial condition and future needs of Coventry. In addition, Parrillo shall make recommendations to the Town Council that are in the best interests of Coventry concerning all business and affairs of Coventry as may be appropriate, necessary and desirable for the effective growth and stability of Coventry; and
10. Perform all such other duties as are specified by the state and federal law or regulation, the Charter, ordinance or resolution of the Town Council; and
11. Be responsible for the care and preservation of all Property, including but not limited to Confidential Information and Intellectual Property, and equipment of Coventry, except property under the jurisdiction of the Coventry School Committee and the Coventry School District.

## Exhibit B

### GENERAL RELEASE

In consideration of and subject to the performance by the Town of Coventry (“Coventry”), of its obligations under the Employment Agreement, dated March 20, 2023 (“Agreement”), Parrillo does hereby release and forever discharge as of the date hereof Coventry, all present and former Town Council members, officers, agents, representatives, employees, successors and assigns of Coventry (collectively, the “Released Parties”) to the extent provided herein.

1. Parrillo understands that any payments or benefits paid or granted to Parrillo under Section 5(d) of the Agreement represents, in part, consideration for signing this General Release and are not salary, wages or benefits to which the Parrillo was already entitled. Parrillo understands and agrees that Parrillo will not receive the payments and benefits specified in Section 5(d) of the Agreement unless Parrillo executes this General Release and does not revoke this General Release within the time period permitted hereafter or breach this General Release. Such payments and benefits will not be considered compensation for purposes of any employee benefit plan, program, policy or arrangement maintained or hereafter established by Coventry. Parrillo also acknowledges and represents that, upon receipt of the amounts described in Section 5(d) of the Agreement, Parrillo will have received all payments and benefits that Parrillo is entitled to receive (as of the date hereof) by virtue of any employment by Coventry.
2. Except as provided in Section 3 below and except for the provisions of the Agreement which expressly survive the termination of Parrillo’s employment with Coventry, Parrillo knowingly and voluntarily (for himself, his heirs, executors, administrators and assigns) releases and forever discharges Coventry and the other Released Parties from any and all claims, suits, controversies, actions, causes of action, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys’ fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date this General Release becomes effective and enforceable) and whether known or unknown, suspected, or claimed (all of the foregoing collectively referred to herein as the “Claims”) against Coventry or any of the Released Parties which Parrillo, his spouse, or any of his heirs, executors, administrators or assigns, may have, which arise out of or are connected with his employment with, or his separation or termination from, Coventry (including, but not limited to, any allegation, claim or violation, arising under: Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including the Older Workers Benefit Protection Act); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; any applicable Executive Order Programs; the Fair Labor Standards Act; the Rhode Island Fair Employment Practice Act; or their state or local counterparts; or under any other federal, state or local civil or human rights law, or under any other local, state, or federal law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of Coventry; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys’ fees incurred in these matters).

Handwritten initials: "H" above "OP" inside a circle.

3. Excluded from this release are any claims which cannot be waived by law in a private agreement between employer and employee, including but not limited to, the right to enforce the Agreement and recover for any breach of it, and the right to file a charge with or participate in an investigation conducted by the Equal Employment Opportunity Commission (“EEOC”) or state or local fair employment practices agency. Parrillo waives, however, any right to any monetary recovery or other relief should the EEOC or any other agency pursue a claim on the Parrillo’s behalf. In addition, Parrillo’s waiver, release and promise specified in this Section 3 does not apply to (i) any rights or claims that may arise after the date you sign this General Release, and (ii) any claims for unemployment compensation benefits.
4. Parrillo acknowledges and agrees that his separation from employment with Coventry in compliance with the terms of the Agreement shall not serve as the basis for any claim or action (including, without limitation, any claim under the Age Discrimination in Employment Act of 1967).
5. Parrillo represents that he has made no assignment or transfer of any right, claim, demand, cause of action, or other matter covered by Section 2 above.
6. Parrillo agrees that, as of the execution of this General Release, Parrillo is not aware of any pending or anticipated charge or complaint seeking to obtain equitable, remedial or punitive relief.
7. In signing this General Release, Parrillo acknowledges and intends that it shall be effective as a bar to each and every one of the Claims herein above-mentioned or implied. Parrillo expressly consents that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state statute that expressly limits the effectiveness of a General Release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. Parrillo acknowledges and agrees that this waiver is an essential and material term of this General Release and that without such waiver Coventry would not have agreed to the terms of the Agreement. Parrillo further agrees that in the event Parrillo should bring a Claim seeking damages against Coventry, or in the event Parrillo should seek to recover against Coventry in any Claim brought by a governmental agency on his behalf, this General Release shall serve as a complete defense to such Claims to the maximum extent permitted by law.
8. Parrillo agrees that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by Coventry, any Released Party or Parrillo of any improper or unlawful conduct.
9. Parrillo agrees that Parrillo will forfeit all amounts payable by Coventry after the date hereof pursuant to the Agreement if Parrillo challenges the validity of this General Release.
10. Parrillo agrees that this General Release is confidential and agrees not to disclose any information regarding the terms of this General Release, except to immediate family and any tax, legal or other counsel Parrillo has consulted regarding the meaning or effect hereof or as required by law, and Parrillo will instruct each of the foregoing not to disclose the same to anyone. Notwithstanding anything herein to the contrary, each of the parties (and each affiliate and person acting on behalf of any such party) agree that each party (and each employee, representative, and other agent of such party) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of this transaction

HL  
OP



contemplated in the Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to such party or such person relating to such tax treatment and tax structure, except to the extent necessary to comply with any applicable federal or state securities laws. This authorization is not intended to permit disclosure of any other information including (without limitation) (i) any portion of any materials to the extent not related to the tax treatment or tax structure of this transaction, (ii) the identities of participants or potential participants in the Agreement, (iii) any financial information (except to the extent such information is related to the tax treatment or tax structure of this transaction), or (iv) any other term or detail not relevant to the tax treatment or the tax structure of this transaction.

11. Any non-disclosure provision in this General Release does not prohibit or restrict Parrillo (or his attorney) from responding to any inquiry about this General Release or its underlying facts and circumstances by the Securities and Exchange Commission any other self-regulatory organization or governmental entity.
12. Parrillo agrees to keep all confidential and proprietary information about the past or present business affairs of Coventry and its affiliates confidential unless a prior written release from Coventry is obtained. Parrillo further agrees that as of the date hereof, Parrillo has returned to Coventry any and all property, tangible or intangible, relating to its business, which Parrillo possessed or had control over at any time (including, but not limited to, Coventry-provided credit cards, building or office access cards, keys, computer equipment, manuals, files, documents, records, software, customer data base and other data) and that Parrillo shall not retain any copies, compilations, extracts, excerpts, summaries or other notes of any such manuals, files, documents, records, software, customer data base or other data.
13. Notwithstanding anything in this General Release to the contrary, this General Release shall not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by Coventry or by any Released Party of the Agreement after the date hereof.
14. Whenever possible, each provision of this General Release shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

By signing this General Release, Parrillo represents and agrees that:

1. Parrillo has read it carefully;
2. Parrillo understands all of its terms and knows that Parrillo is giving up important rights, including but not limited to, rights under the Age Discrimination in Employment Act of 1967, as amended, Title VII of the Civil Rights Act of 1964, as amended; the Equal Pay Act of 1963, the Americans with Disabilities Act of 1990; and the Employee Retirement Income Security Act of 1974, as amended;
3. Parrillo voluntarily consents to everything in it;

HL  
OP

4. Parrillo has been advised to consult with an attorney before executing it and Parrillo has done so or, after careful reading and consideration Parrillo has chosen not to do so of his own volition;
5. Parrillo has had twenty-one (21) days from the date of his receipt of this General Release substantially in its final form on or about [DATE] to consider it;
6. Parrillo understands that Parrillo has three (3) days after the execution of this General Release to revoke it and that this General Release shall not become effective or enforceable until the revocation period has expired;
7. Parrillo has signed this General Release knowingly and voluntarily; and
8. Parrillo agrees that the provisions of this General Release may not be amended, waived, changed or modified except by an instrument in writing signed by an authorized representative of the Coventry and by Parrillo.

Accepted and Agreed to:

\_\_\_\_\_  
Daniel O. Parrillo

[DATE]

HL  
DP