

SEPARATION AGREEMENT AND RELEASE

This Separation Agreement and Release ("Agreement") is between Dale McCormick ("McCormick") and the Maine State Housing Authority ("MaineHousing"). The Agreement is a result of negotiations between the Board of Commissioners ("Board") of MaineHousing and McCormick to resolve any disputes between the parties. McCormick is currently employed as the Director of MaineHousing and her term expires on February 3, 2014. McCormick is resigning from her employment with MaineHousing on the date and under the terms provided in this Agreement.

1. Payment. In consideration of the acceptance of the terms of this Agreement and of McCormick's forfeiture of the remainder of her term as Director of MaineHousing, MaineHousing agrees to pay McCormick severance equal to one year of her most recent base salary to be paid in equal installments over the course of the one year severance period in accordance with MaineHousing's regular payroll schedule. Each payment shall be subject to all applicable federal, state, and local withholdings and deductions. Provided McCormick timely elects to continue her health insurance coverage pursuant to COBRA, MaineHousing shall pay McCormick's COBRA medical premiums for her and her dependents for the coverage in effect as of the Resignation Date, as defined in paragraph 2 below, to remain in effect until the earlier of (a) September 30, 2013, or (b) when McCormick receives comparable medical insurance coverage for her and her dependents from another employer. McCormick agrees that the severance payments referenced above include any and all amounts owed McCormick for all accrued earned time of any kind that she does not use prior to or on the Resignation Date. McCormick agrees that, if at any point there is a determination by a state or federal tax authority that withholdings on the severance payments have been insufficient, McCormick is responsible for paying such insufficiencies and agrees to indemnify and hold MaineHousing harmless for such insufficiencies, including

penalties or interest if any. The parties agree that the first severance payment shall not be made until the first regular pay day following her Resignation Date. The parties agree that McCormick shall not accrue any benefits of any kind following the Resignation Date.

2. Date of Resignation. McCormick agrees to resign from her position as Director effective March 31, 2012 (the "Resignation Date"). McCormick will be on vacation leave through the Resignation Date. McCormick acknowledges that she has delegated all of her powers and duties as Director to Peter Merrill.

3. Statement of Departure. McCormick and MaineHousing will jointly issue a statement about McCormick's departure as follows: "McCormick has resigned from her position as Director of MaineHousing, effective March 31, 2012, after seven years of dedicated service. MaineHousing has a number of new board members with different policy perspectives. The Board and the Director have concluded that it is in the best interests of the housing authority and the people of Maine that they reach an agreement on an early end to the Director's term."

4. No Liability. It is further understood and agreed by the parties that this Agreement and the mutual promises and releases herein are not and are not to be construed as an admission of error, wrongdoing or liability on the part of either MaineHousing or McCormick and that both parties expressly deny any such error, wrongdoing or liability.

5. Release and Discharge. McCormick, in consideration of the severance payments and benefits referenced in paragraph 1 of this Agreement, the sufficiency of which is hereby acknowledged, hereby remises, releases and forever discharges for herself and her heirs, executors, administrators, successors and assigns, MaineHousing, its past and present employees, attorneys, agents, insurers, representatives, officers, commissioners, directors, successors, and independent contractors acting in the interest of MaineHousing (collectively, the "Releasees"), of and from all debts, demands, actions, causes of action, suits, grievances, dues, sums of money, accounts,

reckonings, bonds, specialties, covenants, contracts, controversies, agreements, promises, doings, omissions, variances, damages, extents, executions, and liabilities whatsoever, both in law and equity of whatsoever kind or nature, arising from or by reason of any and all known and unknown, foreseen and unforeseen events from the beginning of time until the date of execution of this Agreement which arise from or could arise from or which relate directly or indirectly to McCormick's employment with MaineHousing. McCormick reserves to herself her vested Maine Public Employees Retirement System benefits, and this Agreement does not expand, reduce, modify, waive or affect in any way her substantive or procedural rights with regard to such benefits. This release includes any and all claims created by or arising out of or relating in any way to McCormick's employment with MaineHousing, including claims of discrimination, tort claims, contract claims, wrongful discharge claims, civil rights claims or claims for attorneys fees, interest or costs under state, federal or local law, including, without limitation, the Maine Human Rights Act; the Americans with Disabilities Act; the Rehabilitation Act; Title VII of the Civil Rights Act of 1964; the Age Discrimination in Employment Act, 29 U.S. C. § 621 *et seq.*; the Older Worker Benefit Protection Act, 29 U.S.C. § 626 (f); the Maine Family Medical Leave Law, 26 M.R.S.A. § 591 *et seq.*; the Federal Family Medical Leave Act, 29 U.S.C. § 2601 *et seq.*; the Maine Whistleblower's Law, 26 M.R.S.A. § 831 *et seq.*; 42 U.S.C. § 1983; or any other federal, state or local law, to the full extent such claims may be released by law. McCormick agrees and acknowledges that this Agreement does not limit the power of any state or federal watchdog agency or investigative body of the state or federal government such as but not limited to OPEGA or HUD to audit and investigate MaineHousing and for any such agency or body or MaineHousing to take action based on that audit or investigation.

6. Administrative Charges or Grievances. McCormick has no charges of discrimination or grievances currently pending before any administrative body relating to her

employment with MaineHousing and covenants not to bring any charge or grievance before any such administrative body, including, without limitation, the Maine Human Rights Commission, the Civil Service Appeals Board, the Equal Employment Opportunity Commission or any other federal or state administrative body.

7. Assignment. McCormick warrants that she has not assigned or transferred to any person, entity, or party the claims being released and that she is the sole party-in-interest with respect to the claims released.

8. Remedies for Breach. In the event any party breaches this Agreement, the other party may seek such injunctive relief, damages, or other legal relief as appropriate, to remedy the breach. If legal action is commenced to enforce this Agreement, then the prevailing party shall be entitled to reasonable attorneys' fees and costs. Should MaineHousing fail to pay the severance payments described above in paragraph one, or fail to pay them on a timely basis, this paragraph eight is intended to include the right of McCormick to take action and recover her costs of collection, including but not limited to reasonable attorneys' fees.

9. Voluntary Release. No promise or inducement has been offered or made except as set forth in this document and, in executing this Agreement, McCormick acknowledges that she has done so voluntarily and that she is not relying upon any statement, representation, inducement or promise not set forth in this Agreement. McCormick acknowledges that she has been advised to consult with counsel and has done so and has determined to enter into this Agreement freely and willingly.

10. Entire Agreement. This Agreement contains the entire agreement between and among the parties. Its terms are contractual and not a mere recital. If any part of this Agreement is invalid, illegal or otherwise unenforceable, the validity, legality and enforceability of the remaining portions will not be affected or impaired. No waiver, modification, or amendment of

any term, condition, or provision of this Agreement shall be valid or have any force or effect unless made in writing and signed by the parties.

11. ADEA Release. This Agreement contains a final general release of claims, including potential claims pursuant to the Age Discrimination in Employment Act and/or the Older Workers Benefit Protection Act of 1990. All signatory parties must read it in full before signing. McCormick acknowledges that this Agreement is written in a manner that she understands. The parties both acknowledge that the consideration set out in the Agreement is adequate and sufficient both for the purpose of this ADEA release as well as for entering into the Agreement. McCormick has twenty-one (21) days from receipt of this Agreement to review its terms and determine whether to sign it. She understands that she may voluntarily choose to sign this Agreement at any time prior to the expiration of the 21 day period.

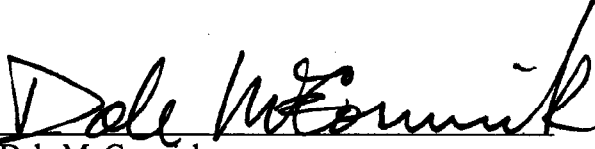
By law, McCormick has seven (7) days after this Agreement is executed to change her mind and revoke it. Any such revocation must be submitted in writing to the Chief Counsel of the Maine State Housing Authority within seven days after McCormick signs this Agreement. This Agreement shall not become effective until the expiration of this seven day revocation period.

McCormick acknowledges and agrees that she has carefully read the foregoing document, has been advised by counsel about it and signs it as her own free and voluntary act.

IN WITNESS THEREOF, the said McCormick has read the foregoing Agreement carefully and has had the opportunity to and has consulted with counsel and knowing and understanding its contents, signs her name as her free act and deed this 20 day of March, 2012.


CAUTION: READ BEFORE SIGNING. THIS IS A FULL AND FINAL RELEASE OF ALL CLAIMS AND MUST BE CAREFULLY READ AND FULLY UNDERSTOOD BEFORE SIGNING. BY EXECUTING THIS RELEASE, RELEASOR ACKNOWLEDGES THAT SHE HAS CAREFULLY READ AND FULLY UNDERSTANDS ALL OF THE PROVISIONS OF THIS RELEASE.

Dated: March 20, 2012



Dale McCormick

MAINE STATE HOUSING AUTHORITY

Dated: March 20, 2012


Peter Anastos
Chair of Maine State Housing Authority Board of Commissioners

Dated: 3/20, 2012


Peter Merrill
Communications and Planning Director of Maine State Housing Authority