

MUTUAL ARBITRATION AGREEMENT

This Mutual Arbitration Agreement ("Agreement") is entered into by and between the Roman Catholic Bishop of Sacramento (the "Employer"), and _____ (hereafter, "Employee"). Employee and Employer agree as follows:

1. Claims Covered By The Agreement: We agree to arbitrate before a neutral arbitrator any and all existing or future disputes or claims relating to the Employee's employment with or separation from Employer, including claims involving any current or former officer, director, shareholder, agent or employee of Employer, whether the disputes or claims arise under common law, or in tort, contract, or pursuant to a statute, regulation, or ordinance now in existence or which may in the future be enacted or recognized, including, but not limited to, the following claims:

- Claims for fraud, promissory estoppel, fraudulent inducement of contract or breach of contract or contractual obligation, whether such alleged contract or obligation be oral, written, or express or implied by fact or law;
- Claims for wrongful termination of employment, violation of public policy and constructive discharge, infliction of emotional distress, misrepresentation, interference with contract or prospective economic advantage, whistleblowing, defamation, unfair business practices, disputes related to employee severance agreements, and any other tort or tort- like causes of action relating to or arising from the employment relationship or the formation or termination thereof;
- Except as prohibited by law, all claims based on a violation of the Fair Labor Standards Act ("FLSA") or any state labor code, including but not limited to the California Labor Code, whether brought on an individual, representative, or collective basis, and including but not limited to claims based on the California Private Attorneys General Act ("PAGA"); and
- Claims for discrimination, harassment or retaliation, whether on the basis of age, sex, race, national origin, religion, disability or any other unlawful basis, under any and all federal, state, or municipal statutes, regulations, ordinances or common law. As representative examples only, such statutes include but are not limited to the California Fair Employment and Housing Act and Family Rights Act, California and federal whistleblowing statutes, Title VII of the federal Civil Rights Act of 1964, the Civil Rights Acts of 1866 and 1991, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Rehabilitation Act, the Americans with Disabilities Act, the Family and Medical Leave Act, and claims under the Fair Labor Standards Act, Equal Pay Act, Section 1981 of the Civil Rights Act, and the Worker Adjustment and Retraining Notification Act. If the Employee's claims include sexual harassment, Employee may elect not to pursue Employee's claims in arbitration.

2. Claims Not Covered By The Agreement: Notwithstanding the provisions above, we agree that the following disputes and claims are not covered by this Agreement and shall therefore be resolved in any appropriate forum as required by the laws then in effect:

- Insurance disputes;
- claims for benefits under a plan that is governed by Employee Retirement Income Security Act ("ERISA")
- claims for temporary or preliminary injunctive relief (including a temporary restraining order) in aid of arbitration or to maintain the status quo pending arbitration, in a court of competent jurisdiction in accordance with applicable law; and

- any other dispute or claim that has been expressly excluded from arbitration by statute.

Nothing in this Agreement should be interpreted as restricting or prohibiting the Employee from filing a charge or complaint with the U.S. Equal Employment Opportunity Commission, the National Labor Relations Board (specifically including but not limited to the filing or prosecution of an unfair labor practice charge), the Department of Labor, the Occupational Safety and Health Commission, any other federal, state, or local administrative agency charged with investigating and/or prosecuting complaints under any applicable federal, state or municipal law or regulation (except that the parties acknowledge that, to the extent permitted by law, the Employee waives the recovery of any monetary benefits in connection with any such claim, charge or proceeding). A federal, state, or local agency would also be entitled to investigate the charge in accordance with applicable law. However, any dispute or claim that is covered by this Agreement but not resolved through the federal, state, or local agency proceedings must be submitted to arbitration in accordance with this Agreement.

3. Time To File Claims: We understand and agree that any demand for arbitration by either the Employee or Employer shall be filed within the statute of limitation that is applicable to the claim(s) upon which arbitration is sought or required. Any failure to demand arbitration within this timeframe and according to these rules shall constitute a waiver of all rights to raise any claims in any forum arising out of any dispute that was subject to arbitration.

4. Class Action, Representative Or Collective Action Waiver: To the extent permitted by law, all covered claims under this Agreement must be brought in the parties' individual capacity, and not as a plaintiff or class member in any purported class, representative action, or collective proceeding. No claims may be brought or maintained on a class, representative or collective basis either in Court or in arbitration. All such claims will be decided on an individual basis in arbitration pursuant to this Agreement. The Parties expressly waive any right with respect to any covered claims to submit, initiate, or participate as a plaintiff, claimant or member in a class action, representative or collective action, regardless of whether the action is filed in arbitration or in court. Furthermore, if a court orders that a class, representative or collective action should proceed, in no event will such action proceed in the arbitration forum. Claims may not be joined or consolidated in arbitration with disputes brought by other individual(s), unless agreed to in writing by all parties. Any issue concerning the validity of this class, representative or collective action waiver must be decided by a Court and an arbitrator shall not have authority to consider the issue of the validity of this waiver. If, for any reason, this class, representative or collective action waiver is found to be unenforceable, the class, representative or collective action claim may only be heard in court and may not be arbitrated. The arbitrator shall not have authority to hear or decide class, representative or collective actions on behalf of other current or former employees. The arbitrator's authority to resolve disputes and make awards under this Agreement is limited to disputes between: (i) employees and Employer; and (ii) Employee and any current or former officers, directors, employees, and agents, if such individual is sued for conduct arising out of their employment. No arbitration award or decision will have any preclusive effect as to issues or claims in any dispute with anyone who is not a named party to the arbitration.

5. Final And Binding Arbitration: WE UNDERSTAND AND AGREE THAT THE ARBITRATION OF DISPUTES AND CLAIMS UNDER THIS AGREEMENT SHALL BE INSTEAD OF A COURT TRIAL BEFORE A JUDGE AND/OR A JURY. We understand and agree that, by signing this Agreement, we are expressly waiving any and all rights to a trial before a judge and/or a jury regarding any disputes and claims which we now have or which we may in the future have that are subject to arbitration under this Agreement. We also understand

and agree that the arbitrator's decision will be final and binding on both Employer and Employee, subject to review on the grounds set forth in the Federal Arbitration Act ("FAA").

6. Arbitration Procedures: Arbitration shall be held with the American Arbitration Association pursuant to its Employment Rules then in effect, except as herein specifically modified. The AAA's Employment Arbitration Rules may be found on the Internet at www.adr.org, or a hard copy may be obtained from Human Resources. The panel shall consist of one neutral arbitrator, who shall be either a former judge of the United States District Court or Court of Appeals, or California Superior Court, Court of Appeals, or Supreme Court. The arbitrator shall allow the discovery authorized under the Federal Rules of Civil Procedure or any other discovery required by state law in arbitration proceedings. The arbitrator shall have the power to award any remedies available under applicable law. Any oral testimony presented before the arbitrator shall be transcribed. The decision and award of the arbitrator shall be in writing and shall set forth in reasonable detail findings of fact and a statement of reasons in support of his or her decision.

7. Place Of Arbitration: We understand and agree that the arbitration shall take place in Sacramento County, California, or where such underlying arbitrable dispute or claim otherwise arose.

8. Governing Law: The parties agree that this is an agreement to arbitrate under the Federal Arbitration Act. To the extent not inconsistent with the Federal Arbitration Act, this Agreement and its interpretation, validity, construction, enforcement and performance, as well as disputes and/or claims arising under this Agreement, shall be governed by the law of the state of California, or where the arbitrable dispute or claim otherwise arose.

9. Costs Of Arbitration: We understand and agree that the Employer will pay the arbitrator's fee, except that if the Employee is the party initiating the claim, Employee is responsible for contributing an amount equal to the filing fee to initiate a claim in California Superior Court. Employer and Employee shall each pay their own attorneys' fees incurred in connection with the arbitration and the arbitrator will not have the authority to award attorneys' fees unless a statute or contract at issue in the dispute authorizes the award of attorneys' fees to the prevailing party, in which case the arbitrator shall have the authority to make an award of attorneys' fees as required or permitted by applicable law. If there is a dispute as to whether Employer or Employee is the prevailing party in the arbitration, the arbitrator will decide this issue.

10. Severability: We understand and agree that if any term or portion of this Agreement shall, for any reason, be declared by a Court of competent jurisdiction to be invalid or unenforceable or to be contrary to public policy or any law, such a decision shall only be binding in the jurisdiction in which the decision was made. In addition, the remainder of this Agreement shall not be affected by such invalidity or unenforceability but shall remain in full force and effect, as if the invalid or unenforceable term or portion thereof had not existed within this Agreement.

11. Complete Agreement: We understand and agree that this Agreement contains the complete agreement between Employer and Employee regarding the subject of arbitration of disputes, except for any arbitration agreement in connection with any benefit plan; that it supersedes any and all prior representations and agreements between us, if any; and that it may be modified only in a writing, expressly referencing this Agreement and Employee by full name, and signed by the Bishop of Sacramento (or his designee) and Employee.

12. Not A Contract Of Employment: This Agreement is not, and shall not be construed to create, any contract of employment, express or implied. Nor does this Agreement alter in any way the "at-will" status of Employee's employment.

13. Consideration: We understand that arbitration can be a speedy, cost-effective procedure for resolving disputes and have mutually entered into this Agreement in the anticipation of gaining the benefit of this dispute resolution procedure. This Agreement is supported by the parties' mutual promises to submit any claims they may have against the other which are covered by this Agreement to final and binding arbitration, rather than to have them decided in court before a judge or jury.

Knowing And Voluntary Agreement: By my signature below, I acknowledge and agree that:

- (A) I was permitted to read and ask questions regarding this Agreement before signing it;
- (B) I had the option of seeking my own legal counsel regarding this Agreement before signing it;
- (C) I have carefully read this Agreement;
- (D) I understand that I will not be subject to retaliation for exercising my right to assert claims under this Agreement;
- (E) I understand that, in the event of a claim relating to my employment with Employer, as described in Paragraph 1 of this Agreement, arbitration will replace a judge or jury trial and shall be final and binding; and,
- (F) I understand and agree to the terms of this Agreement.

Date: _____

Employee signature

Print Employee name

Date: _____

Authorized Signer for the Roman Catholic Bishop of Sacramento, a corporation sole

Print name of Authorized Signer