

**ALLIED**  
ELECTRONICS & AUTOMATION

VIA EMAIL

6<sup>th</sup> July 2018

Dear Mr. Jeffrey E Mcpeek,

**RE: Termination of Employment**

I regret to inform you that your employment with Allied Electronics will be terminated effective 6<sup>th</sup> July 2018 . Your severance package will be administered according to company policy.

Bud Howard is available to discuss these details as well as any other questions or concerns you may have. Please contact him at your earliest convenience and he will arrange termination matters with you.

I sincerely regret that this action is necessary, and wish you success in your future employment endeavors.

Yours truly,

Personnel Department

Cc: **Bud Howard**





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## SEVERANCE AGREEMENT

This Severance Agreement (this "Agreement" or this "Severance Agreement"), is entered into and made effective as of [July 9<sup>th</sup> 2018] (the "Effective Date"), by and between: [JEFFREY E MCPEEK] ("Employee") and [ALLIED ELECTRONICS , INC] ("Employer").

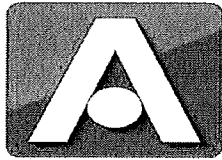
WHEREAS, Employer employed Employee under an agreement of employment dated [March 4<sup>th</sup> 2014]; and

WHEREAS Employer and Employee hereby agree to terminate the employer-employee relationship effective as of [July 9<sup>th</sup> 2018] (the "Severance Date"); and

WHEREAS, Employer and Employee would like to settle any and all actual or potential differences and disputes between them related to such employer-employee relationship;

NOW, THEREFORE, in consideration of the foregoing, and of the mutual covenants, commitments and agreements contained herein, the receipt and sufficiency of which is hereby acknowledged, Employer and Employee each acknowledge and voluntarily agree as follows:

1. Effective as of the Severance Date, the Employee's employment by the Employer and the Employer's employment of the Employee shall terminate.
2. The Employer is under no obligation to pay any sum or provide any benefit as a result of such termination, and Employee's payment of the severance benefits described in this Section 2 below will only be made by Employer following Employee's execution of this Severance Agreement. Employer agrees to pay Employee a severance benefit in the amount of \$ **130,000.00 [One Hundred and Thirty Thousand Dollars Only]** solely in consideration of Employee's promises and covenants made in this Severance Agreement. Payment will be made to Employee on or before July 30<sup>th</sup> 2018
3. In accordance with Employer's policies, Employer will continue to provide insurance coverage to Employee under Employer's health, vision and dental plans, provided Employee subscribes to such plans, until [July 31<sup>st</sup> 2018].
4. Employer shall have no obligation to pay, and Employee understands that Employee is not entitled to, any compensation other than as expressly stated in Section 2 of this Severance Agreement.



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5. Employee agrees not to disparage Employer, nor its affiliates, subsidiaries, officers, directors, shareholders, employees, agents, products and services, in any way, whether verbally or in written form, publicly or non-publicly, to any third parties, to include any Employer employees.

6. For a period lasting [2] years after the Severance Date, Employee agrees not to directly or indirectly engage in any act to persuade, induce or otherwise attempt to induce, any employee of Employer to terminate their employment with Employer or otherwise accept employment with another third party.

7. Prior to the Severance Date, Employee shall return to Employer all tangible confidential or proprietary information, or other property or Employer in Employee's possession or control. Employee represents and warrants to Employer that Employee will uphold the terms and conditions of the Non-Disclosure Agreement between Employee and Employer and will not disclose to third parties any confidential or proprietary information acquired during Employee's employment by Employer.

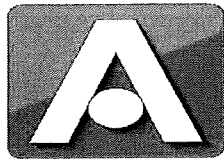
8. Employee agrees that nothing contained in this Agreement is an admission of any breach by Employer of any agreement, law or regulation, or any willful or negligent misconduct of any kind.

9. Employer makes no representations, warranties or agreements of any kind, unless expressly stated herein, and Employee acknowledges and agrees to the same.

10. Employee agrees to and does release the Company from all claims or demands Employee may have based on Employee's employment with the Company or the termination of that employment. This also includes a release by Employee of any claims for intentional infliction of emotional distress, invasion of privacy, wrongful discharge, or that the Company has dealt with Employee unfairly or in bad faith.

11. This Agreement does not waive any rights or claims that Employee may have which arise after the date the Employee signs this Agreement.

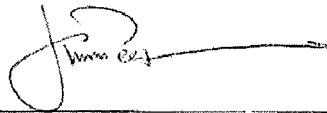
12. This Severance Agreement shall be governed by and construed in accordance with the laws of the State of [CALIFORNIA], and Employer and Employee each hereby submit to the State of [CALIFORNIA] as exclusive jurisdiction for any disputes arising hereunder. In the event litigation is instituted between the parties in connection with any controversy or dispute arising from, under or related to this Agreement, the judgment herein should include a reasonable sum to be paid to the prevailing party on account of attorneys' fees incurred in such litigation.



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IN WITNESS WHEREOF, the parties hereto have caused this Severance Agreement to be executed and effective.

[JEFFREY E MCPEEK]



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[ALLIED ELECTRONICS , INC]



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[STEVE NEWLAND), [PRESIDENT]

ALLIED ELECTRONICS & AUTOMATION



----- Forwarded Message -----

**From:** Jeffrey E Mcpeek<jeffreymcpeek7@gmail.com>  
**To:** Nick Hawtrey <nick.hawtrey@alliedelecinc.com>  
**Sent:** Monday, August 27, 2018 9:45  
**Subject:** YOU WILL BE HEARING FROM MY ATTORNEY

Nick ,

Despite my efforts to resolve your past due account, payment on this account has still not been made.

I'm informing you that i have run out of patience. This matter will be turned over to my lawyer and legal action will be introduced. You will be hearing from our lawyer.

Thank you

Sincerely,

Jeffrey E Mcpeek  
7217 Nottinghill Ln Cincinnati, OH 45255  
631-743-3345

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**From:** Nick Hawtrey <nick.hawtrey@alliedelecinc.com>  
**To:** Jeffrey E Mcpeek<jeffreymcpeek7@gmail.com>  
**Sent:** Wednesday, August 15, 2018 12:42  
**Subject:** Re: FINAL NOTICE BEFORE LEGAL ACTION

Jeffrey Mcpeek,

We are working on getting funds to you.

Please give us till the end of next week to make amends, we will have your funds sent to you.

Thank you.

Nick Hawtrey  
*CFO, Allied Electronics , Inc*

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**From:** Jeffrey E Mcpeek<jeffreymcpeek7@gmail.com>  
**To:** Nick Hawtrey <nick.hawtrey@alliedelecinc.com>  
**Sent:** Wednesday, 15 August 2018, 9:40  
**Subject:** FINAL NOTICE BEFORE LEGAL ACTION

Nick ,

I have repeatedly advised you of your long overdue pay. Since you have not made payment i will turn this matter over to an attorney and instruct them to commence suit without further delay.

Sincerely,

Jeffrey E Mcpeek  
7217 Nottinghill Ln Cincinnati, OH 45255  
631-743-3345

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**From:** Nick Hawtrey <nick.hawtrey@alliedelecinc.com>  
**To:** Jeffrey E Mcpeek<jeffreymcpeek7@gmail.com>  
**Sent:** Tuesday, August 14, 2018 11:57  
**Subject:** Re: NOTICE OF LEGAL ACTION

Hello Jeffrey,

How are you today?

I will be in a meeting for the next 2 hours, I promise to give you a call once am out to give you a proper explanation of why things has been this way.

Please do not proceed with any legal action, we hope to resolve this matter soonest.

Nick Hawtrey  
*CFO, Allied Electronics , Inc*

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**From:** Jeffrey E Mcpeek<jeffreymcpeek7@gmail.com>  
**To:** Nick Hawtrey <nick.hawtrey@alliedelecinc.com>  
**Sent:** Tuesday,14 August 2018, 10:36  
**Subject:** NOTICE OF LEGAL ACTION

Nick ,

All of my efforts to settle this matter amicably have turned out unsuccessful. I have made numerous calls and, till date have not had the courtesy of a call back. I have delayed legal proceedings up till now based on your assurances that i will be paid in full by 13th of this month.

Please be advised that you have left me no choice but to file suit against you immediately. My



patience has now reached its limit.

This matter is now being handled by our attorney. While I regret the necessity of this action I must advise you to govern yourself accordingly.

Regards,

Jeffrey E Mcpeek  
7217 Nottinghill Ln Cincinnati, OH 45255  
631-743-3345

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**From:** Nick Hawtrey <nick.hawtrey@alliedelecinc.com>  
**To:** Jeffrey E Mcpeek<jeffreymcpeek7@gmail.com>  
**Sent:** Wednesday, August 8, 2018 5:33  
**Subject:** Re: Suit

Jeffrey,

We promise to have your check in the amount of \$ 130,000 sent to you not later than the 13th of this month.

We are auditing our accounts , which is the reason for this delay. Please bear with us as we wish to resolve this issue amicably.

Sincerely,

Nick Hawtrey  
*CFO, Allied Electronics , Inc*

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**From:** Jeffrey E Mcpeek<jeffreymcpeek7@gmail.com>  
**To:** Nick Hawtrey <nick.hawtrey@alliedelecinc.com>  
**Sent:** Wednesday, 8 August 2018, 1:24  
**Subject:** SEVERANCE PAY

Nick ,

This is a reminder, my demand for my severance pay has not been responded to. I respect your company and hope to still do business with you in future. However, I do require payment just as promised. Please send payment promptly.

Sincerely,

Jeffrey E Mcpeek  
7217 Nottinghill Ln Cincinnati, OH 45255  
631.743.334

**From:** Jeffrey E Mcpeek<jeffreymcpeek7@gmail.com>  
**To:** Nick Hawtrey <nick.hawtrey@alliedelecinc.com>  
**Sent:** Tuesday, August 7, 2018 3:28 PM  
**Subject:** Re: PAYOFF

Nick Hawtrey ,

I am writing to ask for my severance pay is long due. Please be advised that i will be getting in touch with a lawyer if i dont get a positive in the next three working days.

Please be advised .

Jeffrey E Mcpeek  
7217 Nottingham Ln Cincinnati, OH 45255  
631-743-3345