

SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

This **SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS** (hereinafter the "Agreement") is made and entered into this 3rd day of May, 2021, between Donald D. Owen ("Owen") and each of his heirs, assigns, agents, attorneys and any other representatives, and the Board of Education of Urbana School District 116, its employees, agents, attorneys, (the "District"). The District and Owen are referred to together in this Agreement as the "Parties."

WHEREAS, Owen filed a lawsuit against the District captioned *Dr. Donald D. Owen v. Urbana School District #116, et al.*, in the Circuit Court of the Sixth Judicial Circuit, Champaign County Illinois, Case No. 2019 L 000193, which was subsequently removed to the United States District Court for the Central District of Illinois, and became Case No. 2:20-cv-02010 (the "Lawsuit"). At the time of this Agreement, the operative pleading is Owen's Second Amended Complaint at Law.

WHEREAS, the Parties wish to avoid further litigation between them, and the District denies and continues to deny the allegations in the Lawsuit in their entirety and any and all liability to Owen.

WHEREAS, the Parties now desire to resolve and settle all of the claims, disputes, causes of action and controversies existing or potentially existing between them.

NOW THEREFORE, in consideration of the execution of this Agreement by each of the Parties hereto and the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party to the other party, the Parties agree as follows:

1. **Incorporation of Recitals**: The foregoing recitals shall be considered a part of this Agreement and shall be binding upon the Parties hereto.
2. **Non-Admission of Liability**: Owen agrees that the District, by entering into this Agreement, does not admit to any of the allegations or claims made against the District in the Lawsuit. Owen further agrees that nothing contained in this Agreement shall be deemed an admission of liability or of a violation of any applicable law, rule, regulation, order or contract, by the District.
3. **Settlement Consideration**: In consideration and exchange for the covenants and promises made by the Parties in this Agreement, the Parties hereby agree:
 - a. That the District's Insurance Carrier will issue a payment to the order of the District in the amount of Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Four Cents (\$33,333.34). The District will process that payment through its payroll system and, subsequently, the District will issue a payment to Owen in the amount of Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Four Cents (\$33,333.34) less all applicable payroll withholdings, for compensatory damages arising from the allegations in the Lawsuit. The settlement check will be made payable to the order of Donald D. Owen. The District will issue to Owen a Form W-2 reflecting this amount. The aforesaid payments shall be tendered to legal counsel for Owen, Ronald S. Langacker, 210 N. Broadway Ave., Urbana, Illinois 61801.

- b. The District's Insurance Carrier will issue a settlement check to the order of Donald D. Owen in the amount of Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$33,333.33) for other damages arising from the allegations in the Lawsuit. This amount will be reflected on a Form 1099 issued to Owen. The aforesaid payments shall be tendered to legal counsel for Owen, Langacker Law, Ltd., 210 N. Broadway Ave., Urbana, Illinois 61801.
- c. The District's Insurance Carrier will issue a settlement check to the order of Langacker Law, Ltd., legal counsel for Owen, in the amount of Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$33,333.33) relating to their representation of Owen in this lawsuit. The aforesaid payments shall be tendered to legal counsel for Owen, Langacker Law, Ltd., 210 N. Broadway Ave., Urbana, Illinois 61801.
- d. That Owen may release a public statement upon the full execution of this Agreement and its adoption by the Board of Education, the contents of which have been agreed to by the District and Owen. A copy of the mutually agreed upon statement is attached hereto as Exhibit A. This public statement shall be the only comment made by Owen regarding the Lawsuit, the settlement of the Lawsuit, or regarding Owen's employment with the District or separation therefrom. With the exception of the mutually agreed upon public statement contemplated by this paragraph, truthful statements or disclosures required by law, and/or as compelled by subpoena, court order and/or legal process, Owen shall otherwise be bound by the Mutual Non-Disparagement and Confidentiality provisions contained in Paragraphs 7 and 8 of this Agreement.
- e. That the District may release a public statement upon the full execution of this agreement and its adoption by the Board of Education, the contents of which have been agreed to by the District and Owen. A copy of the mutually agreed upon statement is attached hereto as Exhibit B. This public statement shall be the only comment made by the District regarding the Lawsuit, the settlement of the Lawsuit, or regarding Owen's employment with the District or separation therefrom. With the exception of with the exception of the mutually agreed upon public statement contemplated by this paragraph, truthful statements or disclosures required by law, and/or as compelled by subpoena, court order and/or legal process, the District shall otherwise be bound by the Mutual Non-Disparagement and Confidentiality provisions contained in Paragraphs 7 and 8 of this Agreement.
- f. The consideration in Paragraphs 3(a), (b), and (c) shall be due and deliverable after full execution of this Agreement by Owen and the Board of Education for the District, and in any case no later than thirty (30) days after both: (1) the execution of the agreement by the Parties and (2) after the expiration of the consideration and revocation periods as contained in Paragraph 6 of this Agreement.
- g. Upon execution of this Agreement, Owen shall file a stipulation to voluntarily dismiss the Lawsuit with prejudice and without costs, and that

the court retain jurisdiction to the extent necessary to enforce this Agreement.

- h. The promises made to Owen in Paragraphs 3(a), (b), and (c) above, represent consideration for the settlement of all claims, including claims for alleged injuries and emotional distress, as alleged in the Lawsuit and/or which arise from Owen's employment at the District.

- 4. **Tax Issues/Hold Harmless/Indemnification:** Owen acknowledges that the District has not made representations to Owen regarding the tax consequences of this Agreement. Owen further understands that the District will comply with all tax reporting obligations with respect to this Agreement. In addition, Owen agrees to be solely responsible for any and all taxes due in connection with the settlement proceeds identified in Paragraph 3 of this Agreement. Further, Owen agrees to indemnify and hold the District harmless from any and all claims made by any government entity or taxing authority against the District related to or arising from any tax liabilities or penalties created as a consequence of this Agreement.

- 5. **Covenant Not to Sue/General Release and Waiver of Claims:** In consideration for the covenants and promises made by the Parties herein, the Parties fully and completely waive, release, and forever discharge one another from any and all claims, charges, actions, causes of action, complaints, grievances, demands, allegations, promises, damages, obligations for damages, losses, expenses, fees, attorneys' fees or costs, loss of earnings, debts, and any and all other demands which any Party may have against the other, whether known or unknown, asserted or unasserted, at the time of execution of this agreement, that arise out of Owen's relationship with the District including, but not limited to, all claims and causes of action that the District:

- a. breached any duty of care with respect to Owen or committed any tort against Owen;
- b. violated any statute, constitutional rights, public policy, or common law with respect to Owen;
- c. violated any District personnel policies or handbooks, or violated any contract;
- i. inflicted any physical injuries or emotional distress upon Owen; and/or
- j. discriminated against, harassed, or retaliated against Owen on the basis of gender, race, pregnancy, age, national origin, ancestry, disability or handicap, religion, sexual orientation, marital status, parental status, source of income, retaliation, or any other basis in violation of any local, city, state or federal regulations, ordinances or law, including the Illinois Human Rights Act; Title VII of the Civil Rights Act of 1964, as amended 42 U.S.C. §2000e *et seq.*; the Civil Rights Act of 1866, 42 U.S.C. §1981, as amended by the Civil Rights Act of 1991, 42 U.S.C. §1981A; the Equal Protection Clause of the Fourteenth Amendment of the United States Constitution pursuant to the Civil Rights Act of 1871, 42 U.S.C. §1983; the Family and Medical Leave Act of 1993; the Age Discrimination in

Employment Act as amended, 29 U.S.C. §621, *et seq.*; any state common law seeking to redress unlawful employment practices; any other law, rule, regulation or statute with respect to Owen.

6. **Release from Age Discrimination Claims:** The District hereby advises Owen to consult with an attorney prior to executing this Agreement. Owen acknowledges that he has been given the opportunity to, or has consulted with, an attorney prior to executing this Agreement, and he agrees to release and waive all legal and equitable remedies provided under the Age Discrimination in Employment Act, as amended, 29 U.S.C. §621, *et seq.* Owen further acknowledges that he has been informed of and understands all rights and claims under the Older Worker's Benefit Protection Act of 1990, P.L. 101-433, including that:
- a. Owen does not waive any rights or claims that may arise after the date of execution of this Agreement;
 - b. Owen's waiver of the rights and claims in this Paragraph is provided in exchange for valuable consideration beyond what he is entitled to as a result of his employment relationship with the District;
 - c. Owen has twenty-one (21) days within which to consider this Agreement prior to execution. Owen may elect to sign the Agreement prior to the expiration of the twenty-one (21) day review period, and such election will terminate the review period; and
 - d. Owen understands that for seven (7) days following execution of this Agreement, Owen may revoke this Agreement, which shall not become effective or enforceable until the eighth day following Owen's execution of this Agreement.
7. **Mutual Non-Disparagement:** Owen agrees not to disparage the District in any manner likely to be harmful to or the District's operation or reputation. The District agrees not to disparage Owen in any manner likely to be harmful to Owen's reputation. Subject to the provisions of Paragraph 8 and Paragraphs 3d and 3e, nothing herein shall prohibit a party from making truthful statements or disclosures required by law, as compelled by subpoena, court order and/or legal process, or to request or receive confidential legal advice. Disparagement as used in this Paragraph is defined as slander or defamation under the law of Illinois.
8. **Confidentiality:**
- a. The Parties agree to not disclose the terms of this Agreement and/or the facts and circumstances surrounding the Lawsuit, the settlement of the Lawsuit, or Owen's employment with the District or separation therefrom to any individual at any time in the future except to its attorney, immediate family, tax/financial advisors, or as otherwise required by law.
 - b. The Parties shall make no comments regarding the Lawsuit, the settlement of the Lawsuit, or regarding Owen's employment with the District or separation therefrom, except for the mutually agreed upon public

statements contemplated by Paragraphs 3(d) and (e) of this Agreement and subject to the exceptions below.

- c. The terms in this Paragraph 8 are subject to the exception that the Board of Education may discuss the Lawsuit, the settlement of the Lawsuit, Owen's employment with the District and separation therefrom in non-public and confidential closed session meetings held under the Open Meetings Act, to the extent that such non-public and confidential discussion is necessary to conduct the professional operations of the Board of Education.
 - d. The terms in this Paragraph 8 are further subject to the exception that, if contacted by future or perspective employers of Owen, the District shall confirm Owen's employment positions and the dates thereof, but the District shall not otherwise be required to provide any employment reference for Owen.
 - e. The Parties recognize and agree that this Agreement may be procured pursuant to a request under the Freedom of Information Act, subpoena, or through discovery in any matter pending in a court of competent jurisdiction. The Parties agree that disclosure pursuant to these reasons shall not be considered a violation of this Paragraph 8. Notwithstanding the foregoing, nothing herein shall prohibit the Parties from making truthful statements or disclosures required by law, as compelled by subpoena, court order and/or legal process, or to request or receive confidential legal advice.
- 9. **No Re-Employment:** Owen agrees that he will not seek, apply for, or accept future employment or volunteer opportunities at the District.
 - 10. **Binding Nature of Agreement:** This Agreement shall be binding upon the Parties and their heirs, administrators, executors, successors, assigns, agents and employees.
 - 11. **Severability:** If any of the provisions, terms and clauses of this Agreement are declared illegal, unenforceable, or ineffective in a legal forum with competent jurisdiction to do so, those provisions, terms and clauses shall be deemed severable, and all other provisions, terms and clauses of this Agreement shall remain valid and binding upon all the Parties hereto.
 - 12. **Voluntary Nature of Agreement:** This Agreement has been executed freely, knowingly and voluntarily without duress, coercion, or undue influence, and each party acknowledges that it intends to be legally bound by the terms of the Agreement and has signed the Agreement as its true and voluntary act.
 - 13. **Entire Understanding:** Owen recognizes this Agreement to be a full, final and complete waiver of any and all claims and cannot be reopened in the future irrespective of what may take place or occur; and certifies that he has read this Agreement in its entirety and fully understand its contents and effects, and understand that it contains the entire understanding and agreement of the Parties and supersedes all other written and oral exchanges, arrangements, or

negotiations between them and their representatives, and that it may not be altered, amended or modified except by a writing properly executed by all the Parties hereto or their designated legal representatives. Owen warrants that no promise, representation or inducement has been made to him, and that he is not relying on any statement or representation made by any person or party to this Agreement, or their agents or other representations not expressed in this Agreement.

14. **Choice of Law:** This Agreement is governed and construed in accordance with the laws of the State of Illinois.
15. **Conforming Copies:** This Agreement may be signed in counterparts, which together shall constitute the original. Faxed or electronic signatures will be accepted as originals.

IN WITNESS WHEREOF, the Parties have executed this Agreement on this 3rd day of May, 2021.

DONALD D. OWEN

BOARD OF EDUCATION OF URBANA
SCHOOL DISTRICT 116

Donald D. Owen
Donald D. Owen

By: Anne Hall
Anne Hall, Board President

Date: April 30, 2021

Date: 5-3-2021