

SETTLEMENT AGREEMENT AND GENERAL RELEASE

The following sets forth the terms of the Settlement Agreement and General Release (“Agreement”) between **Maryland Association Boards of Education (“MABE”); the Howard County Board of Education (“BOE”); Elizabeth Grace Chesney (“Chesney”); Timothy Thornburg (“Thornburg”) and John White (“White”)**, (hereinafter the “Plaintiffs”); (collectively the “Parties”).

WHEREAS the Plaintiffs filed a complaint in the Circuit Court for Howard County, *Chesney, et al. v. Howard County Board of Education*, C-13-CV-18-000392, alleging employment discrimination; and

WHEREAS the Howard County Board of Education (“BOE”) denied and continues to deny that the BOE, its current and former members, employees or agents engaged in any discrimination or other improper action with respect to Plaintiffs; and

WHEREAS the Maryland Association of Boards of Education (“MABE”) provides claims insurance coverage to the BOE and has the full decision-making and financial authority regarding the defense of this matter and the decision to resolve it and the financial terms of any such resolution; and

WHEREAS the Parties have agreed to resolve this and all other disputes through this Agreement; and

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Payment.** MABE, having the authority to manage the defense of the matter and to make all financial decisions, agrees to make the following payments, within ten (10) calendar days of execution of this Agreement:

- Elizabeth Grace Chesney: Two hundred twenty-six thousand dollars (\$226,000). Fifty percent (50%) of this payment shall be allocated to Chesney’s alleged claims of emotional harm, and pain and suffering damages arising from claims of personal injury.
- Timothy Thornburg: Seventy-two thousand five hundred dollars (\$72,500). This payment shall be allocated to Thornburg’s alleged claims of emotional harm, and pain and suffering damages arising from claims of personal injury
- John White: One hundred fifteen thousand dollars (\$115,000). Fifty percent (50%) of this payment shall be allocated to White’s alleged claims of emotional harm, and pain and suffering damages arising from claims of personal injury
- Joseph, Greenwald and Laake, P.A.: One hundred eighty-five thousand dollars (\$185,000)

Plaintiffs and their counsel will provide MABE with completed w-9 forms within two (2) days of execution of this agreement.

2. **Indemnification.** Plaintiffs acknowledge and agree that they are solely and entirely responsible for the payment and discharge of all federal, state, and local taxes, if any, that may at any time be found to be due upon or as a result of the 1099 portion of the Settlement Payment. Accordingly, Plaintiffs agree to indemnify and hold harmless MABE and the BOE from any tax liability, including penalties and interest of any proceedings.

3. **No Other Payments.** Other than the amounts set forth in Paragraph 1, Plaintiffs agree and acknowledge that they have been fully compensated for all wages, expenses, vacation, benefits, and/or other compensation.

4. **Dismissal with Prejudice.** Contemporaneous with signing this Agreement, Plaintiffs, by their attorneys, shall file a stipulation of dismissal with prejudice.

5. **Reemployment.** Plaintiffs agree that they shall not be eligible for hire or rehire by BOE and the Howard County Public School System ("HCPSS") and that they shall not apply or otherwise seek employment with those entities at any time in the future. In addition, Plaintiffs shall not provide services to the HCPSS as or on behalf of a vendor, consultant or contractor.

6. **Plaintiffs' General Release of Claims and Promise Not to Sue.** In exchange for the benefits described above, Plaintiffs forever release and discharge the BOE from any claims, rights, or causes of actions of any kind or nature, both known or unknown, up through and including the date Plaintiffs signs this Agreement. Plaintiffs provide this General Release on behalf of themselves and their heirs, executors, successors and assigns. Plaintiffs further agree that this release and discharge of "the BOE" includes not only BOE but also any of its current and former past and present elected and appointed members, officers, directors, owners, agents and/or employees (all collectively referred to as the "Released Parties"). This General Release includes, to the maximum extent permitted by law, claims, rights, and causes of action arising (1) under any federal, state, or local law relating to employment, termination rights and/or compensation or benefits; or (2) under any federal, state, local or foreign law relating to employment discrimination; or (3) upon any other basis for legal, equitable or administrative relief, whether based on express or implied contract, tort, statute, regulation or other legal or equitable ground, and expressed employment-related or not. Despite its generality, this General Release does not waive (1) the right to enforce this Agreement; (2) rights to vested benefits Plaintiffs may have under the any benefit plans or to any entitlement to continued insurance coverage under COBRA; (3) any claims or rights that cannot be lawfully waived by Plaintiffs; and (4) any claims, rights or causes of action arising after the date Plaintiffs signs this Agreement.

7. **Defendant's General Release of Claims and Promise Not to Sue.** In exchange for the benefits described above, the BOE forever releases and discharges the Plaintiffs from any claims, rights, or causes of actions of any kind or nature, both known or unknown, up through and

including the date the parties sign this Agreement. The BOE provides this General Release on behalf of itself and its successors and assigns. This General Release includes, to the maximum extent permitted by law, claims, rights, and causes of action arising under any federal, state, or local law, or upon any other basis for legal, equitable or administrative relief, whether based on express or implied contract, tort, statute, regulation or other legal or equitable ground. Despite its generality, this General Release does not waive (1) the right to enforce this Agreement; and (2) any claims, rights or causes of action arising after the date the parties sign this Agreement.

8. **Covenant Not to Sue.** Plaintiffs and BOE further agree that they will not commence any action or proceeding against each other, or any of the Released Parties based upon any claim validly released above and if all or any one of them does, agrees to be liable for damages, attorneys' fees or costs incurred by any party as a result. If any such action or proceeding is commenced, in whole or in part on his behalf, against any party by any third-person, entity or agency in any forum, the parties waive any claim or right in connection with it to any resulting money damages or other personal legal or equitable relief awarded by any court or governmental agency.

9. **No Admission.** Nothing in this Agreement shall be considered an admission of any breach, wrongdoing, negligence, retaliation or discrimination on the part of the BOE, its current or former members, employees or agents or the Plaintiffs.

10. **Non-Disparagement.** Plaintiffs agree that they, their agents and assigns, will refrain from directly or indirectly or directly or indirectly through third parties, making any oral or written statement to the public or to any person that can reasonably be interpreted to disparage the BOE and/or its present and former elected and appointed members, and/or its present and former employees, agents and representatives. If the Plaintiffs or their agents make any oral or written statements that violate this section then such action will constitute a breach of the Agreement and BOE will have the right to a return of the monies paid by MABE to the Plaintiffs and to the recovery of attorneys' fees to enforce this provision. The parties may seek injunctive relief to prevent further violations if there is a likelihood of irreparable harm. In such a proceeding, either party may also seek: a) a bond which the court may issue if it finds reasonably necessary to prevent such a recurrence in an amount necessary to prevent such recurrence; and/or b) a bond to compensate a party that suffers from the wrongful issuance of an injunction or injunction bond. Further, the BOE ,agrees that it and its current members, will refrain from directly or indirectly through third parties, making any oral or written statement to the public or to any person that can reasonably be interpreted to disparage the Plaintiffs. For example, BOE acknowledges that Plaintiffs were not terminated for performance reasons and Plaintiffs acknowledge that they never directly heard former and current BOE members make homophobic or racist statements. In the event that any party is subpoenaed to testify before a court of competent jurisdiction or other forum in which they are legally required to testify, they shall be obligated to testify truthfully without any liability under this paragraph. However, they shall promptly provide notice to the other party of

the existence of a subpoena which is reasonably likely to call for testimony concerning the other party.

All employment inquiries should be directed to HCPSS Human Resources. In response Human Resources will provide only positions held, dates of employment, and last salary.

11. **Confidential Discovery Material:** In accordance with the Court's Order Regarding the Confidentiality of Discovery Materials executed by Judge Bernhardt on September 18, 2019 and entered by the Clerk of the Court on September 20, 2019, the Parties certify that they have not disclosed confidential documents received in discovery to any non-parties and that they will destroy these materials. In addition, the Parties agree that they have and will continue to abide by the non-disclosure agreement regarding materials and documents received from the Office of Human Rights (OHR). If the Plaintiffs or their agents make any disclosure of the confidential received in discovery or materials and documents received from OHR then such actions will constitute a breach of this Agreement and BOE will have the right to a return of the monies paid by MABE to the Plaintiffs and to the recovery of attorneys' fees to enforce this provision.

12. **Severability.** Each provision of this Agreement shall be considered severable. If any provision contained herein is held to be void, illegal, or unenforceable, such illegality or unenforceability shall not affect any of the other provisions herein, and the remaining provisions of this Agreement will continue to be given full force and effect.

13. **Governing Law.** This Agreement shall be interpreted under the laws of the State of Maryland.

14. **Counterparts.** This Agreement may be executed through the use of multiple counterparts.

15. **No Assignment.** Each Plaintiff represents and warrants that he/she has not directly or indirectly assigned, encumbered, or otherwise transferred any interest in any complaint, charge, action, suit, debt, claim, or demand intended to be included in and/or discharged by this Agreement.

16. **Entire Agreement.** This Agreement embodies the entire agreement and understanding between MABE, BOE and Plaintiffs with respect to the subject matter herein and supersedes all other agreements, discussions, or understandings with respect to the subject matter herein. It may not be changed, waived, discharged, or terminated except by an instrument in writing signed by each of the Parties hereto.

17. **Voluntary Agreement.** By voluntarily executing this Agreement, the Parties confirm that (a) they have had the opportunity to have the Agreement explained to them by their respective attorneys; (b) in executing this Agreement, they are relying upon their own judgment and the advice of their respective counsel or advisors, and not on any recommendations or

representations by any opposing party, opposing counsel, or representatives; and (c) they understand and do hereby accept all of the terms and conditions of this Agreement as resolving fully and finally all differences, disputes, and claims that are within the scope of the Agreement.

18. **Effective Date.** This Agreement shall become effective ("Effective Date") on the date all of the parties have signed this Agreement.

IN WITNESS THEREOF, THE UNDERSIGNED PARTIES AFFIX THEIR SIGNATURES TO THIS AGREEMENT. THIS IS A GENERAL RELEASE AND WAIVER OF CLAIMS. YOU ARE ADVISED TO CONSULT WITH LEGAL COUNSEL PRIOR TO SIGNING.

Elizabeth Grace Chesney
Elizabeth Grace Chesney

DATE: 1/27/2020

Timothy Thornburg

DATE: _____

John White

DATE: _____

Maryland Association Boards of Education

BY: Steven P. James
Steven James, Pool Administrator

DATE: 1/23/20

Howard County Board of Education

BY: Mavis Ellis
Mavis Ellis, Chair

DATE: 1-27-2020

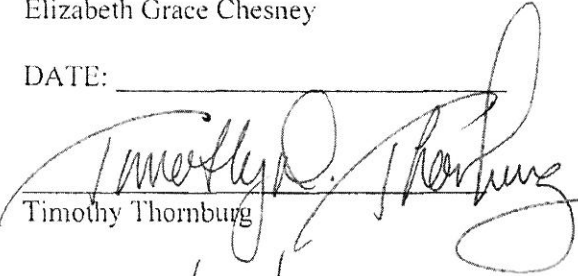
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Elizabeth Grace Chesney

DATE: _____




Timothy Thornburg

DATE: 1/28/20

John White

DATE: _____

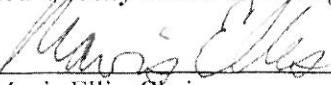
Maryland Association Boards of Education

BY: 

Steven James, Pool Administrator

DATE: 1/23/20

Howard County Board of Education

BY: 

Mavis Ellis, Chair


DATE: 1-27-2020

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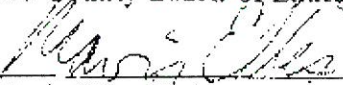
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Maryland Association Boards of Education

BY: 
Steven James, Pool Administrator

DATE: 1/25/20

Howard County Board of Education

BY: 
Mavis Ellis, Chair

DATE: 1-27-2020

Elizabeth Grace Chesney

DATE: _____

Timothy Thornburg

DATE: _____


John White

DATE: 1/28/20