<u>A RESOLUTION AUTHORIZING A</u> <u>GENERAL RELEASE AND SETTLEMENT AGREEMENT</u>

BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ARLINGTON HEIGHTS:

SECTION ONE: A certain General Release and Settlement Agreement by and between the Village of Arlington Heights and Anfiny Eshoo, a true and correct copy of which is attached hereto, be and the same is hereby approved.

SECTION TWO: The Village President is hereby authorized and directed to execute said agreement on behalf of the Village of Arlington Heights.

SECTION THREE: This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

AYES:

NAYS:

PASSED AND APPROVED this 20th day of September, 2021.

Village President

ATTEST:

Village Clerk

AGREEMENTRES:Release-Settlement Agreement-Eshoo

GENERAL RELEASE AND SETTLEMENT AGREEMENT

This General Release and Settlement Agreement (hereinafter referred to as the "Agreement") is hereby entered into by ANFINY ESHOO ("Plaintiff"), the INTERGOVERNMENTAL RISK MANAGEMENT AGENCY ("IRMA") and THE VILLAGE OF ARLINGTON HEIGHTS (the "Village"), (hereinafter IRMA and the Village are referred to collectively as "Defendants"). The METROPOLITAN ALLIANCE OF POLICE (hereinafter "MAP"), is a necessary party to this agreement as Plaintiff's exclusive bargaining agent. Plaintiff and Defendants are collectively referred to hereafter as "The Parties."

WITNESSETH:

WHEREAS, Plaintiff and the Defendants have been parties to a Federal lawsuit entitled "The Federal lawsuit" *Anfiny Eshoo v. Village of Arlington Heights*, No. 20cv-6192 (hereinafter "the Federal lawsuit" and a grievance referred to arbitration, *Village of Arlington Heights and MAP Chapter 510*, Arb. Ref. 19.275 (hereinafter referred to as "Grievance").

WHEREAS, Defendants have denied and continues to deny the allegations contained in the Federal lawsuit and the Grievance and has denied and continues to deny that Defendants have any liability to Plaintiff on any of his claims which were made or could have been made by Plaintiff against the Defendants; and

WHEREAS, Plaintiff and Defendants, voluntarily and with full knowledge of their rights and the provisions herein, having the benefit of the advice of counsel, now desire to settle, compromise, and dispose of the Federal lawsuit and the Grievance, and any and all claims of any kind whatsoever, that the Parties may have currently, or have had in the past, against the other upon the terms and conditions hereinafter set forth;

WHEREAS, Plaintiff and Defendants, wish to resolve all matters amicably and to reinstate ANFINY ESHOO to employment with the Village of Arlington Heights and to resolve the pending grievance, case number 19.275 pending before Arbitrator Edwin H. Benn and currently set for hearing on December 16, 2021. Said grievance involves the Village of Arlington Heights Police Department Internal Investigation Numbers IA19-001 and IA19-004 as set forth herein;

WHEREAS, immediately upon reinstatement, Plaintiff will be placed upon unpaid administrative leave until his resignation from the Village upon the terms and conditions hereinafter set forth;

NOW THEREFORE, in consideration of the foregoing and the promises and covenants contained herein, and other valuable consideration, it is hereby covenanted and agreed as follows:

SECTION 1: MUTUAL RELEASE OF ALL CLAIMS AND CAUSES OF ACTION

A. Plaintiff, on behalf of himself and his heirs, executors, administrators, personal representatives, trustees, (the "Plaintiff Releasors") hereby forever and fully promises, releases, acquits, and discharges:

- i. The Village, its departments, agencies, and its former and current officers, officials, employees, and attorneys, as well as their successors (the "Village Releasees");
- ii. IRMA, its departments, agencies, and its officers, officials, employees and attorneys, as well as their successors (the "IRMA Releasees");
- iii. MAP, its officers, officials, employees and attorneys as well as their successors ("the MAP Releasees").

(collectively, the Village Releasees and IRMA Releasees and MAP Releasees shall be referred to as the "Defendant Releasees") of and from any and all liability to Plaintiff Releasors of any kind or any nature, including but not limited to any and all claims, actions, causes of action, suits, or other complaints that were made or could have been made against Defendant Releasees, in their individual or official capacities, or relief of any nature whatsoever, whether known or unknown, foreseen or unforeseen, resulting or to result, whether in law or in equity, or before administrative agencies or departments, that Plaintiff ever had, now has or hereafter can, shall or may have, by reason of or arising out of any matter, cause or event occurring on or prior to the date hereof, including, but not limited to all claims of any nature and of any kind for injuries, losses, damages or for any other basis or relief whatsoever which he now has or may ever have, whether in tort or contract, whether based on debits, sums of money, or accounts owed, whether for covenants, contracts, agreements, arrangements, promises, obligations, or warranties breached, whether for bodily, personal or emotional injuries of any kind and of any nature, whether for punitive, liquidated or exemplary damages of any kind and of any nature, whether for attorneys' fees, costs and/or expenses, whether for discrimination, harassment or retaliation on the basis of age, religion, disability, sexual orientation, sex, race, color, national origin, any other protected bases or complaints regarding the same, whether for past, present or future unpaid wages and benefits, denial of benefits, denial, diminishment or relinquishment of pension benefits, whether for any claims for compensatory pay owed for past, present or future emotional distress or emotional or psychological damages of any kind and of any nature; whether for breach of contract, fraud, misrepresentation, conspiracy, breach of fiduciary duty, interference with contract or prospective business relations, promissory estoppel, negligent or intentional infliction of emotional distress, libel, slander, and whether for any tort and including but not limited to any claim of any kind and of any nature arising out of or by relation to Plaintiff's employment with Defendants, and/or the discontinuation of that employment and/or the resignation of that employment and/or arising out of any other alleged act or acts through the date of execution of this agreement, whether any such claims arise at the common law or under any collective bargaining agreement, employment contract, federal, state or local statute, regulation or ordinance, including but not limited to claims that were made or could have been made under 42 U.S.C. §1983 of the Civil Rights Act of 1866, 42 U.S.C. §1988, the Equal Pay Act, the Rehabilitation Act of 1973, 42 U.S.C. §1981 of the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1964 (as amended), the Americans with Disabilities Act, the Family and Medical Leave Act, the Employment Retirement Income Security Act, the U.S. Fair Labor Standards Act, Illinois Wage Payment and Collection Act, Illinois Fair Labor Standards Act, the Illinois Whistleblower Act, the Illinois Department of Employment

Security, the Illinois Human Rights Act, Section 504 of the Rehabilitation Act of 1973, the Illinois Public Labor Relations Act, and including, but not limited to, any claims that were made a part of or could have been made in the Federal lawsuit and Grievance, and any other complaint or claims that were made or could be made in any Federal, State or local court or agency. No reference herein to the aforesaid causes of action or any other specific claim or statute is intended to limit the scope of this General Release and Settlement Agreement.

B. Defendant Releasors hereby forever and fully promises, releases, acquits, and discharges Plaintiff and the Plaintiff Releasees of and from any and all liability to Defendant Releasors of any kind or any nature, including but not limited to any and all claims, actions, causes of action, suits, or other complaints that were made or could have been made against Plaintiff and the Plaintiff's Releasees, or relief of any nature whatsoever, whether known or unknown, foreseen or unforeseen, resulting or to result, whether in law or in equity, that Defendant Releasors ever had, now have or hereafter can, shall or may have, by reason of or arising out of any matter, cause or event occurring on or prior to the date hereof, including, but not limited to all claims of any nature and of any kind for injuries, losses, damages or for any other basis or relief whatsoever which Defendant Releasors now have or may ever have, whether in tort or contract, whether based on debits, sums of money, or accounts owed, whether for covenants, contracts, agreements, arrangements, promises, obligations, or warranties breached, whether for bodily, personal or emotional injuries of any kind and of any nature, whether for punitive, liquidated or exemplary damages of any kind and of any nature, or whether for attorneys' fees, costs and/or expenses. No reference herein to the aforesaid causes of action or any other specific claim is intended to limit the scope of this General Release and Settlement Agreement

C. It is expressly understood and agreed by the parties and their respective Releasors that this is a full and final general release of all matters whatsoever, except as described in Section 1, Paragraph E, and that this Agreement is intended to and does embrace not only all known and anticipated damages and injury, but also unknown and unanticipated damages, injury or complications that may later develop or be discovered, including all effects and consequences thereof if based on acts or omissions occurring prior to the date he signs this agreement. The parties declare, represent and understand that the alleged damages or other injuries sustained may be permanent, and that in executing this Agreement, it is understood and agreed that they have not relied upon the representations of any party hereby released or by that party's representatives concerning the nature, extent, effect and/or duration of their respective alleged damages or other alleged injuries.

D. Plaintiff represents that, with the exception of the Federal lawsuit and the Grievance identified above, as well as the underlying administrative charges, he has not filed any complaints, claims, or actions against Defendants with any state, federal, or local agency or court for any act or omission occurring up and until the date of this Agreement, and that he will not do so at any time hereafter for conduct occurring up until the date of the execution of this Agreement. Plaintiff further agrees that, if any agency or court assumes jurisdiction over any complaint, claim, or action

against Defendants which is prohibited by this General Release and Settlement Agreement, he will direct that agency or court to withdraw or dismiss with prejudice the matter.

E. Notwithstanding the foregoing language and any other language to the contrary in this Agreement, the parties acknowledge that Plaintiff is not waiving or releasing any claims or rights that cannot be waived and released as a matter of law.

SECTION 2: MEDIA SOLICITATION AND COMMUNICATIONS

The Plaintiff further agrees that neither he, nor his representatives, will speak to any representatives of the media regarding this settlement, the terms of the settlement or negotiation thereof. If approached by a member of the news media about this Settlement Agreement, the parties will respond to the effect of, "All matters have been amicably resolved and I/We have no further comment." The Village agrees to instruct its Village Manager and Board of Trustees not to speak to any representatives of the media regarding this settlement, the terms of the settlement or negotiation thereof. If approached by a member of the news media about this Settlement, the settlement or negotiation thereof. If approached by a member of the news media about this Settlement or negotiation thereof. If approached by a member of the news media about this Settlement Agreement, the parties will respond to the effect of, "All matters have been amicably resolved and I/We have no further of the news media about this Settlement."

SECTION 3: REQUIRED SETTLEMENT DOCUMENTS

Plaintiff agrees to arrange for execution, filing, entry and delivery to Defendants' counsel the following executed documents: (a) General Release and Settlement Agreement ("Settlement Agreement"); (b) Letter Acknowledging his Resignation from his employment with the Village effective January 6, 2022 ("Resignation Letter"), attached hereto as Exhibit A; and (c) a release of attorney's lien signed by Plaintiff's attorney, releasing any attorneys' lien that may exist with respect to the Village, MAP and IRMA. Further, within a five business days after his receipt of the settlement proceeds set forth in this settlement release, Plaintiff agrees to enter a dismissal order of the Federal lawsuit, and effectuate the permanent withdrawal of the Grievance 19.275 pending before Arbitrator Benn and any claims or charges that may remain pending at any other state or federal agencies. The Village and MAP will split any fee assessed by Arbitrator Benn, on a 50/50 basis.

Defendants agree to arrange for execution and delivery to Plaintiff's Counsel, the following executed documents: (a) Settlement Agreement and (b) all monies required to be paid under the Settlement Agreement as referenced in Section 5 below.

SECTION 4: REINSTATEMENT OF EMPLOYMENT/SEPARATION OF EMPLOYMENT

A. Reinstatement of Employment

It is understood and agreed by both parties that while ANFINY ESHOO will be reinstated to his employment at the Village of Arlington Heights in good standing following the Village's execution of this Agreement. Immediately upon his reinstatement as an employee of the Village, ANFINY ESHOO will be placed on unpaid administrative leave until his date of resignation from the Village effective January 6, 2022. While on unpaid administrative leave, ANFINY ESHOO will not receive any compensation or benefits of any kind from the Village of Arlington Heights. He also will not be allowed to be present at the Village and/or the Arlington Police Department and will not perform any police duties.

B. Resignation

ANFINY ESHOO hereby submits his notice of voluntary resignation from his employment at the Village, to be effective on January 6, 2022 ("Resignation Date"), which resignation shall be deemed irrevocable. The Village hereby accepts said resignation.

C. Reemployment

Plaintiff agrees that any such application or request for employment with the Village may be denied solely on the basis of this provision of this agreement and that Plaintiff shall not have any cause of action or recourse against Village for said denial, including any claim for retaliation. The Parties in their discretion may choose to mutually waive this provision of this Agreement.

SECTION 5: DEFENDANTS' PROMISES

That in consideration for the promises and mutual releases made by Plaintiff, Defendants agree to make the payments listed below and to make the other payments and non-monetary promises:

A. Compensatory Damages: A settlement check issued by IRMA made payable to ANFINY ESHOO in the amount of \$137,499.75, wherefore a 1099 shall issue for the tax year 2021 indicating that the payment is made pursuant to Box 3 "Other Income" on the IRS 1099 form, which payment shall be made within 15 days.

B. Wages: A settlement check made payable to ANFINY ESHOO in the amount of \$45,833.25, less standard withholdings with a W-2 to issue form the Village for the 2021 tax year.

C. Attorney's Fees & Costs

A settlement check made payable to Holman & Stefanowicz, LLC in the amount of \$91,667.00 for attorneys' fees, costs and expenses incurred in the legal representation of Anfiny Eshoo for the claims that are the subject of The Federal Complaint and this General Release and Settlement Agreement. A 1099 for said fees shall issue to Holman & Stefanowicz, LLC indicating the payment is made pursuant to Box 14 "Gross Proceeds to an Attorney" on the 1099 form for the tax year 2021. The foregoing payees shall be required to provide its tax identification numbers to Defendants.

D. Verbal Reference

That concerning prospective employer reference calls, Plaintiff will direct said prospective employers to contact the Village's Director of Human Resources, Mary Rath, who will provide

information only regarding Plaintiff's job title, dates of service and rate of pay. Managerial employees of the Village and the Police Department specifically, will be instructed to direct any reference calls for Anfiny Eshoo to the Village's Human Resources Director, Mary Rath.

E. Defendants agree to place the resignation letter provided by Plaintiff attached as Exhibit A, in Plaintiff's personnel file, to change all notations in the Village's systems or records to reflect that Plaintiff resigned his employment in good standing, and to remove all references to Plaintiff's termination from employment in the Village's systems or records.

F. To the extent legally permissible, Plaintiff's personnel records maintained by the Village shall be expunged of all references to the discipline involved in this matter and shall be changed to reflect that Plaintiff resigned in good standing effective January 6, 2022. The Village of Arlington Heights and the Arlington Heights Police Department affirm and agree that no correspondence will be sent outside the Village and Police Department that references the Plaintiff's disciplinary status.

SECTION 6: NO ADMISSION OF LIABILITY

It is expressly understood by the parties that this General Release and Settlement Agreement is a compromise and settlement of disputed claims and that payment by Defendants of the Settlement Amount is not, nor is it to be construed as, an admission of liability on the part of Defendants. Defendants expressly deny liability and intends merely to avoid further litigation with respect to Plaintiff's claims.

SECTION 7: INDEMNIFICATION AND TAX LIABILITIES

A. Indemnification: Plaintiff agrees to indemnify, hold harmless, and defend each of the Released Parties and IRMA from and against any and all lawsuits, loss, cost, damage or expense, including, without limitation, attorneys' fees, incurred by the Released Parties, or any of them, arising out of any breach of this Agreement by Plaintiff, the fact that any representation made herein by Plaintiff was false when made, or the Village's successful enforcement of this Agreement against Plaintiff.

B. Tax Liabilities: In connection with the Settlement Payment, Plaintiff shall assume responsibility for, and pay when due, all federal and state tax liabilities which are, or may become, due, and which are the responsibility of Plaintiff. Further Plaintiff agrees to indemnify and hold the Village and IRMA harmless for any tax liability incurred by the Village related to Settlement Payment, including, but not limited to, any penalties and/or attorneys' fees.

SECTION 8: SUFFICIENT CONSIDERATION/VOLUNTARY WAIVER OF RIGHTS

A. Sufficient Consideration

Plaintiff agrees that: (a) the mutual releases contained in this Settlement Agreement and payments made pursuant to Section 5 have been agreed upon by Plaintiff and Plaintiff's attorneys; and (b) delivery of the payments made pursuant to Section 5 to Plaintiff shall constitute full and

final settlement payment to Plaintiff. Following such payment, and delivery of settlement documents from Defendants to Plaintiff, no further payment or consideration of any kind in connection with the termination and settlement of the above-described Federal lawsuit and Grievance, and it is agreed that said settlement payments will fully exhaust any and all damages Plaintiff claimed against Defendants for any and all claims released under this agreement.

B. Voluntary Waiver of Rights and Execution of Agreement

Plaintiff further agrees and acknowledges: (a) that Plaintiff's waiver of rights under this Agreement is knowing and voluntary; (b) that Plaintiff has read and understands the terms of this Agreement and has voluntarily accepted these terms for the purpose of making a full and final compromise, settlement and adjustment of any and all claims, disputed or otherwise, on account of the employment or other relationship with Defendants, and for precluding forever any further claims arising out of such relationship or its termination; (c) that Plaintiff had the opportunity to take up to twenty-one (21) days after receiving this agreement to decide whether to sign it; (d) that Plaintiff was advised to and has consulted with an attorney prior to executing this Agreement; and (e) that this Agreement waives all claims that may have risen up to the date of this Agreement, as more fully described in Section 1.

C. Covenant Not to Sue and Recourse for Employee Breach.

The Plaintiff promises never to file or participate in a lawsuit, arbitration or other legal proceeding asserting any claims that are released pursuant to this Agreement, except to enforce rights created by this Agreement. If the Plaintiff breaches Plaintiff's promise and files or participates in a legal proceeding based on any such released claim, the Village's obligations under paragraph 2 above shall terminate immediately, and the Plaintiff will (i) repay to the Village any payments made to Plaintiff as consideration pursuant to this Agreement; (ii) pay for all costs incurred by the Village, including reasonable attorneys' fees, in defending against Plaintiff's claim and seeking repayment of the payments made under this Agreement; and (iii) pay all other damages awarded by a court of competent jurisdiction.

E. Neutral Construction.

The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against either of the parties regardless of the drafter.

F. Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Digital, scanned, and facsimile signatures shall have the same force and effect as original signatures.

SECTION 9: ENTIRE AGREEMENT/SEVERABILITY

This Agreement shall be binding upon and inure to the benefit of Plaintiff and Defendants. This Agreement shall be governed by Illinois law.

The parties agree that this General Release and Settlement Agreement may be used as evidence in a subsequent proceeding in which any party alleges a breach of this Agreement.

Plaintiff further declares and understands that: (a) no promises, inducements or agreements not herein expressed have been made to him; b) this Agreement contains the entire agreement among the parties hereto; (c) the terms of this Agreement are contractual and not merely a recital; (d) any modification of this Agreement must be made in writing and be signed by Plaintiff and Defendant; and (e) in the even that any provision herein is deemed illegal, said provision will be deemed stricken and the remainder of this Agreement will be valid and interpreted as it is, in its entirety.

SECTION 10: MUTUAL NON-DISPARAGEMENT CLAUSE

Plaintiff agrees not to defame or disparage, either orally or in writing, the Village or its employees, management, officers or Board of Trustees. The Village agrees to instruct its Village Manager and Board of Trustees not to defame or disparage, either orally or in writing, Plaintiff.

IN WITNESS THEREOF, the parties hereto have executed this nine (9) page General Release and Settlement Agreement as of the _____ day of _____, 2021.

The undersigned, ANFINY ESHOO, has read the foregoing General Release and Settlement Agreement, has had adequate opportunity to review it with legal counsel, and attests that he fully understands and accepts its provision in their entirety and without reservation.

ANFINY ESHOO

DATED:

Signed and Sworn to this _____ day of _____, 2021

NOTARY PUBLIC

Authorized Representative, VILLAGE OF ARLINGTON HEIGHTS

DATED:

Signed and Sworn to this _____ day of _____, 2021

NOTARY PUBLIC

Authorized Representative, Intergovernmental Risk Management Agency

DATED:

Signed and Sworn to this _____ day of _____, 2021

NOTARY PUBLIC

Authorized Representative, Metropolitan Alliance of Police

DATED:

Signed and Sworn to this _____ day of _____, 2021

NOTARY PUBLIC