

## SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Settlement Agreement and General Release (hereinafter referred to as the “Agreement”) is made by and among the Democratic Party of Illinois, the Democratic Majority, Friends of Michael J. Madigan and the 13th Ward Democratic Organization (hereinafter referred to collectively as the “Committees”) and Alaina Hampton (hereinafter referred to as “Hampton”), (collectively hereinafter referred to as the “Parties”).

WHEREAS, disputes have arisen between the Committees and Hampton concerning Hampton’s separation from the Committees;

WHEREAS, Hampton filed charges of retaliation with the Equal Employment Opportunity Commission (Charge Nos. 440-2018-03171 and 440-2018-03810) and subsequently filed a lawsuit in the Northern District of Illinois (Case No. 18 CV 2069), hereinafter referred to as “the Litigation”;

WHEREAS, the Committees dispute and deny the claims made by Hampton and Hampton and the Committees desire to resolve the disputes without resort to further litigation or proceedings; and

NOW, THEREFORE, in consideration of the foregoing and in consideration of the terms, covenants, promises and conditions set forth below, the Parties agree as follows:

1. **Payments.** The Committees agree that on or before December 2, 2019, following the receipt of (i) this Agreement executed by Hampton, and (ii) an IRS W-9 from executed by Hampton’s counsel, the Committees will pay a total aggregate amount of Two Hundred and Seventy-Five Thousand Dollars and 00/100 Cents (\$275,000.00) (the “Settlement Proceeds”), paid in the following manner:

a. A wire transfer in the gross amount of Seventy-Five Thousand Dollars and 00/100 Cents (\$75,000.00) made payable to the IOLTA Trust Account of the law firm of KULWIN, MASCIOPINTO & KULWIN, LLP; and,

b. A wire transfer in the gross amount of Two Hundred Thousand Dollars and 00/100 Cents (\$200,000.00) made payable as attorneys' fees and costs to Hampton's legal counsel: KULWIN, MASCIOPINTO & KULWIN, LLP. Committees will issue IRS Form 1099 to Hampton's counsel in accordance with governing law.

In paying the amounts specified above, the Committees make no representations or warranties with respect to the tax consequences or tax liability arising from the payments identified above. Hampton acknowledges and agrees that she and/or her counsel are responsible for paying all local, state and federal taxes, that may result from the payments described in these subparagraphs, including but not limited to any penalties or assessments thereon. Hampton further agrees to indemnify and hold the Committees harmless from and against all claims, demands, deficiencies, penalties, assessments, executions, judgments or recoveries, fees and attorney's fees incurred by the Committees arising out of, in connection with, relating to or as a result of the payments reflected in Paragraph 1. Hampton agrees that the Committees shall not be required to pay any further sums to or on her behalf for any reason even if the tax and/or social security consequences to her are ultimately assessed in a fashion that Hampton does not presently anticipate or other than as anticipated herein. All payments of the Settlement Proceeds shall be made by wire transfer to accounts specified by Hampton's counsel and the wire transfers will be initiated within seven (7) days of the execution of this Agreement but in any event no later than December 2, 2019.

**2. General Release and Waiver.**

a) In exchange for the consideration described in this Agreement, Hampton warrants that she has no charges or claims of any nature pending in any federal, state, municipal agency, court or tribunal against the Committees which are not addressed herein, and agrees to forever waive, release, and discharge the Committees, including the following individuals: Steve Brown, Will Cousineau, Amanda Gaspar, Michael Kasper, Tim Mapes, Michael J. Madigan, Mary Morrissey, Marty Quinn, Heather Wier Vaught, Craig Willert, and Emily Wurth, collectively referred to hereafter, as “the Released Parties” from any and all claims, actions, causes of action, obligations for damages (including, but not limited to, compensatory, exemplary, and punitive damages), losses, expenses, attorneys’ fees or costs, back pay, loss of earnings, debts, reinstatement and any and all other demands, whether known or unknown which she may have or had against the Released Parties, including without limitation any claims arising out of Hampton’s engagement or relationship with the Committees, to the effective date of this Agreement, including, but not limited to:

- (i) claims arising under Illinois statutory and common law, including any claims for retaliatory discharge or made under the Illinois Whistleblower Protection Act; the Illinois Wage Payment and Collection Act; Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; Section 1981 of the Civil Rights Act of 1866; the Americans With Disabilities Act; the Fair Labor Standards Act (including in her individual capacity and that as a class member); the Age Discrimination in Employment Act; the Older Workers Benefit Protection Act, the Family Medical Leave Act; Employee Retirement Income Security Act; the Illinois Human Rights Act; and any other state, federal, local, or municipal employment statute;
- (ii) claims arising out of any other federal, state, or local statute, law, constitution, ordinance, or regulation; and
- (iii) claims relating to implied or express employment contracts; public policy or tort claims; retaliatory discharge claims; negligent hiring, retention or supervision claims; defamation claims; wrongful discharge claims; intentional infliction of emotional distress claims; invasion of privacy claims; intentional interference with contract claims; negligence claims; detrimental reliance claims; any covenant of good faith and fair dealing claims; loss of consortium claims; promissory estoppel

claims; personal injury claims; common law claims; claims for compensatory or punitive damages; claims for back pay; claims relating to legal restrictions on Committees' rights to terminate Hampton or any other claim arising out of or relating to Hampton's employment with Committees, including the termination of employment, to the date of this Agreement;

but excluding any claims which Hampton cannot waive by law and claims for breach of this Agreement.

b) Nothing contained in this Agreement shall be construed as limiting or operating to limit Hampton's right to file a charge of discrimination with the EEOC or any state, county or municipal agency charged with investigating employment discrimination or civil rights claims. In addition, nothing herein shall be construed to prohibit or shall operate to prevent Hampton from cooperating or communicating with any such federal, state, county or municipal agency with respect to any charge of discrimination pending before that agency. However, Hampton agrees, in the event that she may be included in any administrative charge or investigation or may be a member of a class, to waive any right to further monetary recovery should any administrative or governmental agency or any other person or entity, pursue any claims on her behalf against the persons or entities covered by the release of this Agreement for any claims covered by this release.

c) In exchange for the consideration described in this Agreement, the Released Parties warrant that they have no charges or claims of any nature pending in any federal, state, municipal agency, court or tribunal against Hampton which are not addressed herein, and agree to forever waive, release, and discharge Hampton, her heirs, assigns, agents, attorneys and beneficiaries from any and all claims, actions, causes of action, obligations for damages (including, but not limited to, compensatory, exemplary, and punitive damages), losses, expenses, attorneys' fees or costs, back pay, loss of earnings, debts, reinstatement and any and all other demands, whether known or unknown, which they may have or had against Hampton up to the date of execution of this

Agreement, but excluding any claims which cannot waive by law and claims for breach of this Agreement .

3. **Dismissal of Litigation.** Hampton has filed the Litigation, case number 18 CV 2069. Within seven (7) days of receipt of the Settlement Proceeds by Hampton's counsel, Hampton will file a stipulation to dismiss the Litigation. Each party will bear her or its fees and costs, except as otherwise specified in Paragraph 1 of this Agreement.

4. **Other Claims.** The Released Parties and Hampton, represent and warrant that they have no other pending claims, lawsuits, charges, grievances, or causes of action of any kind against each other. Hampton agrees that she has been compensated for all wages, including bonuses, in accordance with state and federal wage and hour laws and that she is not aware of any facts that exist to the contrary.

5. **No Admission of Liability.** It is understood and agreed by the Released Parties and Hampton that this Agreement represents a compromise settlement of disputed claims and that the promises and payment in consideration of this Agreement shall not be construed to be an admission of any liability or wrongdoing by any party to any other party or to any other person.

6. **Media Statements Regarding Settlement.** Upon the execution of this Agreement and the receipt of the Settlement Proceeds by Hampton's counsel, Hampton and the Released Parties agree that each may publicly issue a statement (Hampton in the same form as the draft that was provided by Hampton's counsel in the course of negotiations of this Agreement, and the Released Parties in the form provided by Defendants' counsel prior to execution of this Agreement).

7. **Non-disparagement.** Effective the date the Parties sign this Agreement, Hampton agrees not to disparage the Committees and/or the following individuals who have held positions

with the Committees: Amanda Gaspar, Michael Kasper, Michael J. Madigan, Mary Morrissey, Marty Quinn, Heather Wier Vaught, Craig Willert, and Emily Wurth and their legal representatives in this suit in any manner likely to be harmful to its/their business or reputation. The Committees and/or the following individuals who have held positions with the Committees: Amanda Gaspar, Michael Kasper, Michael J. Madigan, Mary Morrissey, Marty Quinn, Heather Wier Vaught, Craig Willert, and Emily Wurth and their legal representatives in this suit agree not to disparage Hampton and/or her legal representatives in this suit, in any manner likely to be harmful to her/their business or reputation. It is the intent of the Parties to refer to each other in a neutral manner. If the Parties violate the covenants contained in this Paragraph, the aggrieved party shall be entitled to seek injunctive relief to restrain any further violations or threatened violations in either the Circuit Court of Cook County Illinois or the federal district court for the Northern District of Illinois.

8. **Reports to Government Entities.** Nothing in this Agreement restricts or prohibits Hampton from initiating communications directly with, responding to any inquiries from, providing testimony before, providing confidential information to, reporting possible violations of law or regulation to, or from filing a claim or assisting with an investigation directly with a self-regulatory authority or a government agency or entity, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General (collectively, the “Regulators”), or from seeking legal counsel associated with any complaint or report or making other disclosures that are protected under the whistle blower provisions of state or federal law or regulation. Please take notice that federal law provides criminal and civil immunity to federal and state claims for trade secret misappropriation to individuals who disclose a trade secret to their attorney, a court, or a government official in certain, confidential

circumstances that are set forth at 18 U.S.C. §§ 1833(b)(1) and 1833(b)(2), related to the reporting or investigation of a suspected violation of the law, or in connection with a lawsuit for retaliation for reporting a suspected violation of the law. Hampton does not need the prior authorization of the Committees to engage in such communications with the Regulators, respond to such inquiries from the Regulators, provide Confidential Information or documents to the Regulators, or make any such reports or disclosures to the Regulators.

9. **Waiver of Reemployment.** Hampton acknowledges and agrees that her engagement with the Committees has ceased and will not be resumed any time in the future. Hampton agrees not to seek employment or any engagements with the Democratic Majority, Friends of Michael J. Madigan and the 13th Ward Democratic Organization. With respect to the Democratic Party of Illinois, Hampton agrees not to seek employment or any engagements with this committee for a period of seven (7) years from the date of this Agreement. Hampton also agrees that if she inadvertently applies for employment with any of the Committees, she shall immediately withdraw her application upon notification to the entity to which she is seeking employment. Hampton further agrees and recognizes that if she applies and/or is hired by the Committees (excluding the Democratic Party of Illinois) in the future, this Agreement is sufficient and appropriate legal grounds for denying employment and/or terminating Hampton's employment. Nothing in this Paragraph will prevent Hampton from seeking engagement or employment with any political campaign, political candidate, political action committee or advocacy group of any kind, including any which the Committees may support, with the understanding that such employment or engagement is not deemed employment or engagement with or by the Committees.

10. **Voluntary Agreement.** The Parties understand and agree as follows:

a. The Parties have carefully read and fully understand all of the provisions of this Agreement, which is written in a manner that each clearly understands.

b. The Parties are entering into this Agreement knowingly, voluntarily, and with full knowledge of its significance, and the Parties have not been coerced, threatened, or intimidated into signing this Agreement;

c. The Parties have been represented by counsel and have consulted with counsel before signing this Agreement.

11. **Entire Agreement/Severability.** This Agreement constitutes and contains the entire settlement and understanding between the Parties concerning the subject matter of this Agreement, and supersedes all prior negotiations, proposed agreements or understandings, if any, among the Parties concerning any of the provisions of this document. The Parties agree that if any provision of this Agreement or application thereof is held to be invalid, the invalidity shall not affect the validity and enforceability of any other provisions or applications of this Agreement.

12. **Binding and Contractual Nature of Agreement.** This Agreement shall be binding upon the Parties and their heirs, assigns, administrators, executors, beneficiaries, legal representatives, affiliates, subsidiaries, parents and successors of all Parties and shall inure to the benefit of all Parties or their heirs, assigns, administrators, executors, beneficiaries, legal representatives, affiliates, subsidiaries, parents and successors. Hampton and the Released Parties agree that this Agreement constitutes a contract, and, that unless otherwise specified, any action for breach of this Agreement shall be limited to an action for breach of contract, and the Released Parties and Hampton retains no right to reinstitute the Lawsuit, or file any other litigations, lawsuits and complaints against the Released Parties for events that occurred prior to the date this Agreement is signed.

13. **Enforcement of Agreement.** The Parties acknowledge and agree that, after the Litigation has been dismissed with prejudice, if any party breaches this Agreement, as determined



by a court of competent jurisdiction, the non-breaching party may file an action for breach of contract against such breaching party, in addition to any other available remedies. In such an event, the non-prevailing party shall be obligated to pay to the prevailing party its reasonable court costs (not including attorneys' fees) incurred in enforcing this Agreement. The Parties agree that prior to initiating an action for breach of contract the non-breaching party shall provide at least seven (7) days written notice to the counsel of the breaching party in order to allow the breaching party the opportunity to cure the breach.

14. **Interpretation and Governing Law.** This Agreement shall be interpreted in accordance with the plain meaning of its terms and not strictly for or against any of the Parties. This Agreement is made and entered into in the State of Illinois, and shall in all respects be interpreted, enforced and governed by and under the laws of the State of Illinois.

15. **Execution of Agreement.** This Agreement may be executed in one or more counterparts, and/or by electronic .pdf format or facsimile signature, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

**THIS SPACE INTENTIONALLY LEFT BLANK**

**THE UNDERSIGNED HAVE READ THE FOREGOING SETTLEMENT AGREEMENT AND RELEASE, FULLY UNDERSTAND IT AND VOLUNTARILY AGREE TO IT.**

**AGREED TO BY:**

**ALAINA HAMPTON**

**13TH WARD DEMOCRATIC ORGANIZATION**

\_\_\_\_\_

**Dated:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Dated:** \_\_\_\_\_

FRIENDS OF MICHAEL J. MADIGAN

**By:** \_\_\_\_\_

**Dated:** \_\_\_\_\_

DEMOCRATIC MAJORITY

**By:** \_\_\_\_\_

**Dated:** \_\_\_\_\_

DEMOCRATIC PARTY OF ILLINOIS

**By:** \_\_\_\_\_

**Dated:** \_\_\_\_\_