

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Agreement”) is made and entered into on the last date subscribed below by and between Vicky A. Schneider (“Schneider”) and the City of Sheboygan (the “City”). Schneider and the City may be referred to in this Agreement collectively as the “Parties.”

RECITALS

WHEREAS, Schneider filed a lawsuit against the City on January 17, 2024, in the United States District Court for the Eastern District of Wisconsin, Case No. 24-cv-049, alleging a claim for retaliatory discrimination against the City in contravention of Title VII (hereinafter, the “Lawsuit”);

WHEREAS, the City denies that violated the law on any basis;

WHEREAS, the Parties wish to put all matters behind them and avoid the expense and disruption of further litigation between them on mutually agreeable terms by amicably entering into this Agreement; and

WHEREAS, the Parties have reached an agreement to accomplish such resolution and enter this Agreement to give effect to their agreed resolution.

AGREEMENT

NOW THEREFORE, for and in consideration of the promises of the Parties, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by both Parties, the Parties agree as follows:

1. Recitals Incorporated. The foregoing recitals are incorporated as part of this Agreement.

2. Settlement. The City does not admit that it has infringed upon Schneider’s legal rights, and entry into this Agreement does not constitute any admission or evidence of unlawful conduct.

However, in the exercise of its business judgment, to settle Schneider’s claim against the City, and for other good and valuable consideration as stated herein, the City will cause Schneider and her legal counsel to be paid, as outlined in Paragraph 3 below, a total of One Hundred Fifty Thousand Dollars (\$150,000.00) in full and final settlement of all of Schneider’s claims or potential claims against the City, whether known or unknown, from the beginning of time to the date she signs this Agreement, inclusive of attorney’s fees and costs. **This Agreement, and the City’s ability to enter into it, is entirely contingent upon Common Council approval. If the Common Council does not approve this Agreement, the City has no authority to enter into this Agreement and the Agreement cannot be finalized, does not go into effect in any way and is not enforceable. In the event the Common Council does not approve this Agreement, neither Schneider nor the City is obligated under any provision of this Agreement, including but not limited to Schneider’s waiver of claims and the City’s payment of settlement proceeds pursuant to this Agreement.**

3. Allocation of Settlement Proceeds and Tax Treatment. Schneider and the City agree and acknowledge that as part of the consideration under this Agreement, the City will pay:

- a. **Eighty-Six Thousand, Five-Hundred Three dollars and Seventy-Four cents (\$86,503.74)**, less applicable tax withholdings, to Schneider as consideration for entering into this Agreement. This is a wage payment. To facilitate payment, Schneider agrees to fully execute an IRS W-4 form and return it to the City's counsel at: William Fischer, Esq., von Briesen & Roper, s.c., 55 Jeweler's Park Drive, Suite 400, Neenah, Wisconsin 54956-3768. The City will withhold from this payment payroll taxes, including, but not limited to, federal and state income taxes and the employee's share of social security and Medicare taxes. Although characterized as a wage payment for tax purposes, this payment to Schneider encompasses payment in full and final settlement of all of her claims or potential claims against the City, whether known or unknown, from the beginning of time to the date she signs this Agreement and all the wage and non-wage remedies attendant thereto excluding attorney's fees and costs.
- b. **Sixty-Three Thousand, Four-Hundred Ninety-Six dollars and Twenty-Six Cents (\$63,496.26)** to Plaintiff's legal counsel, Fox & Fox, S.C., as consideration for entering into this Agreement. This is a non-wage payment. The Parties agree and acknowledge that this is payment for Schneider's attorney fees and costs. To facilitate this payment, Schneider agrees that her lawyer will fully execute an IRS W-9 form and return it to Defendants' counsel at: William Fischer, Esq., von Briesen & Roper, s.c., 55 Jeweler's Park Drive, Suite 400, Neenah, Wisconsin 54956-3768.

Provided the Common Council approves this Agreement, the payments described herein shall be due within fourteen (14) days after approval of the Settlement Agreement by Common Council and (i) the receipt of the IRS forms referenced in this paragraph by the City's counsel; (ii) Schneider fully executes a joint motion or stipulation for dismissal of the Lawsuit (to be filed within one week of Schneider's receipt of the payments); (iii) Schneider's execution of this Agreement and delivery of the same to the City's counsel.

4. No Future Hire. Schneider agrees that she will not seek or accept employment in the future with or through the City.

5. Waiver and Release. For the valuable consideration from the City as described in this Agreement, Schneider, for herself and her executors, successors, heirs, assigns, personal representatives, administrators, and attorneys, hereby forever, irrevocably, and unconditionally releases and discharges with prejudice the City, and its officers, agents, employees, representatives, attorneys, affiliates, insurers, successors and assigns and each of them (collectively, the "Released Parties"), and all other persons acting by, through, under, or in concert with any of the Released Parties, from and against any and all grievances, demands, damages, actions, lawsuits, causes of action or claims of any kind or character, in law or equity, whether known or unknown, anticipated or unanticipated, which Schneider ever had, now has, or which may hereafter accrue by reason of any matter, cause or thing occurring on or before the date of this Agreement, including without limitation any and all liability based on contract, tort, statute, or common law that she might have

based upon her employment with the City and/or the conclusion of that employment.

The waiver and release in this Paragraph includes, without limitation, a release of rights or claims that Schneider may have: (i) for discrimination, retaliation, suspension, wrongful or constructive discharge, failure to interview, hire, appoint, transfer, promote or take any other action relating to the employment of Schneider by the City, hostile work environment, harassment, intentional infliction of emotional distress, invasion of privacy, libel, slander, defamation, civil conspiracy, personal injury, breach of contract, impairment of economic opportunity and interference with contract or prospective business relationships; (ii) for violations of her constitutional rights, including but not limited to those provided by the First Amendment, Fourteenth Amendment, under the United States and Wisconsin Constitutions; 42 U.S.C. §§ 1981, 1981a, 1983, 1984, 1985, 1986 and 1988; Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e et seq.; (iii) for violations under the Americans with Disabilities Act, 42 U.S.C. § 12101 et seq.; the United States Family and Medical Leave Act, 29 U.S.C. § 2601 et seq.; the Civil Rights Act of 1991, 42 U.S.C. § 1981 et seq.; the Consolidated Omnibus Budget Reconciliation Act of 1985, 29 U.S.C. § 1161 et seq.; the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq.; the Federal Health Insurance Portability and Accountability Act of 1996 (Pub. L. 104-191), 42 U.S.C. § 201 et seq.; the Wisconsin Family and Medical Leave Act, the Age Discrimination in Employment Act of 1967, 29 U.S.C. § 621 et seq.; the Wisconsin Fair Employment Act, and the Older Workers Benefit Protections Act; (iv) for violations under any other law, ordinance or regulation prohibiting discrimination or otherwise regulating or relating to the employment of Schneider by the Released Parties or any activities in connection therewith (including, without limitation, the termination thereof) or for any compensatory or punitive damages, injunctive or declaratory relief or attorneys' fees and costs actually incurred; and/or (v) for any other complaints, charges, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, suits, rights, losses, debts, and expenses (including attorneys' fees and costs actually incurred) of any nature, known or unknown, suspected or unsuspected, that might have been, or could have been, asserted by Schneider against the Released Parties as of the date of this Agreement.

6. Scope of Release and Dismissal of Pending Claims. Schneider acknowledges that she and/or her representatives may hereafter discover claims or facts in addition to or different from those that they now know or believe to exist with respect to any of the released claims in this Agreement, but that it is their intention to fully, finally and forever settle and release all of the matters released in Paragraph 5 of this Agreement. In furtherance of this intention, any releases granted in this Agreement shall be and remain in effect notwithstanding the discovery of any such additional or different claims or facts.

This Agreement bears the intent to fully and finally compromise and settle all claims and matters of any nature against the City, and the release in Paragraph 5 should be construed as broadly as possible. The release, however, does not affect those rights or claims that cannot be waived by law. **Schneider shall cause any pending claim(s) she has against the Defendants to be dismissed with prejudice and shall complete and execute any document necessary to effectuate such dismissal.**

7. Confidentiality. Schneider agrees to uphold her obligation to maintain confidentiality with respect to all confidential and non-public information relating to her employment with the City that she had knowledge of or access to during her employment with the City (the "Confidential Information"). This does not preclude Schneider from discussing the general nature of her

employment with prospective employers. This provision does not prohibit Schneider from testifying under oath in a legal proceeding in response to court order or other legal process. In the event that Schneider is requested by court order or any other legal process to provide information that she acquired during her employment with the City of Sheboygan, she agrees to notify the Released Parties attorneys of record in this litigation of such request within forty-eight (48) hours.

8. Disclaimer of Liability. The Parties represent and warrant that there was no prevailing party in the Lawsuit. The Parties understand that the consideration described in paragraph 1 is not to be construed as an admission of liability by the City or the Released Parties, but represents the compromise of a disputed claim and is intended to resolve the dispute and avoid the costs and risks of litigation arising from the subject matter of the Lawsuit. The City and the Released Parties expressly deny that they are liable to Schneider in any manner or that they engaged in any wrongdoing, liability or non-compliance with any federal, state or local rule, ordinance, statute, common law or other legal obligation.

9. Non-Precedent. The City and Schneider understand and agree that this Agreement shall not be considered, utilized, or cited as precedent with respect to any other matter not related to this Agreement.

10. Entire Agreement, Choice of Law, and Severability. This Agreement sets forth the entire agreement between Schneider and the City with respect to the subject matter of the Agreement, and supersedes any and all prior discussions, agreements, understandings, or contracts between them. This Agreement may not be, and shall not be deemed or construed to be, modified, amended, rescinded, cancelled, or waived, in whole or in part, except by written instrument signed by all Parties hereto. Further, this Agreement shall be governed by the laws of the State of Wisconsin. The provisions of this Agreement are severable, and, if any part of this Agreement is found to be unenforceable, the other provisions shall remain valid and fully enforceable.

11. Advice to Consult Legal Counsel. Since this Agreement includes a waiver of rights, Schneider is advised to and has in fact consulted an attorney before signing this Agreement.

12. Procedure for Accepting or Rescinding the Agreement. To accept the terms of this Agreement, Schneider agrees that she must deliver the Agreement, after she has signed and dated it, to Defendants by hand or by mail or by email to the address below:

William Fischer, Esq.,
von Briesen & Roper, s.c.
55 Jeweler's Park Drive, Suite 400
Neenah, Wisconsin 54956-3768

Since this Agreement includes a waiver of rights, Schneider is advised to consult an attorney before she signs this Agreement. Schneider has **21 days** to consider this Agreement. Upon delivering to the City's counsel an executed original or copy of this Agreement as described in this Paragraph, this Agreement shall be binding, except Schneider shall have **seven (7) days** to revoke her release of any claims she may have under the federal Age Discrimination in Employment Act.

13. Interpretation. The headings in this Agreement are intended for convenience only and

shall not affect the meaning or interpretation hereof. In interpreting this Agreement, whenever the context so permits, (i) the singular shall include the plural and the plural shall include the singular and (ii) any gender shall include all genders.

14. Counterparts. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and each of which shall be deemed an original. The Parties agree that a signature affixed to a counterpart of this Agreement and delivered by facsimile or other electronic means by a Party shall be valid, binding, and enforceable against such Party.

15. Successors and Assigns. The rights and obligations of the Parties under this Agreement shall be binding and inure to the benefit of the heirs, successors, assigns, officers, executors, administrators, directors, employees, agents, attorneys, insurers, predecessors, successors, and/or affiliates, as applicable, of the Parties.

16. Breach. The Parties agree that if either Party brings an action to enforce this Agreement and prevails before a court of competent jurisdiction, the non-breaching Party shall be awarded its reasonable attorneys' fees and costs incurred in bringing the action to enforce this Agreement.

17. No Strict Construction. Schneider and the City acknowledge and agree that each of them has had the opportunity to review the language of this Agreement with legal counsel, and, whether or not Schneider has chosen to consult legal counsel, the language contained herein shall be deemed to have been mutually chosen and the normal rule of contract construction to the effect that any ambiguities are to be resolved against the Party drafting a contract shall not be employed in the interpretation of this Agreement.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed in the capacities noted and on the dates set forth below:

City of Sheboygan

Vicky A. Schneider

By: Charles Adams, in his
official capacity, on behalf of
the City of Sheboygan

Vicky A. Schneider, in her individual
capacity

Date: _____

Date: _____