

SETTLEMENT AGREEMENT

BETWEEN

THE UNITED STATES OF AMERICA

**AND PAUL JEFFREY PRITCHARD, THE PAUL JEFFREY PRITCHARD TRUST,
THE KIM SUSANNE PRITCHARD TRUST, KIM SUSANNE PRITCHARD AND
DEBRA M. SCHMIDT**

I. INTRODUCTION

1. This Settlement Agreement (“Agreement”) is made and entered into by and between Plaintiff, the United States of America (“the United States”), through the United States Department of Justice, and Defendants Paul Jeffrey Pritchard, the Paul Jeffrey Pritchard Trust, the Kim Susanne Pritchard Trust, Kim Susanne Pritchard, and Debra M. Schmidt, through their authorized representatives. Plaintiff and Defendants are referred to collectively as “the Parties.” Paul Jeffrey Pritchard, individually and as the trustee of the Paul Jeffrey Pritchard Trust; the Paul Jeffrey Pritchard Trust; the Kim Susanne Pritchard Trust; Kim Susanne Pritchard, as the trustee of the Kim Susanne Pritchard Trust; and Debra M. Schmidt are referred to collectively as “Defendants.”

II. RECITALS

2. This Agreement resolves a Complaint filed on April 10, 2017 in *United States v. Pritchard*, No. 6:17-cv-01081-EFM-GEB, in the United States District Court for the District of Kansas. The complaint, filed by the United States on behalf of Shelley McPherson and her minor granddaughter (“Complainants”), against Defendants, alleges violations of the Fair Housing Act (“FHA”), as amended, 42 U.S.C. §§ 3601 *et seq.* (hereinafter “Civil Action”).

3. Defendants are the owners, operators, and managers of Northridge Apartments (“Subject Property”), a 16-unit multifamily property located at 525 West 37th Street North in

Wichita, Kansas. Units at the Subject Property are “dwellings” within the meaning of 42 U.S.C. § 3602(b).

4. Defendants Paul Jeffrey Pritchard Trust and Kim Susanne Pritchard Trust own the Subject Property. Defendant Paul Jeffrey Pritchard is the trustee of the Paul Jeffrey Pritchard Trust, and Defendant Kim Susanne Pritchard is the trustee of the Kim Susanne Pritchard Trust. Defendant Paul Jeffrey Pritchard is or was at the time of the events alleged in the complaint an agent of the Paul Jeffrey Pritchard Trust, the Kim Susanne Pritchard Trust, and/or Kim Susanne Pritchard, and provided management services for the Subject Property. Defendant Debra M. Schmidt is or was at the time of the events alleged in the complaint an agent of Paul Jeffrey Pritchard, the Paul Jeffrey Pritchard Trust, the Kim Susanne Pritchard Trust, and/or Kim Susanne Pritchard, and provided management services for the Subject Property.

5. On December 15, 2014, Complainants filed an administrative complaint with the United States Department of Housing and Urban Development (“HUD”) alleging discrimination by Defendants in violation of the FHA. The complaint was amended on January 6, 2015 and on October 31, 2015. The Secretary of HUD (“the Secretary”) completed an investigation of the complaint, which included, among other things, extensive interviews of Shelley McPherson, Paul Jeffrey Pritchard, Debra M. Schmidt, other property management staff, and current and former residents of the Subject Property. Following the investigation, on December 22, 2016, the Secretary issued a Determination of Reasonable Cause and Charge of Discrimination, charging Defendants with discriminatory housing practices in violation of the FHA.

6. Complainants and Defendants elected on January 10, 2017 and January 12, 2017, respectively, to have the Charge of Discrimination resolved in a civil action filed in federal

district court. The Secretary therefore authorized the Attorney General to commence this Civil Action, pursuant to 42 U.S.C. § 3612(o) of the FHA.

7. On April 10, 2017, the United States filed this Civil Action to enforce the provisions of the FHA.

8. The United States' Complaint alleges that Defendants have engaged in housing practices that discriminate on the basis of familial status by:

- a. terminating the lease of Shelley McPherson, a tenant at the Subject Property, because she began living with her minor grandchild and sought to have the child added to her lease;
- b. making discriminatory statements to Ms. McPherson indicating that Defendants had a preference against renting dwelling units at the Subject Property to families with minor children; and
- c. adopting and implementing a policy of refusing to rent dwelling units at the Subject Property to families with minor children.

9. The United States alleges that, through this conduct, Defendants have:

- a. Violated 42 U.S.C. § 3604(a) by making unavailable and/or denying housing because of familial status;
- b. Violated 42 U.S.C. § 3604(b) by discriminating in the terms, conditions, or privileges of rental of a dwelling, and/or in the provision of services or facilities in connection therewith, because of familial status; and
- c. Violated 42 U.S.C. § 3604(c) by making, printing, or publishing, and/or causing to be made, printed or published, any notice, statement, or advertisement, with respect to the rental of a dwelling that indicates any

preference, limitation, or discrimination based on familial status, or an intention to make any such preference, limitation, or discrimination.

III. STATEMENT OF CONSIDERATION

10. In consideration of, and consistent with, the terms of this Agreement, the Parties will move jointly for dismissal under Federal Rule of Civil Procedure 41(a)(1) of the lawsuit entitled *United States v. Pritchard*, No. 6:17-cv-01081-EFM-GEB (D. Kan.), within 15 days of the date on which Shelley McPherson receives the funds referenced in Section IV, Paragraph 12 of this Agreement. The Parties agree and acknowledge that this consideration is adequate and sufficient.

11. Defendant Paul Jeffrey Pritchard, who owns and/or manages residential rental properties other than Northridge Apartments, has attested that Defendants do not have at any other residential rental property that he owns or manages a policy or practice of refusing to rent dwellings to households with children under the age of 18, or limiting where such households may live.

IV. TERMS AND CONDITIONS

12. Within 30 days of the effective date of this Agreement, Defendants shall pay a total of \$25,000.00 (twenty-five thousand dollars) in monetary damages to Complainants by delivering to counsel for the United States a check payable to Shelley McPherson. Upon receipt of this check, counsel for the United States shall deliver a signed release in the form of **Appendix D** from Shelley McPherson to counsel for Defendants. Ms. McPherson shall not receive the check until she has signed and delivered to counsel for the United States the release at **Appendix D**.

A. Prohibited Conduct and Affirmative Obligations

13. Defendants, their agents, employees, successors, and all other persons in active concert or participation with them, agree that they shall not, with respect to the rental or sale of any dwelling¹:

- a. Refuse to rent or sell a dwelling, refuse or fail to provide or offer information about a dwelling, refuse to negotiate for the rental or sale of a dwelling, or otherwise make unavailable or deny a dwelling to any person because of familial status in violation of 42 U.S.C. § 3604(a);
- b. Discriminate against any person in the terms, conditions, or privileges of the rental or sale of a dwelling, or in the provision of services or facilities in connection therewith, because of familial status in violation of 42 U.S.C. § 3604(b); and
- c. Make any statement, oral or written, in connection with the rental or sale of a dwelling, that expresses or indicates any preference, limitation, or discrimination, or an intent to make any such preference, limitation, or discrimination, on the basis of familial status in violation of 42 U.S.C. § 3604(c).

14. The provisions of this Section shall apply to the Subject Property and all dwellings in which any Defendant has or acquires a direct or indirect ownership, management, or other financial interest. Defendants agree that the Subject Property does not satisfy the requirements for Housing for Older Persons, *see* 42 U.S.C. § 3607(b), and agree that they will

¹ The term “dwellings” has the meaning set out in the Fair Housing Act, 42 U.S.C. § 3602(b).

not seek to qualify the Subject Property as Housing for Older Persons within the time period this Agreement is in effect.

B. Non-Discrimination Policy and Notice to Public

15. Within 15 days of the effective date of this Agreement, Defendants shall distribute a copy of the Agreement to all persons renting dwelling units at the Subject Property as of the effective date of this Agreement.

16. Upon the effective date of this Agreement, Defendants shall implement at the Subject Property the Nondiscrimination Policy appearing at **Appendix A**.

17. Within 15 days of the effective date of this Agreement and throughout its term, Defendants shall distribute the Nondiscrimination Policy to all of their current tenants, and, in accordance with Paragraph 19, to Defendants' employees, agents, and anyone acting under the direction of Defendants who has responsibility for showing, renting, managing, or operating any and all dwellings at the Subject Property.

18. Within 15 days of the effective date of this Agreement, and continuing throughout the term of the Agreement, Defendants shall take the following steps to notify the public of Defendants' commitment to not discriminate in the rental of dwellings:

- a. Prominently post at the rental office(s) that Defendants use at any time during this Agreement to transact business related to the rental of dwellings, a fair housing sign no smaller than ten (10) inches by fourteen (14) inches that indicates that all rental dwelling units are available for rent on a nondiscriminatory basis. A poster that comports with 24 C.F.R. Part 110 will satisfy this requirement;

- b. Include the words "Equal Housing Opportunity" and/or the fair housing logo in all rental advertising for the Subject Property conducted by Defendants, or their agents or employees, in any medium, online, in print or otherwise, including in or on websites, newspapers, flyers, handouts, telephone directories and other written materials; on radio, television, internet or other media broadcasts; and on billboards, signs, pamphlets, brochures and other promotional literature, provided that this requirement does not compel Defendants to advertise in any of these media, but does require compliance with this provision whenever Defendants so advertise. The words and/or logo shall be prominently placed and easily readable; and
- c. Include the following phrase in all rental application(s) and all rental agreement(s) used in the future for rental dwelling units at all properties owned or managed by Defendants in boldface type, using letters of equal or greater size to those of the text in the body of the document:

We are an equal housing opportunity provider. We do not discriminate on the basis of race, color, sex, national origin, religion, disability or familial status (residing with children under age 18).

C. Training

19. Within 15 days of the effective date of this Agreement, Defendants shall provide a copy of this Agreement to their current employees and agents who are or were involved in showing, renting, managing, or operating any dwelling unit at the Subject Property. Defendants shall secure a signed statement from each such agent or employee acknowledging that he or she has received and read the Agreement and the Nondiscrimination Policy (**Appendix A**), has had the opportunity to have questions about the Agreement and Nondiscrimination Policy answered,

and agrees to abide by the relevant provisions of the Agreement and the Nondiscrimination Policy. This statement shall be in the form of **Appendix B**. If Defendants have sold or transferred all their interest in the Subject Property in an arms-length transaction pursuant to Paragraph 29 and have been relieved of their obligation to distribute the Nondiscrimination Policy to their agents and employees, Defendants shall obtain the acknowledgements described in this Paragraph as to the receipt of the Agreement, but not the Nondiscrimination Policy. Defendants shall revise the form appearing at **Appendix B** accordingly.

20. During the term of this Agreement, within 30 days after each new agent or employee becomes involved in showing, renting, managing or operating any dwelling unit at the Subject Property, Defendants shall provide a copy of this Agreement and the Nondiscrimination Policy to each such agent or employee and secure a signed statement from each agent or employee acknowledging that he or she has received and read the Agreement and the Nondiscrimination Policy (**Appendix A**), has had the opportunity to have questions about the Agreement and Nondiscrimination Policy answered, and agrees to abide by the relevant provisions of the Agreement and the Nondiscrimination Policy. This statement shall be in the form of **Appendix B**.

21. Within 90 days from the effective date of this Agreement, Defendants and all their agents and employees, including Defendants Paul Jeffrey Pritchard, Kim Susanne Pritchard, and Debra M. Schmidt, and other agents or employees associated with the operations of the Subject Property, shall undergo in-person training on the Fair Housing Act, with specific emphasis on discrimination on the basis of familial status. The training shall be conducted by an independent, qualified third party, approved in advance by the United States, and shall last at least two hours. Any expenses associated with this training shall be borne by Defendants. Each individual who

receives the training shall execute the Certificate of Training, attached hereto as **Appendix C**.

22. During the term of this Agreement, all new agents or employees responsible for showing, renting, managing, and/or operating dwelling units at the Subject Property must receive the fair housing training, described in Paragraph 21, within 60 days of beginning their employment or agency and shall complete **Appendix C**.

D. Non-Discrimination Standards and Procedures

23. Within 30 days from the effective date of this Agreement, Defendants shall develop and submit to the United States, with respect to the Subject Property, objective, uniform, non-discriminatory standards and procedures for informing persons about and showing available dwelling units to prospective tenants. The portions of such standards and procedures that provide protections for tenants and prospective tenants from discrimination on the basis of familial status shall be approved by the United States in advance of their implementation and shall be consistent with the provisions of Section IV, Subsection D. Within 5 days of when the United States approves the standards and procedures, Defendants shall implement and prominently display them in any office where there is rental activity and/or personal contact with tenants or prospective tenants. Defendants and their agents and employees shall make available a copy of these standards and procedures upon request to any prospective tenant for the rental of a dwelling. For the duration of this Agreement, these standards and procedures may be modified only if written notice is given to counsel for the United States 30 days before the proposed modifications are to take effect and the United States makes no objection thereto.

24. The nondiscriminatory standards and procedures discussed in Paragraph 23, above, shall include the use of the following documents, which Defendants shall update for the Subject Property as new information becomes available, and retain for the duration of this

Agreement:

- a. Guest Cards: Defendants shall ensure that, for all prospective tenants who inquire in person about dwelling units, a Guest Card or other similar record is completed, either by the prospective tenant and/or Defendants that contains:
 - i. The date of the prospective tenant's visit and, when the prospective tenant agrees to provide the information, the prospective tenant's name, address, daytime, and evening telephone numbers;
 - ii. The dwelling size the prospective tenant requests and the date on which the prospective tenant wishes to move;
 - iii. Whether the prospective tenant filled out an application;
 - iv. Whether the prospective tenant was invited to see available dwelling units, and if not invited, an explanation why not; and
 - v. The names of all employees/agents who assisted the prospective tenant.

- b. Phone Logs: Defendants shall ensure that, for all prospective tenants who inquire by telephone about dwelling units, Defendants shall maintain a phone log that contains the following information:
 - i. The date of the prospective tenant's phone call and, when the prospective tenant agrees to provide the information, the prospective tenant's name and telephone number(s);
 - ii. The date and time on which the prospective tenant is going to view the dwellings;

- iii. The dwelling size the prospective tenant requests and the date on which the prospective tenant wishes to move;
 - iv. Whether the prospective tenant was invited to see available dwelling units, and if not invited, an explanation why not; and
 - v. The names of all employees/agents who assisted the prospective tenant.
- c. Availability List: Defendants shall ensure that they maintain and timely update an Availability List that includes the unit numbers and dwelling size known to be available or reasonably expected to be available for rental within 30 days, including the date either the Defendants or Defendants' agent(s) was first informed each would be available for rental and the first date it would be available for rental or occupancy by a new tenant. Defendants, their agents, and their employees shall share the information on the Availability List with each person who visits or calls to inquire about the availability of dwelling units.
- d. Rental Applications: Defendants, their agents, and their employees shall provide and process rental applications on a non-discriminatory basis and shall maintain all rental applications, whether deemed complete or incomplete, and any correspondence about the availability of dwelling units.
- e. Waiting Lists: Defendants, their agents, and their employees shall maintain waiting lists in a non-discriminatory manner and develop uniform standards for selecting individuals from the list.

E. Compliance Testing

25. The United States may take steps to monitor Defendants' compliance with this Agreement including, but not limited to, conducting fair housing tests at any office(s) or locations at which Defendants conduct rental activities.

F. Reporting and Document Retention Requirements

26. Defendants shall, no later than 15 days after occurrence, provide to the United States notification and documentation of the following events:²

- a. Any change to the rules or practices regarding the nondiscrimination policy discussed in Section IV, Subsection B, or the nondiscriminatory standards and procedures discussed in Section IV, Subsection D, above;
- b. Proof of notification of the Agreement and/or the nondiscrimination policy described in Section IV, Subsections B and D, including executed copies of the Acknowledgment forms, appearing at **Appendix B**; certifications of training, appearing at **Appendix C**, and a list of the names and addresses of all tenants to whom the Agreement and/or the nondiscrimination policy was provided;
- c. Photographs of each office in which rental activity is conducted showing

² All correspondence required to be sent to the United States under the provisions of this Settlement Agreement shall be sent to the U.S. Department of Justice, Civil Rights Division, Housing and Civil Enforcement Section, ATTN: DJ# 175-29-117, at the following addresses:

Regular U.S. Mail: 950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Overnight Mail: 1800 G Street, N.W.
Suite 7002
Washington, D.C. 20006.

Correspondence may also be sent via electronic mail to the U.S. Department of Justice, care of a representative for the United States whom the United States will designate for Defendants.

the fair housing signs, pursuant to Section IV, Subsection B, of this Agreement;

d. A sample of the rental application and lease adopted and implemented pursuant to Paragraph 18(c) and any modifications to the rental application or lease; and

e. Any written or oral complaint against any of Defendants, or Defendants' agents or employees, regarding discrimination in housing. If the complaint is written, Defendant(s) shall provide a copy of it with the notification. The notification shall include the full details of the complaint, including the complainant's name, address, and telephone number. Defendants shall also promptly provide the United States with all information it may request concerning any such complaint and shall inform the United States within 15 days of the substance of any resolution of such complaint.

27. Within 90 days of the effective date of this Agreement, and every 6 months thereafter for the duration of this Agreement, Defendants shall deliver to counsel for the United States a report containing information regarding their compliance efforts with respect to the Subject Property during the preceding reporting period, including but not limited to:

- a. Executed copies of **Appendices B and C**, to the extent not previously provided;
- b. Notification and documentation of the adoption and implementation of the nondiscriminatory standards and procedures discussed in Section IV, Subsection D, and any modifications to these standards and procedures;

- c. Photographs of each office in which rental activity is conducted showing the Nondiscrimination Standards and Procedures, pursuant to Section IV, Subsection D, of this Agreement;
- d. Copies of rental applications, guest cards, availability lists, rental applications, and other information recorded by any means related to any inquiries regarding the availability of rental dwellings, maintained pursuant to Section IV, Subsection D, of this Agreement; and
- e. Any published advertisements pursuant to Paragraph 18(b).

The final report to the United States shall be submitted no later than 60 days before the expiration of this Agreement.

28. During the period in which this Agreement is in effect, Defendants shall preserve all records for the Subject Property that are the source of, contain, or relate to any of the information pertinent to their obligations under this Agreement, including, but not limited to, all guest cards, availability lists, waiting lists, rental applications, leases, rental roll ledgers, and occupancy lists. Upon reasonable notice to counsel for Defendants, representatives of the United States shall be permitted to inspect and copy all such records at any and all reasonable times or, upon request by the United States, Defendants shall provide copies of such documents.

G. Acquisition or Transfer of Interest in Dwellings

29. If Paul Jeffrey Pritchard or Kim Susanne Pritchard become involved in the management of any residential rental property for which they do not currently have any management responsibilities, they shall inform the United States within thirty (30) days of the commencement of such involvement and provide the date on which the involvement began; the nature of the involvement; the address of the property; and the number of dwelling units. If at

any time prior to or while this Agreement remains in effect, Defendants maintain that its obligations under this Agreement have terminated or changed because any Defendant has sold or transferred all or any portion of the Subject Property to a bona-fide third party purchaser in an arms-length transaction, Defendants shall inform the United States within thirty (30) days of such transaction and provide the date of the sale or transfer, copies of the sale or transfer documents, and the name(s) and contact information for the purchaser. For purposes of this Agreement, "arms-length transaction" is defined as a transaction that has been arrived at in the marketplace between independent, non-affiliated persons, unrelated by blood or marriage, with opposing economic interests regarding that transaction.

30. If any transfer of Defendants' interest in the Subject Property is not an arms-length transaction, Defendants and the new owner(s) shall remain jointly and severally liable for any violations of this Agreement for its duration. If Defendants transfer all ownership, management, and other financial interest in the Subject Property through an arms-length transaction, Defendants shall thereafter be relieved of obligations under Paragraphs 15, 17, 18(b), 20, 22, 23, 24, and 27 of this Agreement with respect to those dwelling units or property in which all interest was so transferred.

V. IMPLEMENTATION AND ENFORCEMENT

31. The United States may review compliance with this Agreement at any time. Defendants agree to cooperate with the United States in any review of compliance with this Agreement. Upon reasonable notice, Defendants shall permit counsel for the United States to inspect and copy all non-privileged records pertinent to this Agreement.

32. The Parties shall endeavor in good faith to resolve informally any differences regarding interpretation of or compliance with this Agreement prior to initiating any court action.

If the United States believes that any Defendant has failed to perform in a timely manner any act required by this Agreement, or otherwise to act in conformance with any provision thereof, whether intentionally or not, the United States shall notify Defendant(s) of its concerns. Defendants shall have fifteen (15) days from the date of the United States' notification to cure the breach.

33. If the Parties are unable to reach a resolution within 15 days, the United States may file a lawsuit for breach of this Agreement, or any provision thereof, in the United States District Court for the District of Kansas. This Court shall serve as the exclusive jurisdiction and venue for any dispute concerning this Agreement. The Parties consent to and agree not to contest the jurisdiction of this Court. The Parties further acknowledge that venue in this Court is appropriate and agree not to raise any challenge on this basis.

34. Neither Paragraph 33, *supra*, nor the commencement of a lawsuit by any Party pursuant to this Paragraph, shall constitute or be construed as a waiver of sovereign immunity by the United States or any other jurisdictional or legal defense available to the United States, including for any counterclaims.

35. In any lawsuit to remedy breach of this Agreement, the United States may seek, in addition to any remedy available under law or equity, an injunction mandating specific performance of any term or provision in this Agreement, without regard to whether monetary relief would be adequate. The United States may also seek an award of reasonable attorneys' fees and costs incurred in bringing an action to remedy breach of this Agreement.

36. Failure by the United States to enforce any provision of this Agreement shall not operate as a waiver of the United States' right or ability to enforce any other provision of this Agreement.

VI. TERMINATION OF LITIGATION HOLD

37. The Parties agree that, as of the date of the effective date of this Agreement, litigation is not “reasonably foreseeable” concerning the matters described in this Agreement. To the extent that any Party previously implemented a litigation hold to preserve documents, electronically stored information (ESI), or things related to the matters described in this Agreement, that Party is no longer required to maintain such a litigation hold. Nothing in this Paragraph relieves any Party of any other obligations under this Agreement.

VII. DURATION, EXECUTION, AND OTHER TERMS

38. This Agreement is effective on the date of signature of the last signatory to the Agreement. The Agreement may be executed in multiple counterparts, each of which together shall be considered an original but all of which shall constitute one agreement. Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

39. The duration of this Agreement shall be for four (4) years from the effective date, or, if Defendants sell or transfer all ownership, management, and other financial interest in the Subject Property in an arms-length transaction pursuant to Paragraph 29, for two (2) years from the date all such interest was sold or transferred, whichever is earlier.

40. Except as stated in Paragraph 35, *supra*, each Party shall bear its own legal or other costs incurred in connection with this litigation, including the preparation, negotiation and performance of this Agreement.

41. This Agreement constitutes the complete agreement among the Parties. No prior or contemporaneous communications, oral or written, or prior drafts shall be relevant or admissible for purposes of determining the meaning of any provision herein or in any other proceeding.

42. Each Party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion. The Parties agree that each Party and its representatives have acted consistent with the duty of good faith and fair dealing.

43. The undersigned represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.

44. This Agreement is binding on the Parties and their transferees, successors, heirs, and assigns.

45. This Agreement is governed by and shall be interpreted under the laws of the United States. For purposes of construing or interpreting this Agreement, this Agreement shall be deemed to have been drafted by all Parties and shall not be construed or interpreted against any Party for that reason in any subsequent dispute.

46. Except where this Agreement expressly conditions or predicates performance of a duty or obligation upon the performance of a duty or obligation by another Party, the performance of one Party's duties or obligations under this Agreement shall not be discharged or excused by the actual or alleged breach of the duties and obligations of another Party.

47. This Agreement is a public document. The Parties agree and consent to the United States' disclosure of this Agreement and information concerning this Agreement to the public.

48. Should any provision of this Agreement be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement.

49. The Parties agree that they will defend this Agreement against any challenge by any third party. In the event that this Agreement or any of its terms are challenged in a court other than the United States District Court for the District of Kansas, the Parties agree that they will seek removal and/or transfer to the United States District Court for the District of Kansas.

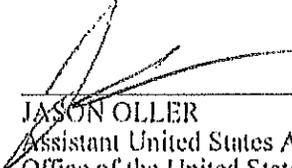
50. This Agreement may be modified only with the written consent of the Parties. Any modification must be in writing and signed by the Parties through their authorized representatives.

For Plaintiff, the United States:

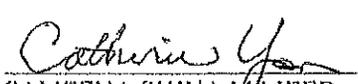
DATED: June 2 2017

TOM BEALL
United States' Attorney
District of Kansas

T.E. WHEELER, II
Acting Assistant Attorney General
Civil Rights Division



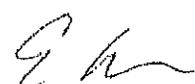
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DATED: June 1 2017



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APPENDIX A

NONDISCRIMINATION POLICY

It is the policy of the owners and operators of Northridge Apartments – Paul Jeffrey Pritchard, the Paul Jeffrey Pritchard Trust, the Kim Susanne Pritchard Trust, and Kim Susanne Pritchard – to comply with Title VIII of the Civil Rights Act of 1968, as amended, commonly known as the Fair Housing Act, by ensuring that apartments are available to all persons without regard to race, color, religion, national origin, disability, sex, or familial status. This policy means that, among other things, the owners and operators of Northridge Apartments and all their agents and employees with the responsibility for renting, managing, or administering any dwelling units must not discriminate in any aspect of the rental of dwellings against qualified applicants or tenants. Specifically, they may not:

- A. Refuse to rent, refuse to negotiate for the rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, national origin, disability, sex, or familial status (residing with a child under eighteen);
- B. Discriminate against any person in the terms, conditions or privileges of rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, religion, national origin, disability, sex, or familial status (residing with a child under eighteen);
- C. Make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, national origin, disability, sex, or familial status (residing with a child under eighteen); or
- D. Represent to persons because of race, color, religion, national origin, disability, sex, or familial status (residing with a child under eighteen) that any dwelling is not available for inspection or rental when such dwelling is in fact so available.

Any agent or employee who fails to comply with this Nondiscrimination Policy will be subject to appropriate disciplinary action. Any action taken by an agent or employee that results in unequal service to, treatment of, or behavior toward tenants or actual or potential applicants on the basis of race, color, religion, national origin, disability, sex, or familial status may constitute a violation of state and federal fair housing laws. Any tenant or applicant who believes that any of the above policies have been violated by any owner, agent, or employee may contact the U.S. Department of Housing and Urban Development at 1-888-799-2085, or the U.S. Department of Justice at 1-800-896-7743 or 202-514-4713.

APPENDIX B

**ACKNOWLEDGMENT OF RECEIPT OF SETTLEMENT AGREEMENT AND
NONDISCRIMINATION POLICY**

I acknowledge that on _____, 20 __, I was provided a copy of the Settlement Agreement in *United States v. Pritchard, et al.*, Civil Action No. 6:17-cv-01081-EFM-GEB (D. Kan.), and a copy of the Nondiscrimination Policy adopted by Defendants Paul Jeffrey Pritchard, the Paul Jeffrey Pritchard Trust, the Kim Susanne Pritchard Trust, and Kim Susanne Pritchard pursuant thereto. I have read and understand these documents and have had my questions about these documents answered. I understand my legal responsibilities and shall comply with those responsibilities.

Signature

Print Name

Job Title/Position

Date

APPENDIX C

EMPLOYEE TRAINING ACKNOWLEDGMENT

I acknowledge that on _____, 20____, I received _____
minutes of in-person training on the requirements of the Fair Housing Act.

Signature

Print Name

Job Title/Position

Date

APPENDIX D

FULL AND FINAL RELEASE OF CLAIMS

In consideration for the parties' agreement to the terms of the Settlement Agreement they entered into in the case of *United States v. Pritchard, et al.*, Civil Action No. 6:17-cv-01081-EFM-GEB (D. Kan.), and in consideration for the payment of \$ _____ I, _____, do hereby fully release and forever discharge Paul Jeffrey Pritchard, individually and as the trustee of the Paul Jeffrey Pritchard Trust; the Paul Jeffrey Pritchard Trust; the Kim Susanne Pritchard Trust; Kim Susanne Pritchard, as the trustee of the Kim Susanne Pritchard Trust; and Debra M. Schmidt (hereinafter "Defendants"), along with their insurers, co-insurers, reinsurers, attorneys, related companies, principals, predecessors, successors, assigns, affiliates, partners, directors, officers, agents, employers, shareholders, subsidiaries, employees, former employees, independent contractors, heirs, executors, and administrators and any persons acting under their respective direction or control from any and all fair housing claims set forth or related to the facts at issue in the litigation referenced above, or in any way related to that litigation, and any other claims arising from alleged housing discrimination that I may have had against any of them for any of Defendants' actions or statements related to those claims through the date of the entering into the Settlement Agreement.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this ____ day of _____, 2017.

[Signature]

[Print Name]