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I. INTRODUCTION

This action was brought by the United States of America (“United States”) against the City of Chicago (“Chicago” or “City”) (together, the United States and Chicago are sometimes referred to herein as “Parties,” or individually as “Party”) to enforce the provisions of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §§ 2000e *et seq.* (“Title VII”). This Court has jurisdiction of this action under 42 U.S.C. §§ 2000e-5(f) and 6(b), and 28 U.S.C. §§ 1331, 1343, and 1345.

In its Complaint, the United States alleges that Chicago, through the Chicago Police Department (“CPD”), discriminated against Glenford Flowers (“Flowers”), Masood Khan (“Khan”), and other similarly-situated Probationary Police Officer (“PPO”) applicants in violation of Sections 703(a) and 706(f)(1) of Title VII, 42 U.S.C. §§ 2000e-2(a) and 2000e-5(f)(1), among other ways, when it rejected them from further hiring consideration pursuant to a policy or practice of discrimination on the basis of their national origin. Specifically, the United States alleges that Chicago’s use of a ten-year continuous United States residency requirement (“ten-year residency requirement”) to screen applicants for hire as PPOs has resulted in statistically-significant adverse impact against applicants born outside the United States on the basis of their national origin. The United States further claims that Chicago’s use of the ten-year continuous residency requirement is not job related for the PPO position and consistent with business necessity. The United States also asserts that Chicago, through CPD, engaged in a pattern or practice of discrimination on the basis of national origin in violation of Section 707 of Title VII, 42 U.S.C. § 2000e-6, by pursuing policies and practices that discriminate against individuals born outside the United States because of their national origin and that deprive or tend to deprive foreign-born individuals of employment opportunities because of their national origin.

Chicago disputes these allegations and specifically denies that the ten-year residency requirement was not job related for the PPO position or consistent with business necessity, and asserts that, throughout the time it was in effect, the ten-year residency requirement was both job related for the PPO position and consistent with the requirements of CPD's business needs. Specifically, Chicago asserts the ten-year residency requirement was required in order for CPD to conduct adequate background investigations of applicants, as CPD does not have sufficient investigative resources to conduct background investigations in foreign countries and conducting background investigations in foreign countries could adversely impact applicants from countries in political or other disarray. Chicago further specifically denies that it engaged in a pattern or practice of discrimination on the basis of national origin in violation of Section 707 of Title VII, 42 U.S.C. § 2000e-6, by pursuing policies and practices that discriminate against individuals born outside the United States because of their national origin and that deprive or tend to deprive foreign-born individuals of employment opportunities because of their national origin.

II. STIPULATIONS

The Parties want this action to be settled by an appropriate Stipulated Consent Judgment ("Stipulation") without the burden of protracted litigation. By entering into this Stipulation, the Parties do not intend to render it, or consent to its becoming, admissible in evidence in any other proceeding to establish a history or pattern or practice of national origin discrimination. The Parties agree that this Court has jurisdiction over the Parties and the subject matter of this action. The Parties further agree to the entry of this Stipulation as final and binding between themselves and the issues raised in the United States' Complaint in this action. Subject to the Court's approval of this Stipulation, the Parties waive findings of fact and conclusions of law on all issues, except as to the following, to which the Parties stipulate and that the Court now finds:

a. Chicago maintains a police department, CPD, which currently employs approximately 12,000 sworn police officers.

b. Entry-level police officers currently serve an eighteen-month probationary period as PPOs.

c. In 2006, the first step in the PPO hiring process was a written examination. Chicago administered a written examination for the selection of PPOs four times in 2006, and approximately 6,900 individuals passed those written examinations.

d. The next step in the 2006 PPO hiring process was that those individuals who passed the written examination were placed on an eligibility list in random order. Applicants drawn from the eligibility list underwent further processing, which included a background investigation, prior to hire.

e. As part of the background investigation, applicants completed a Personal History Questionnaire ("PHQ"). The PHQ asked applicants for information including place of birth and all places of residence since the age of thirteen.

f. When reviewing the PHQs of applicants who passed one of the 2006 written examinations, CPD disqualified from further hiring consideration all applicants who had not continuously resided in the United States for ten years prior to the date of the completed PHQ. CPD enforced this ten-year residency requirement for all PPO applicants who took the 2006 written examination other than those who were abroad as a result of military service.

g. Khan was born in India and began residing in the United States in May 2003. In June 2006, Khan took and passed the PPO written examination. On April 30, 2008, CPD notified Khan that, although he had successfully completed other steps of the

hiring process, it was rejecting his application for a PPO position because he had resided in the United States for less than ten continuous years.

h. Flowers was born in Belize and began residing in the United States in September 1999. Flowers took and passed the PPO written examination in September 2006. Although Flowers subsequently passed other parts of the hiring process, CPD rejected him for a PPO position on February 20, 2008 because he had resided in the United States for less than ten continuous years.

i. On June 19, 2008, the Equal Employment Opportunity Commission ("EEOC") received charges of discrimination from Khan and Flowers. The EEOC investigated the charges and found reasonable cause to believe Khan, Flowers, and other similarly-situated PPO applicants were subjected to discrimination in hiring on the basis of national origin in violation of Title VII. The EEOC referred the matter to the United States Department of Justice after an unsuccessful attempt to conciliate the charges.

j. Of the applicants whom CPD disqualified by applying its ten-year residency requirement, approximately 92.2% were foreign-born applicants and only 7.8% were born in the United States. In contrast, of a random sample of applicants who satisfied the ten-year residency requirement and were eligible for hire, only 7.9% were foreign-born and 92.1% were born in the United States. The United States found the percentage of foreign-born applicants among those who were disqualified by the ten-year residency requirement is statistically significantly greater than would be expected based on the makeup of the random sample of applicants who satisfied the ten-year residency requirement.

k. On August 15, 2011, CPD replaced the ten-year residency requirement with a five-year continuous United States residency requirement (“five-year residency requirement”), which it applied to PPO applicants who passed written examinations administered in 2010 or later.

l. In 2010, Khan took and passed another PPO written examination. When reviewing Khan’s PHQ, Chicago applied the five-year residency requirement, which Khan satisfied. On April 1, 2013, Chicago hired Khan as a PPO.

m. CPD’s use of the ten-year residency requirement to screen applicants for hire as PPOs has resulted in statistically-significant adverse impact against applicants born outside the United States on the basis of their national origin.

III. RELIEF UNDER THE STIPULATION

In resolution of this action, with the consent of the Parties, IT IS THEREFORE ORDERED, ADJUDGED, and DECREED as follows:

A. DEFINITIONS AND PARTIES

1. “Actual Date of Hire” refers to the date a Priority Hire enters the Police Academy pursuant to Paragraph 72.
2. “Backpay” refers to a monetary relief award that represents the value of some or all of the wages that a Claimant would have received if he or she had been hired into the position of PPO on the Claimant’s Presumptive Hire Date.
3. “Benefits” refers to the retroactive pension benefits that Priority Hires and Khan shall receive from the Policemen’s Annuity and Benefit Fund (“PABF”) pursuant to this Stipulation and the Side Agreement.

4. “Claimant” refers to any person who meets the definition in Paragraph 47, including Khan and Flowers, and who submits an Interest in Relief form pursuant to Paragraph 50. Persons who meet the definition in Paragraph 47, including Khan and Flowers, are potential Claimants.
5. “Claims Administrator” refers to Class Action Administration, Inc. retained and paid by Chicago to assist the Parties in effectuating the terms of this Stipulation, including mailing the various notices identified herein to those persons who meet the definition in Paragraph 47, issuing payments to Claimants as provided for herein, forwarding copies of all documents to the Parties or other duties and responsibilities as agreed to by the Parties and necessary to effectuate the claims administration process.
6. “Days” refers to calendar days, unless business days are clearly specified in the context of a specific provision of this Stipulation. If any deadline referenced in this Stipulation should fall on a weekend or federal holiday, the deadline shall be moved to the next business day.
7. “Employee Funding Due Date” refers to the date a Priority Hire must fully fund his or her Retroactive Employee Contribution. The date shall be five (5) years after the Actual Date of Hire or the date the Priority Hire retires from CPD service, whichever occurs first.
8. “Fairness Finding” refers to the Court’s order entering this Stipulation following the Fairness Hearing on the Terms of the Stipulation described in Section III(D) of this Stipulation.

9. “Individual Relief” refers to a monetary award in the form of Backpay and/or an offer of priority hire relief, including Non-Competitive Retroactive Seniority, a Claimant may receive pursuant to the terms of this Stipulation.
10. “Non-Competitive Retroactive Seniority” refers to the seniority that Chicago will award to Claimants who receive priority hire relief under the terms of this Stipulation. A Claimant’s Non-Competitive Retroactive Seniority shall be limited to the purposes of salary, retirement eligibility, and retirement benefits.
11. “Presumptive Hire Date” means July 1, 2008, which is the date the Parties have agreed Claimants would have been hired by Chicago if Claimants had not been disqualified from hire as a result of the ten-year residency requirement. The Presumptive Hire Date will be used in calculating a Priority Hire’s retroactive seniority and Khan’s retroactive seniority for the purposes of salary, pursuant to Paragraph 84.
12. “Priority Hire” refers to any eligible Claimant hired by Chicago pursuant to the terms of this Stipulation, specifically Paragraphs 72-87, or any eligible Claimant hired pursuant to Chicago’s regular hiring process and selected pursuant to Paragraph 76. Khan, who was hired pursuant to Chicago’s regular hiring process, is a potential Claimant but is not a Priority Hire for purposes of this Stipulation.

13. “Probationary Police Officer” or “PPO” refers to a person hired into a probationary police officer position by Chicago, regardless of whether the person also may be called by another title.
14. “Residency” means an individual’s permanent, fixed place of abode to which the individual intends to return and remain, excluding military bases.
15. “Retroactive Employee Contributions” means the employee contribution due to the PABF for the time period between the Priority Hire’s (or Khan’s) Retroactive Seniority Date and his or her Actual Date of Hire, equal to nine percent (9%) of the Priority Hire’s (or Khan’s) presumptive pensionable earnings during that time period.
16. “Retroactive Employer Contribution” means the employer contribution due to PABF for the time period between the Priority Hire’s (or Khan’s) Retroactive Seniority Date and his or her Actual Date of Hire, equal to eighteen percent (18%) of the Priority Hire’s (or Khan’s) presumptive pensionable earnings during that time period.
17. “Retroactive Seniority Date” refers to the date a Priority Hire or Khan chooses between his or her Presumptive Hire Date of July 1, 2008 and his or her Actual Date of Hire for purposes of retirement eligibility and retroactive pension benefits, pursuant to Paragraph 86.
18. “Settlement Fund” refers to the funds transferred by Chicago to the Claims Administrator pursuant to Paragraph 41 for distribution to eligible Claimants entitled to Backpay awards under this Stipulation.

19. "Side Agreement" refers to the agreement between the Parties and with PABF, attached as Appendix I.
20. "Statutory Interest" as used herein shall have the meaning set forth in 40 ILCS 5/5-120.

B. PURPOSES OF THE STIPULATION

21. The purposes of this Stipulation are to ensure that:
 - a. Chicago does not violate Title VII by using policies or practices that have an adverse impact on foreign-born applicants for the position of PPO and are not job related for the position of PPO and consistent with business necessity, or that otherwise discriminate unlawfully on the basis of national origin in violation of Title VII;
 - b. Chicago uses lawful selection procedures that will serve the purpose of ensuring that its PPO hiring is based on merit and that Chicago's selection procedures do not unnecessarily exclude qualified foreign-born applicants from PPO positions within Chicago, and satisfy Chicago's legitimate business needs; and
 - c. Chicago provides Backpay, service awards, and/or priority hire relief with Non-Competitive Retroactive Seniority as set forth herein to qualified persons who were denied jobs as PPOs with Chicago due to the employment practices at issue in this case.

C. INJUNCTIVE RELIEF

General Injunctive Relief

22. Chicago, its officials, agents, and employees shall not:

- a. Use any selection device for the position of PPO that has a statistically significant adverse impact on foreign-born applicants on the basis of national origin and that is not job related for the position of PPO and consistent with business necessity, unless it is the least discriminatory, equally valid alternative available at that time.
 - b. Use any device for the selection of PPO that otherwise does not meet the requirements of Title VII.
 - c. Retaliate against or otherwise treat adversely any person because he or she:
 - i. Opposed the alleged discrimination at issue in this Stipulation;
 - ii. In any way participated or cooperated in the investigation or litigation of this matter;
 - iii. Has been involved with the development or administration of this Stipulation; or
 - iv. Received relief under or otherwise benefited from this Stipulation.
23. Subject to and during the term of this Stipulation, Chicago shall not use any residency requirement for selecting PPOs other than the five-year residency requirement without approval of the United States or the Court.
24. Chicago shall not use the ten-year residency requirement at issue in this case or any other similar residency requirement that results in a

statistically significant adverse impact on foreign-born applicants unless Chicago is able to show that the requirement comports with Title VII.

Training

25. Chicago shall provide mandatory Title VII training with an emphasis on preventing national origin discrimination as well as the procedures for reporting allegations of national origin discrimination, to all personnel in CPD's Human Resources Department and all Chicago employees assisting with the background investigation for PPO applicants. This mandatory training will include specific steps that are to be taken by Chicago to ensure that any hiring processes for the position of PPO do not include selection criteria that violate Title VII's prohibition against disparate impact discrimination on the basis of national origin.
26. No later than sixty (60) days after the Fairness Finding, Chicago shall identify for the United States the consultant that it has identified to conduct its mandatory training program. The consultant shall not be an existing employee of Chicago. Chicago agrees that its retention of said consultant is subject to the review and approval of the United States. Sixty (60) days after Chicago identifies a consultant acceptable to the United States to conduct its mandatory training program, Chicago shall provide to the United States a description of its proposed mandatory training program as well as copies of the training materials and a list of Chicago officials, agents, and employees (with titles) designated to be trained.
27. If the United States has objections to Chicago's proposed mandatory training program, the United States will notify Chicago in writing within

fifteen (15) days of receipt of the information regarding the proposed training. The notification shall specify the nature of the objection. The Parties shall make a good faith effort to confer regarding any disagreements concerning the training. In the event the United States and Chicago cannot resolve a disagreement concerning the training, either Party may submit the disputed issue to the Court for resolution upon fifteen (15) days' written notice to the other Party. If the United States has not objected within the allotted timeframe or once the Court has resolved any dispute, Chicago shall begin implementing the training within sixty (60) days thereof and shall complete the training within ninety (90) days.

28. Within fifteen (15) days of completing the training described in Paragraph 25, Chicago shall provide to the United States a list of officials and employees (with titles) who attended and completed the training, and written confirmation that all individuals covered by Paragraph 25 attended and completed the training.

Development of Lawful Selection Procedures

29. Chicago has proposed its current five-year residency requirement as a lawful selection device to select qualified applicants for hire into the position of PPO.
30. To allow the United States to analyze Chicago's five-year residency requirement, Chicago will provide to the United States hiring data from 2011 through 2015 for applicants who passed the 2010 PPO written examination, in Microsoft Excel in the format of the sample layout in Appendix A, no later than ninety (90) days after the Fairness Finding. The

data will include: first name, last name, unique identifying number (last five digits of social security number or unique record number of at least five digits), last known street address, city, state, zip code, telephone number, date of birth, country of birth, whether applicant was subjected to the five-year residency requirement (yes/no), whether applicant passed or failed the five-year residency requirement (passed/failed), whether applicant was hired (yes/no), applicant's date of hire (if applicable), and reasons for applicant's disqualification (if applicable).

- a. If, after its initial review of the data provided pursuant to the Paragraph 30, the United States determines it needs additional information to evaluate Chicago's proposed use of the five-year residency requirement, the United States may request the date the background investigation was completed and the date of disqualification for a random sample of three hundred and twenty-two (322) applicants who passed the 2010 PPO written examination. Chicago shall provide this data to the United States within thirty (30) days of the United States' request.
- b. The United States shall review the materials provided and, within ninety (90) days of receipt of all documents and information required by Paragraphs 30 and 30(a), notify Chicago in writing whether it has any objections to Chicago's proposed use of the five-year residency requirement.

- c. If the United States objects to Chicago's proposed use of the five-year residency requirement after determining, using generally accepted methodologies in the field of statistical science, that the five-year residency requirement has an adverse impact on foreign-born applicants, Chicago shall either conduct a validation study of the five-year residency requirement pursuant to Paragraph 30(d) or propose another alternative selection device for the United States' consideration pursuant to Paragraphs 31 and 32. Adverse impact shall be deemed to have been established where, during the reporting period, the five-year residency requirement resulted in statistically significant disparities in the disqualification rates of applicants born in the United States and those born outside the United States. It is generally accepted in the field of statistical science that a disparity is statistically significant if it is equal to two (2) or more units of standard deviation.
- d. If Chicago chooses to conduct a validation study of the five-year residency requirement pursuant to Paragraph 30(c), no later than sixty (60) days after the United States' determination that the five-year residency has an adverse impact, Chicago shall identify an experienced consultant, not employed by the City, to conduct the validation study. Chicago shall submit to the United States the consultant's *curriculum vitae*, including his or her experience conducting other validation studies, other jurisdictions or entities

for which he or she has conducted validation studies, and any publications he or she has written regarding this topic; the consultant's proposal; and a description of the proposed validation study, including the information Chicago will provide to the consultant, the consultant's proposed methodology, and deadline for completion.

- i. If the United States objects to the proposed consultant or proposed validation study, the United States will notify Chicago in writing within fifteen (15) days of receipt of the information regarding the consultant and validation study. The notification shall specify the nature of the objection. The Parties shall make a good faith effort to confer regarding any disagreements concerning the consultant or validation study. In the event the United States and Chicago cannot resolve a disagreement concerning the consultant or validation study, either Party may submit the disputed issue to the Court for resolution upon fifteen (15) days' written notice to the other Party. If the United States has not timely objected to the proposed consultant and proposed validation study or the Court has resolved any dispute, Chicago will instruct the consultant within ten (10) days to begin the validation study.

- ii. Within fifteen (15) days of Chicago's receipt of the completed validation study from the consultant, Chicago shall provide the validation study, and any underlying materials provided by Chicago that the consultant relied on to complete the study, to the United States. The United States shall review the materials provided and, within sixty (60) days of the United States' receipt of the completed validation study, notify Chicago in writing whether it has any objections to Chicago's proposed use of the five-year residency requirement.
 - iii. Chicago is responsible for the costs associated with the validation study, including the cost of the consultant.
- e. If an objection to Chicago's use of the five-year residency requirement is made by the United States pursuant to Paragraph 30(d)(ii), the Parties shall meet within thirty (30) days to discuss the United States' objection. If the Parties fail to reach an agreement on how to resolve the issues raised by the United States' objection within thirty (30) days, either Party to this Stipulation may move the Court for resolution no sooner than fourteen (14) days after providing the other Party with written notice of such intent. The Parties agree that the burdens of proof set forth in 42 U.S.C. § 2000e-2(k) shall apply to any such hearing.

31. Chicago shall not use the five-year residency requirement, and shall propose an alternative selection device for the United States' consideration, if:
 - a. The Court determines, following a hearing pursuant to Paragraph 30(e), that Chicago's proposed use of the five-year residency requirement does not comply with Title VII;
 - b. Chicago chooses to pursue an alternative selection device pursuant to Paragraph 30(c) in lieu of conducting a validation study; or
 - c. Chicago proposes to use an alternate selection device to resolve the United States' objection pursuant to Paragraph 30(e) after the validation study of the five-year residency requirement has been conducted.

32. No later than sixty (60) days after the United States' objection based on its finding of adverse impact pursuant to Paragraph 30(c) (if Chicago opts not to conduct a validation study), the Court's determination pursuant to Paragraph 30(e), or the Parties' meeting resolving the United States' objections pursuant to Paragraph 30(e) in favor of the United States, Chicago shall submit to the United States its proposal to use another alternative selection device in lieu of the five-year residency requirement, which meets CPD's business needs for selecting PPOs for hire, unless the Parties agree that there is no equally valid, less discriminatory alternative available at that time.

- a. When submitting the proposal for the alternative selection device to the United States for consideration under this Stipulation, Chicago shall also include all information available to it about the development of the alternative selection device, including, but not limited to: a description of the requirement; a description of the manner in which Chicago intends to use the requirement; the known or likely adverse impact, if any, of the intended use of the requirement on foreign-born applicants; all validation studies, analyses, and any other evidence of job relatedness of the requirement, including data underlying such studies, analyses, and other evidence; and any basis for a conclusion that Chicago's proposed use of the alternative selection device is job related for the PPO position and consistent with business necessity. Chicago's submission shall also identify any other selection devices considered by Chicago.
- b. Chicago shall also use the review process outlined in Paragraphs 30 and 30(a) through 30(e) to enable the United States to evaluate the alternative selection device and object, and to enable the Parties to resolve disputes about any such objections. Recognizing that the job relatedness and validity of a selection device can be evaluated fully only after the selection device has been administered, Chicago shall provide the materials required under

Paragraph 30 within ninety (90) days after the final administration of an alternative selection device.

- c. If an objection to Chicago's use of the five-year residency requirement or any alternative selection device for the PPO position in lieu of the five-year residency requirement is made by the United States pursuant to Paragraph 30(b) or 30(d)(ii), no person shall be hired as a PPO by a process using either the five-year residency requirement or the alternative selection procedure except by written agreement of the Parties. In the event that the Parties cannot reach a written agreement regarding the ongoing hiring of PPOs, either Party may submit the disputed issue to the Court for resolution upon fifteen (15) days' written notice to the other Party.
- d. If the United States or Court approves the use of the five-year residency requirement or any other alternative selection device for the PPO position in lieu of the five-year residency requirement, Chicago may continue to use that requirement in the same manner for purposes of PPO hiring for the life of the Stipulation.
- e. During the pendency of the Stipulation, Chicago will provide the United States with at least sixty (60) days' notice of its intent to use a new background evaluation process for PPO selection relating to residency in the United States. Chicago's notice shall state whether Chicago intends to administer the same five-year

residency requirement (or alternative selection device) and use it in the same manner as previously agreed to by the Parties, or ordered by the Court, or whether it intends to make any changes to the five-year residency requirement (or alternative selection device), or its manner of use. Any changes to the five-year residency requirement (or alternative selection device) or its manner of use will be evaluated by the United States in accordance with the procedure set forth in Paragraphs 30 and 30(a) through 30(e).

D. FAIRNESS HEARING ON THE TERMS OF THE STIPULATION

33. Upon execution of this Stipulation, the Parties shall file a joint motion for the provisional approval and entry of this Stipulation by the Court and shall request a Fairness Hearing on the Terms of the Stipulation to allow the Court to determine whether the terms of this Stipulation are fair, reasonable, and adequate. The Parties propose that the Court allow at least ninety (90) days' notice of the date and time set for this Fairness Hearing on the Terms of the Stipulation.
34. The purpose of the Fairness Hearing on the Terms of the Stipulation and the related notification provisions of the Stipulation is to provide to all persons who may be affected by this Stipulation with notice and an opportunity to object before the Court issues a Fairness Finding, in accordance with Section 703(n) of Title VII, 42 U.S.C. § 2000e-2(n).
35. No later than seventy-five (75) days before the Fairness Hearing on the Terms of the Stipulation, Chicago shall provide a copy of the "Notice of Settlement and Fairness Hearing," "Instructions for Filing an Objection

Prior to the Fairness Hearing,” and objection form in the formats set forth in Appendix B by posting in a prominent location on CPD’s internet website until the date of the Fairness Hearing on the Terms of the Stipulation. No later than seventy-five (75) days before the Fairness Hearing on the Terms of the Stipulation, the Claims Administrator shall provide a copy of the “Notice of Settlement and Fairness Hearing,” “Instructions for Filing an Objection Prior to the Fairness Hearing,” and objection form in the formats set forth in Appendix B by certified U.S. mail, return receipt requested, first class U.S. mail, and email, to each individual identified as preliminarily eligible for relief, as defined in Paragraph 47, along with a cover letter in the format set forth in Appendix C to this Stipulation.

36. At or before the time notices are provided pursuant to Paragraph 35, Chicago and/or the Claims Administrator shall provide the United States with a list stating the last known mailing address and the last known email address of each individual to whom such notice is being sent. Within five (5) days of the posting on CPD’s internet website, Chicago shall also provide written confirmation to the United States that it has posted the notice pursuant to Paragraph 35.
37. For the life of the Stipulation, the Claims Administrator shall keep records of all notices required by Paragraph 35 that are not confirmed as delivered. Within twenty-one (21) days of the mailing of the notices required by Paragraph 35, the Claims Administrator shall provide the Parties with a

list of all confirmed as delivered (as demonstrated through return receipts or email delivery confirmations) and all undeliverable notices (as demonstrated by undeliverable return receipts or undeliverable email notices), and a copy of all notices, envelopes, and mail receipts for any person to whom a notice was sent. The Claims Administrator will conduct a reasonable search for alternative address(es) for any person whose notice cannot be confirmed as delivered (including if the notice was returned as undeliverable), then promptly mail the notice to the alternate address(es) for that individual by certified U.S. mail, return receipt requested, and first class U.S. mail. If requested by the United States or the Claims Administrator, Chicago shall provide reasonable and prompt assistance to the Claims Administrator in providing information that may allow the Claims Administrator to locate alternate addresses for any individual whose notice was not confirmed as delivered.

38. Persons who wish to object to the terms of this Stipulation may file objections, in accordance with the requirements set forth in Appendix B, as follows:
 - a. Objections shall state the objector's name, address, email, and telephone number; set forth a description of the objector's basis for objecting; include copies of any documentation supporting the objections; state the name, address, email, and telephone number of the objector's attorney, if any; and state whether the objector

wants to be heard in Court at the Fairness Hearing on the Terms of the Stipulation.

- b. Objections shall be mailed or emailed to the United States Department of Justice at the following addresses:

United States Department of Justice
Civil Rights Division
Employment Litigation Section
Attn: Chicago Police Department Settlement Team
P.O. Box 14400
Washington, DC 20044-4400
chicagopolicesettlement@usdoj.gov

- c. Objections must be actually received by the Employment Litigation Section of the U.S. Department of Justice's Civil Rights Division. Objections must be mailed or emailed by a date of return that is no later than forty-five (45) days before the date set for the Fairness Hearing on the Terms of the Stipulation. Any person who fails to submit a timely objection shall be deemed to have waived any right to object to the terms of this Stipulation, unless there is good cause as determined by the Court for the failure. No later than thirty (30) days before the date set for the Fairness Hearing on the Terms of the Stipulation, the United States shall provide Chicago and the Claims Administrator with copies of the objections it has received. The United States will also provide Chicago and the Claims Administrator the objections received less than thirty (30) days before the date set for the Fairness Hearing on the Terms of the Stipulation on a weekly, rolling basis.

39. No later than ten (10) days before the Fairness Hearing on the Terms of the Stipulation, the United States shall file with the Court copies of all objections received by the United States. In addition, no later than ten (10) days before the Fairness Hearing on the Terms of the Stipulation, the Parties shall file their responses, if any, to all timely and properly made objections. For those objections received less than ten (10) days before the date set for the Fairness Hearing on the Terms of the Stipulation, the United States shall serve copies of objections received on Chicago and the Claims Administrator on a weekly, rolling basis, and the United States shall also file the objections with the Court on a weekly, rolling basis.

E. ENTRY OF THE STIPULATION

40. If the Court determines that the terms of this Stipulation are fair, reasonable, and adequate, the Court shall issue a Fairness Finding and enter this Stipulation at or following the Fairness Hearing on the Terms of the Stipulation.

F. INDIVIDUAL RELIEF

The Settlement Fund

41. Within thirty (30) days of the Fairness Finding becoming a final, non-appealable order, Chicago shall transfer two million and two thousand, nine hundred and fifty-six dollars and forty-seven cents (\$2,002,956.47) (the "Settlement Fund") to the Claims Administrator, who shall hold the Settlement Fund in a federally-insured account. At the same time, Chicago also shall transfer twenty-six thousand, one hundred and twenty-three dollars and seventy-nine cents (\$26,123.79) to the Claims

Administrator, to be held in a separate account from the Settlement Fund, for the Claims Administrator to pay the amounts enumerated in Paragraph 44. Chicago shall transfer twenty thousand (\$20,000) to the Claims Administrator, to be held in a separate account from the Settlement Fund, for the Claims Administrator to pay the service awards enumerated in Paragraph 46.

42. No later than seven (7) days from the Fairness Finding, the Claims Administrator shall propose in writing to the United States and Chicago a financial institution for deposit of the Settlement Fund. The United States and Chicago shall provide a written response to the Claims Administrator's proposal within fourteen (14) days after the Fairness Finding either consenting to the proposed financial institution or objecting and proposing another financial institution. If the Parties cannot agree on a financial institution, either Party may submit the dispute to the Court for resolution upon providing the other Party with seven (7) days' written notice of its intent.

Backpay Awards from the Settlement Fund

43. The Settlement Fund shall be distributed by the Claims Administrator to Claimants entitled to Backpay awards under this Stipulation, as provided in Paragraphs 66 and 67.
44. Chicago, through the Claims Administrator, shall pay all federal, state, and local taxes and make all contributions that are normally made by employers and that are due on any Backpay award paid to a Claimant,

including appropriate employer's contributions to Medicare. No employer-funded taxes or contributions shall be deducted from the Settlement Fund or any Claimant's Backpay award.

45. Chicago shall, to the extent required by law, withhold from each Claimant's Backpay award all appropriate federal, state, and local taxes and any other required employee withholdings or deductions, including appropriate employee contributions to Medicare. Such amounts shall be deducted by Chicago from each Claimant's Backpay award and may be paid by Chicago from the Settlement Fund; provided, however that Khan will only have such amounts (if any) deducted from his Backpay award after his Retroactive Employee Contribution is deducted in accordance with Paragraph 86(m)(vii).

Service Award

46. After execution and receipt by Chicago of copies of the "Acceptance of Relief and Release of Claims" forms in Appendix G, Chicago either directly or through the Claims Administrator shall pay to Flowers and Khan ten thousand dollars (\$10,000) each, which shall be designated as a service award. The service award shall not be deducted from the Settlement Fund or Flowers' and Khan's Backpay awards. Chicago shall report the service awards to the Internal Revenue Service ("IRS") using a Form 1099. These awards shall be paid no later than thirty (30) days after the United States provides to Chicago and the Claims Administrator the Amended Final Relief Awards List (or the Final Relief Awards List if no amendments were required) under Paragraph 65.

Preliminary Eligibility for Individual Relief

47. Individuals preliminarily eligible for relief under this Stipulation shall include each foreign-born PPO applicant who took and passed one of the 2006 PPO written examinations and was disqualified due to the ten-year residency requirement, and thus was eliminated from further consideration in the PPO selection process. An anonymized list of such individuals, including the specific forms of relief for which each is preliminarily eligible, is attached in Appendix H. In order to be eligible for Backpay under this Stipulation, an individual need not express an interest in, or be eligible for, priority hire relief or accept an offer of priority hire from Chicago.
48. Within thirty (30) days after the date of Fairness Finding, the Claims Administrator shall send a copy of the "Notice of Entry of Stipulated Consent Judgment to Potential Claimants" and "Interest in Relief Form," attached to this Stipulation as Appendix D, by certified U.S. mail, return receipt requested, first class U.S. mail, and email, for each individual identified in Appendix H.
49. For the life of the Stipulation, the Claims Administrator shall keep records of all notices required by Paragraph 48 that are not confirmed as delivered. Within twenty-one (21) days of the mailing of the notices required by Paragraph 48, the Claims Administrator shall provide the Parties with a list of all confirmed as delivered (as demonstrated through return receipts or email delivery confirmations) and all undeliverable notices (as demonstrated by undeliverable return receipts or undeliverable email

notices), and a copy of all notices, envelopes, and mail receipts for all persons to whom a notice was sent. The Claims Administrator will conduct a reasonable search for alternative address(es) for any person whose notice cannot be confirmed as delivered (including if the notice was returned as undeliverable), then promptly mail the notice to the alternative address(es) for that individual by certified U.S. mail, return receipt requested, and first class U.S. mail. If requested by the United States or the Claims Administrator, Chicago shall provide Chicago shall provide reasonable and prompt assistance to the Claims Administrator in providing information that may allow the Claims Administrator to locate alternate addresses for any individual whose notice was not confirmed as delivered.

Potential Claimants to Submit Interest in Relief Forms

50. Any person who wants to be considered for an award of Individual Relief under this Stipulation must return a completed Interest in Relief Form (Appendix D) to the United States no later than seventy-five (75) days from the date of the Fairness Finding. Any person who fails to do that may be deemed to have waived any right to be considered for an award of Individual Relief under this Stipulation absent good cause as determined by the United States.

Filing of Relief Awards List

51. No later than one-hundred (100) days after the Fairness Finding, the United States shall file with the Court a "Relief Awards List" stating, for each person who returned an Interest in Relief Form, the type(s) of relief sought by the person and the type(s) of relief for which the United States

deems the person eligible (per the agreed-upon list in Appendix H and the individual's submission of Interest in Relief Forms pursuant to Paragraph 50). In addition, for each Claimant the United States deems eligible for Backpay, the Relief Awards List shall state the share of the Settlement Fund that the United States has determined should be awarded to the Claimant.

52. Each Claimant deemed eligible for Backpay pursuant to Paragraph 51 shall be entitled to a pro rata share of the Settlement Fund.

Fairness Hearing on Individual Relief

53. Upon filing the Relief Awards List described in Paragraph 51 of this Stipulation, the United States shall move the Court to hold a Fairness Hearing on Individual Relief to allow the Court to determine whether the Relief Awards List filed by the United States should be approved or amended. The Parties propose that the Court allow at least ninety (90) days' notice of the date and time set for the Fairness Hearing on Individual Relief.
54. No later than seventy-five (75) days before the date set for the Fairness Hearing on Individual Relief, the Claims Administrator shall send, by certified U.S. mail, return receipt requested, first class U.S. mail, and email, a "Notice of Fairness Hearing on Individual Relief," "Instructions for Filing an Objection to Individual Relief," and an objection form, in the formats attached as Appendix F to this Stipulation, as well as a "Notice to Claimants Regarding Individual Relief Determination" in the format attached as Appendix E, notifying each person who returned an Interest in

Relief form of the United States' determination regarding the person's eligibility for relief under this Stipulation, the reasons for any determination that the person is ineligible for any particular form of relief, and the person's proposed share of Backpay as stated on the Relief Awards List, if any.

55. For the life of the Stipulation, the Claims Administrator shall keep records of all notices required by Paragraph 54 that are not confirmed as delivered. Within twenty-one (21) days of the mailing of the notices required by Paragraph 54, the Claims Administrator shall provide the Parties with a list of all confirmed as delivered (as demonstrated through return receipts or email delivery confirmations) and all undeliverable notices (as demonstrated by undeliverable return receipts or undeliverable email notices), and a copy of all notices, envelopes, and mail receipts for all persons to whom notices were sent. The Claims Administrator will conduct a reasonable search for alternative address(es) for any person whose notice cannot be confirmed as delivered (including if the notice was returned as undeliverable), then promptly mail the notice to the alternate address(es) for that individual by certified U.S. mail, return receipt requested, and first class U.S. mail. If requested by the United States or the Claims Administrator, Chicago shall provide reasonable and prompt assistance to the Claims Administrator in providing information that may allow the Claims Administrator to locate alternate addresses for any individual whose notice was not confirmed as delivered.

56. Persons who wish to object to the United States' relief determinations may file objections as follows:

- a. Each objection shall state the objector's name, address, email, and telephone number; set forth a description of the objector's basis for disputing the United States' relief determination; include copies of any documentation supporting the objection; state the name, address, email, and telephone number of the objector's attorney, if any; and state whether the objector, or his or her attorney, wants to be heard in court at the Fairness Hearing on Individual Relief.
- b. Objections shall be submitted by mailing or emailing a copy of the Objection form to the United States Department of Justice at the following address:

United States Department of Justice
Civil Rights Division
Employment Litigation Section
Attn: Chicago Police Department Settlement Team
P.O. Box 14400
Washington, DC 20044-4400
chicagopolicesettlement@usdoj.gov

- c. Objections must be mailed or emailed by a date of return that is no later than, forty-five (45) days before the date set for the Fairness Hearing on Individual Relief.
57. No later than thirty (30) days before the date set for the Fairness Hearing on Individual Relief, the United States shall file with the Court copies of all objections received by the United States, and provide copies to Chicago and the Claims Administrator. For those objections received less than thirty (30) days before the date set for the Fairness Hearing on Individual

Relief, the United States shall serve copies of objections received on Chicago and the Claims Administrator on a weekly, rolling basis, and the United States shall file the objections with the Court on a weekly, rolling basis.

58. No later than ten (10) days before the Fairness Hearing on Individual Relief, the Parties shall file their responses, if any, to all objections.

Approval of Final Relief Awards List

59. At or following the Fairness Hearing on Individual Relief, the Court shall determine which, if any, objections to the United States' Relief Awards List filed pursuant to Paragraph 56 are well-founded. The Court shall then approve the Relief Awards List as submitted or, if the Court finds that any person's objection(s) are well founded, shall amend the list to adjust the relief to be awarded to the Claimant consistent with such finding, while maintaining, to the extent possible, the proportionate shares of Backpay awarded to all other Claimants. The list approved by the Court will be the "Final Relief Awards List."
60. The Court shall find that an objection, including an objection to the amount of Backpay to be awarded to a Claimant or to the United States' determination that a person is not eligible for priority hire relief consideration (as reflected on the Relief Awards List filed pursuant to Paragraph 51), is well-founded only if the Court finds that the United States' determination was not fair, reasonable, adequate, and consistent with the provisions of this Stipulation.

Notice of Relief Award and Acceptance and Relief

61. No later than thirty (30) days after the Court determines, at or following the Fairness Hearing on Individual Relief, each Claimant's eligibility for relief under this Stipulation, the Claims Administrator shall send by certified U.S. mail, return receipt requested, first class U.S. mail and by email, a notice of award of Individual Relief as set forth in Appendix G to all Claimants determined by the Court to be entitled to Individual Relief, as stated in the Final Relief Awards List. Each notice shall include:

- a. A statement of the amount of the Backpay award for that Claimant as stated on the Final Relief Awards List;
- b. An explanation of the time limit for acceptance of the Backpay offer;
- c. If the Claimant has been determined by the Court to be eligible for consideration for an offer of priority hire, a statement of the Claimant's eligibility for such consideration, and the maximum amount of Non-Competitive Retroactive Seniority that the Claimant could receive if the Claimant is ultimately made an offer of priority hire by Chicago;
- d. An Acceptance of Relief and Release of Claims form as described in the Paragraph 63 of this Stipulation; and
- e. Any withholding forms that are necessary for the Claims Administrator, on behalf of Chicago, to comply with withholding obligations under applicable law and Paragraph 45 of this Stipulation. Chicago shall provide these forms to the Claims

Administrator and the United States no later than seven (7) days after the Court determines, at or following the Fairness Hearing on Individual Relief, each Claimant's eligibility for relief under this Stipulation.

62. For the life of the Stipulation, the Claims Administrator shall keep records of all notices required by Paragraph 61 that are not confirmed as delivered. Within twenty-one (21) days of the mailing of the notices required by Paragraph 61, the Claims Administrator shall provide the Parties with a list of all confirmed as delivered (as demonstrated through return receipts or email delivery confirmations) and all undeliverable notices (as demonstrated by undeliverable return receipts or undeliverable email notices), and a copy of all notices, envelopes, and mail receipts for all persons to whom notices were sent. The Claims Administrator will conduct a reasonable search for alternative address(es) for any person whose notice cannot be confirmed as delivered (including if the notice was returned as undeliverable), then promptly mail the notice to the alternate address(es) for that individual by certified U.S. mail, return receipt requested, and first class U.S. mail. If requested by the United States or the Claims Administrator, Chicago shall provide reasonable and prompt assistance to the Claims Administrator in providing information that may allow the Claims Administrator to locate alternate addresses for any individual whose notice was not confirmed as delivered.

63. As a condition for the receipt of a Backpay award, priority hire relief, or service award, each Claimant otherwise entitled to relief as indicated in the Final Relief Awards List shall be required to execute a copy of the "Acceptance of Relief and Release of Claims" form set forth in Appendix G of this Stipulation, along with any withholding forms if the Claimant is eligible for Backpay, and return them to the United States no later than sixty (60) days after the Court approves the Final Relief Awards List. A Claimant's failure to return an executed Acceptance of Relief and Release of Claims form within the time allowed, absent good cause as determined by the United States, shall constitute a rejection of the offer of relief and shall release the Parties from any further obligation under this Stipulation to make an award of relief to that Claimant.
64. By no later than ninety (90) days after the Court approves the Final Relief Awards List, the United States shall provide Chicago and the Claims Administrator copies of all executed Acceptance of Relief and Release of Claims forms and withholding forms it received from Claimants listed in the Final Relief Awards List.
65. If any Claimant listed on the Final Relief Awards List rejects a Backpay award, the United States shall reallocate the amount of Backpay allocated to that Claimant to those other Claimants who timely returned all forms, as required by Paragraph 63, in a manner designed to allocate the total amount of Backpay available while preserving the relative proportions of the Claimants' shares of the Settlement Fund as stated on the Final Relief

Awards List. No later than ninety (90) days after the Court approves the Final Relief Awards List, the United States shall either amend the Final Relief Awards List to reflect any such reallocation of Backpay and to reflect any rejections of priority hire relief and provide a copy of the Amended Final Relief Awards List to Chicago and the Claims Administrator, or inform Chicago and the Claims Administrator that no amendments are required.

66. No later than thirty (30) days after the United States provides to Chicago and the Claims Administrator the Amended Final Relief Awards List (or informs Chicago and the Claims Administrator that no amendments were required), the Claims Administrator shall mail by certified U.S. mail, return receipt requested, a Backpay award check to each Claimant who has submitted a properly executed Acceptance of Relief and Release of Claims form and is eligible for Backpay relief, as listed on the Amended Final Relief Awards List (or the Final Relief Awards List if no amendments were required), except Khan, who will receive his Backpay award as provided in Paragraph 67. The check will reflect the amount stated for the Claimant on the applicable list, less all appropriate taxes and other amounts required to be withheld by law in accordance with Paragraph 45.
67. No later than thirty (30) days after PABF identifies the amounts required to fund the Benefits for Khan for his selected Retroactive Seniority Date in accordance with Paragraph 86(m)(iii), the Claims Administrator shall mail by certified U.S. mail, return receipt requested, a Backpay award check to

Khan. The check will reflect the amount stated for Khan on the Amended Final Relief Awards List (or the Final Relief Awards List if no amendments were required), less all appropriate taxes, other amounts required to be withheld by law in accordance with Paragraph 45, and Khan's Retroactive Employee Contribution, as calculated and identified by PABF in accordance with Paragraph 86(m)(iii).

68. No later than fifteen (15) days after the Claims Administrator mails the Backpay award checks pursuant to Paragraphs 66 and 67, the Claims Administrator shall provide to the United States and Chicago a copy of each Backpay award check mailed to a Claimant along with a statement indicating the amounts withheld from each such check and the purpose of each withholding.
69. No later than ninety (90) days after the Claims Administrator mails the Backpay award checks pursuant to Paragraphs 66 and 67, the Claims Administrator shall provide to the United States and Chicago a list of all checks that have been returned to the Claims Administrator as undeliverable, as well as a statement of the amount of funds remaining in the Settlement Fund. For all undelivered checks, the Claims Administrator shall make reasonable efforts to locate the Claimant and deliver the check for thirty (30) days after the check is returned.
70. No later than ninety (90) days after the Claims Administrator mails the Backpay award checks pursuant to Paragraphs 66 and 67, the Claims Administrator shall provide to the United States and Chicago a list of all

checks that appear to have been delivered (*i.e.*, checks not returned), but which have not been cashed. At the same time, the Claims Administrator shall mail by certified U.S. mail, return receipt requested, first class U.S. mail, and email a letter to such Claimants with uncashed checks to inform such Claimants that the award will be redistributed to other Claimants if the check is not cashed by the expiration date on the face of the check. The Claims Administrator shall further state that no further warnings regarding such redistribution will be given. If upon the expiration of the checks there remain uncashed checks, the Claims Administrator will provide a list of all such outstanding checks as well as a statement of the amount of funds remaining in the Settlement Fund. Any amount remaining in the Settlement Fund due to undeliverable or uncashed checks after such time will be redistributed as directed by the United States, in its sole discretion, in a manner consistent with this Stipulation. At the time the United States directs redistribution of the remaining amount, the United States shall provide an updated copy of the Amended Final Relief Awards List to Chicago and the Claims Administrator.

71. If a Claimant listed on the Final Relief Awards List is deceased or has an appointed legal guardian, any Backpay indicated in the Final Relief Awards List or the Amended Final Relief Awards List shall be paid to the Claimant's authorized legal representatives, heirs, or guardians, as appropriate, in accordance with applicable state law.

Priority Hire Relief with Non-Competitive Retroactive Seniority

72. Chicago shall make eight (8) Priority Hires of Claimants eligible for priority hire relief for the position of PPO, as indicated on the Final Relief Awards List (or the Amended Final Relief Awards List). The Priority Hires shall be hired for the first CPD Academy following the Fairness Finding. However, if Chicago is unable to complete the screening and selection procedures described in Paragraph 74 for good cause before the start of the first CPD Academy following the Fairness Finding, the Priority Hires shall be hired for first CPD Academy practicable following the Fairness Finding.
73. In order for a Claimant to count as a Priority Hire under this Stipulation, the Claimant must be eligible for priority hire as listed on the Final Relief Awards List (or the Amended Final Relief Awards List) and must be hired by Chicago after receiving an offer of priority hire as defined by Paragraph 78. A Claimant is considered hired only when the Claimant begins at the CPD Academy.
74. To obtain an offer of priority hire, a Claimant must successfully complete Chicago's PPO screening and selection procedures that are then in effect and required of all other PPO applicants, except for any written examination or maximum age requirements if, at the time of his or her initial application, the Claimant passed the written examination and met the maximum age requirements. Chicago's current PPO screening and selection procedures include: minimum qualifications review (including educational requirement review); drug testing; physical agility testing;

background investigation (including completion and review of PHQ, background interview, polygraph examination, and applications of current five-year residency requirement); fingerprinting; medical examination, psychological examination; and establishment of residency in the City of Chicago upon a Claimant's first day of employment. Chicago shall make reasonable efforts to accommodate Claimants in scheduling the screening and selection procedures described in this Paragraph.

75. Chicago shall apply its current and generally applicable standards, except for any written examination or maximum age requirements if, at the time of his or her initial application, the Claimant passed the written examination and met the maximum age requirements, to determine on an individual basis whether a Claimant meets the requirements listed in Paragraph 74. If Chicago disqualifies any Claimant listed on the Amended Final Relief Awards List (or the Final Relief Awards List if no amendment was required) from an offer of priority hire based on any part of its screening and selection process, Chicago shall, within ten (10) days of making such determination, send the United States written notice of its determination, the basis of its determination, and any supporting documentation. If the United States disagrees with Chicago's determination to disqualify any Claimant, it shall notify Chicago in writing within ten (10) days of receipt of Chicago's determination. The Parties shall make a good faith effort to confer in order to resolve the disagreement. If the Parties are unable to resolve the disagreement, the

United States may submit an objection to the Claimant's disqualification to the Court no later than thirty (30) days after receipt of Chicago's written notice of determination. In any proceedings regarding such a dispute, Chicago shall bear the burden of proving by a preponderance of the evidence that the Claimant is not presently qualified pursuant to its current and generally applicable standards for PPO hiring. These proceedings shall be in lieu of any appeal rights ordinarily afforded to PPO applicants.

76. In the event there are more than eight (8) Claimants who are eligible for priority hire relief for the position of PPO, as indicated on the Final Relief Awards List (or the Amended Final Relief Awards List), and who successfully complete the screening process described in Paragraph 74, Chicago will use the Claimants' prior place on the randomized rank order list from the 2006 written exam to determine which Claimants will be extended offers of priority hire.
77. The City's obligation to hire eight (8) Claimants pursuant to Paragraph 72 shall be deemed fulfilled when:
 - a. Eight (8) Claimants have been hired as PPOs; or
 - b. The group of Claimants eligible for priority hire, as indicated on the Final Relief Awards List (or Amended Relief Awards List), has been deemed exhausted. Such lists shall be deemed exhausted only when each such Claimant:
 - i. Has been hired as a PPO;

- ii. In writing, has rejected an offer of priority hire made by Chicago pursuant to this Stipulation;
- iii. Has accepted an offer of priority hire but, without good cause as determined by the standards generally applied to PPOs, failed to appear for his/her first day of at the Police Academy;
- iv. Failed to meet the requirements identified in Paragraph 74;
or
- v. Otherwise has been agreed by the Parties or determined by the Court to be currently unqualified for the position of PPO.

78. An offer of priority hire is made to a Claimant only when Chicago mails to the Claimant, by certified U.S. mail, return receipt requested, first class mail, and email, a written offer of hire for the PPO position, in the form attached hereto as Appendix J, prominently indicating:

- a. That the offer is an offer of priority hire being made pursuant to this Stipulation;
- b. The Claimant will be eligible for retirement as though they began employment on the Retroactive Seniority Date chosen pursuant to Paragraph 86(a);
- c. The Claimant will be entitled to retroactive pension benefits, subject to the terms discussed in Paragraph 86(a) through 86(l);

- d. The Claimant will be entitled to a starting salary equal to the salary that he or she would have at his or her Actual Date of Hire if he or she had begun as a PPO on the Presumptive Hire Date pursuant to Paragraph 84;
 - e. The benefits the Claimant will receive if the offer is accepted;
 - f. The date on which the Claimant will begin employment if the offer is accepted;
 - g. The telephone numbers at which the Claimant may contact the United States and Chicago with any questions regarding the offer of priority hire;
 - h. That the Claimant has at least fourteen (14) days from the date on which the written offer of hire was sent to notify Chicago in writing that the Claimant accepts or rejects the offer; and
 - i. That the designation as a Priority Hire pursuant to this Stipulation will remain confidential and will not be disclosed by Chicago. The Parties shall not file any document identifying Priority Hires without an appropriate confidentiality order. The filing of this Stipulation and the Appendices shall not constitute such a disclosure.
79. On the date on which such an offer of priority hire is sent to a Claimant, Chicago shall send a copy of the offer of priority hire to the United States.
80. Within ten (10) days after Chicago receives from a Claimant a written rejection of an offer of priority hire made pursuant to this Stipulation,

Chicago shall provide a copy of such written rejection to the United States. If a Claimant fails to respond to Chicago's offer of priority hire within the time established by the written offer of hire mailed pursuant to Paragraph 78, then Chicago shall so inform the United States within ten (10) days after the response time has elapsed.

81. If a Claimant fails to timely respond to Chicago's offer of priority hire, or if the Claimant fails to report for work on the start date identified in Chicago's offer of priority hire, except upon objection by the United States, Chicago's obligation to provide the offer or to make a priority hire of that Claimant ceases and the offer shall be considered withdrawn. Withdrawal of an offer under these circumstances shall not affect the total number of Priority Hires Chicago must make under this Stipulation. If the United States objects to the offer withdrawal, the United States shall notify Chicago within fifteen (15) days of receipt of notification of offer withdrawal, stating the nature of the objection. The Parties shall make a good faith effort to confer regarding any disagreements concerning the offer withdrawal. In the event the United States and Chicago cannot resolve a disagreement concerning the offer withdrawal, either Party may submit the disputed issue to the Court for resolution upon fifteen (15) days' written notice to the other Party.
82. No later than thirty (30) days after the beginning of any CPD Academy class for which offers of priority hire have been made, Chicago shall provide to the United States a written report identifying the name of each

Claimant who accepted such an offer of priority hire, whether or not each Claimant who accepted such an offer was actually employed by Chicago, and a statement of the reason(s) that any Claimant to whom an offer of priority hire was made was not hired, along with all available documentation of such reason(s).

83. No later than thirty (30) days after the completion of any CPD Academy class for which offers of priority hire have been made, CPD shall provide to the United States: a written report identifying the name of each Claimant who accepted an offer of priority hire; whether each Claimant successfully completed the CPD Academy; and for any Claimant who did not complete the CPD Academy, a statement of the reason(s) why he or she did not complete the CPD Academy, along with all documentation relating to such reason(s).
84. Upon hire, Chicago will provide a starting salary equal to the salary that any Claimant hired as a Priority Hire would have had at the Actual Date of Hire if he or she had begun as a PPO on the Presumptive Hire Date. Likewise, within thirty (30) days of receipt by Chicago of Khan's executed Acceptance of Relief and Release of Claims form in Appendix G hereto, Chicago will provide a starting salary equal to the salary that Khan would have had at that time if he had begun as a PPO on the Presumptive Hire Date.
85. Except as specifically provided here, Claimants hired as Priority Hires shall be subject to all current requirements, expectations and standards

generally applied to PPOs, including an eighteen (18) month probationary period.

86. The Parties will comply with the terms of the Side Agreement between the Parties and with PABF, which is attached hereto as Appendix I and expressly incorporated herein by reference, to secure retroactive pension eligibility and benefits from PABF for any Claimant hired as a Priority Hire under this Stipulation and for Khan.

a. Within thirty (30) days of his or her Actual Date of Hire, each Priority Hire will select a Retroactive Seniority Date, and notify Chicago in writing of his or her selection, except that Priority Hires who are current CPD officers at the time an offer of priority hire is made pursuant to Paragraph 78 shall select a Retroactive Seniority Date in accordance with Paragraph 86(n). Chicago shall submit each Priority Hire's selected Retroactive Seniority Date to the PABF, together with all employment information necessary to process the Benefits, within seven (7) days thereafter.

b. Within thirty (30) days of receipt of the Retroactive Seniority Date for each of the Priority Hires, PABF shall identify in writing to the United States and Chicago the amount required to fund the Benefits for his or her selected Retroactive Seniority Date, broken down by: (i) Retroactive Employee Contribution, (ii) Retroactive Employer Contribution, (iii) any Statutory Interest that is due on the Retroactive Employee Contribution as of the Priority Hire's

Actual Date of Hire, and (iv) any Statutory Interest that is due on the Retroactive Employer Contribution as of the Priority Hire's Actual Date of Hire.

- c. Within seven (7) days of receiving the PABF's communication described in Paragraph 86(b) above, the United States shall communicate in writing, by certified U.S. mail, return receipt requested, first class U.S. mail, and email, the amounts identified in Paragraph 86(b) above to each of the Priority Hires, with copies to Chicago and the PABF. This communication shall also identify the "Employee Funding Due Date," which shall be five (5) years after the Actual Date of Hire or the date the Priority Hire retires from CPD service, whichever occurs first. This communication shall also identify the consequences for a Priority Hire of failing to fully fund the Retroactive Employee Contribution and applicable Statutory Interest on or before the Employee Funding Due Date.
- d. In order to receive the Benefits, a Priority Hire must pay PABF in full on or before the Employee Funding Due Date the Retroactive Employee Contribution and any Statutory Interest that has accrued on the Retroactive Employee Contribution for the time period between the Priority Hire's Actual Date of Hire and the date he or she makes the Retroactive Employee Contribution.
- e. If a Priority Hire pays his or her Retroactive Employee Contribution in full within sixty (60) days of his or her Actual Date

of Hire, PABF has agreed to waive any Statutory Interest on the Retroactive Employee Contribution that has accrued during that sixty-day period.

- f. If, as of 11:59 pm Central Time on the Employee Funding Due Date, a Priority Hire has failed to pay both (i) his or her Retroactive Employee Contribution and (ii) the Statutory Interest accrued for the time period between his or her Actual Date of Hire and Employee Funding Due Date, Chicago's obligation to fund that Priority Hire's Retroactive Employer Contribution and Statutory Interest and PABF's obligation to provide the Benefits to that Priority Hire shall cease.
- g. A Priority Hire who does not fully fund the Retroactive Employee Contribution and applicable Statutory Interest on or before the Employee Funding Due Date will not receive the Benefits. However, PABF, on application made, has agreed to reimburse the Priority Hire within sixty (60) days of the Employee Funding Due Date for any Retroactive Employee Contribution paid by or on behalf of the Priority Hire, including any Statutory Interest paid by the Priority Hire, but excluding Statutory Interest earned on the Retroactive Employee Contribution after payment by the Priority Hire. Such a Priority Hire will be eligible for retirement and pension benefits as though he or she began employment with Chicago on his or her Actual Date of Hire.

- h. A Priority Hire may fund his or her Retroactive Employee Contribution from his or her share of the Backpay award payable to the Priority Hire pursuant to Paragraph 66 (after taxes and other withholdings are deducted, subject to any applicable IRS tax limits), from his or her prospective paychecks (after taxes and other withholdings are deducted, subject to any applicable IRS tax limits), from a separate financial institution, by personal check, or by any combination of the listed options. The United States, Chicago and PABF have no responsibility for the tax treatment of the Backpay award by the IRS, the tax treatment of withholdings from a Priority Hire's prospective paycheck by the IRS, or selection of the methodology of payment of the Retroactive Employee Contribution. Nothing in this Stipulation shall be construed as providing tax advice.
- i. The City and the United States, on behalf of themselves and the PABF, agree that they shall advise the Priority Hires in writing as a part of the Acceptance of Relief and Release of Claims forms attached hereto as Appendix G, that they should not rely upon any advice, representations, warranties, guaranties, statements or estimates or anyone other than their own counsel regarding the tax treatment or effect of any payments or benefits made under the Stipulated Consent Judgment or to fund the Retroactive Employee Contribution. In the event it should be subsequently determined

that payment of taxes on any amounts or benefits received, or any part thereof, should have been made or reported as income, each Priority Hire shall be personally and solely responsible for all such taxes, as well as for any related penalties or interest which may be due.

- j. Within sixty (60) days of each Priority Hire's selection of a Retroactive Seniority Date, Chicago will pay PABF the amounts enumerated for each Priority Hire in Paragraph 86(b)(ii) through (iv). In the event that a Priority Hire fails to pay his or her Retroactive Employee Contribution on or before the Employee Funding Due Date, PABF has agreed, on application made, to return to Chicago within sixty (60) days all payments made to the PABF by Chicago for that Priority Hire.
- k. Subject to compliance with Paragraph 86(d) and 86(j) above, PABF has agreed to provide Benefits to each Priority Hire identical to those benefits that would be provided to any CPD police officer hired on the Retroactive Seniority Date. Specifically:
 - i. PABF agrees that if a Priority Hire selects and fully funds by the Employee Funding Due Date a Retroactive Seniority Date on or after January 1, 2011, the Tier 2 formula annuity calculation set forth in 40 ILCS 5/5-238 shall apply.

- ii. PABF further agrees that if a Priority Hire selects and fully funds by the Employee Funding Due Date a Retroactive Seniority Date between July 1, 2008 and December 31, 2010, the Tier 1 formula annuity calculation shall apply.
- l. In addition, and again subject to compliance with Paragraphs 86(d) and 86(j) above, PABF has agreed that in all other respects it shall treat each Priority Hire the same as other CPD police officers hired on the Retroactive Seniority Date, except as specifically provided for in this Stipulation and the Side Agreement.
- m. Chicago and the United States also intend that the Stipulation will provide certain retroactive pension benefits to Khan, a current CPD employee, as follows:
 - i. Within thirty (30) days of receipt by Chicago of Khan's executed Acceptance of Relief and Release of Claims form in Appendix G hereto, Chicago will notify Khan in writing, by certified U.S. mail, return receipt requested, first class U.S. mail, and email, with a copy to the United States that he may select a Retroactive Seniority Date for purposes of retroactive pension benefits and retirement eligibility between his Presumptive Hire Date of July 1, 2008 and his actual date of hire of April 1, 2013. In that correspondence, Chicago will identify the deadline for selecting a Retroactive Seniority Date. That deadline shall be sixty

(60) days from Chicago's receipt of Khan's executed Acceptance of Relief and Release of Claims form. In order to assist Khan in the selection of a Retroactive Seniority Date, Chicago shall also include with that correspondence a table containing estimates of the amounts identified in Paragraph 86(m)(iii), below, for potential Retroactive Seniority Dates for each quarter between July 1, 2008 and his actual date of hire of April 1, 2013. PABF has agreed to provide this table to Chicago within ten (10) days of Chicago's request.

- ii. Within sixty (60) days of receipt by Chicago of Khan's executed Acceptance of Relief and Release of Claims form in Appendix G hereto, Khan will select a Retroactive Seniority Date between his Presumptive Hire Date of July 1, 2008 and his actual date of hire of April 1, 2013, and notify Chicago of his selection. Chicago will submit Khan's selected Retroactive Seniority Date to the PABF within seven (7) days of receipt.
- iii. Within thirty (30) days of receipt of Khan's selected Retroactive Seniority Date, PABF shall identify in writing to the United States and Chicago the amount required to Fund the Benefits for Khan for the selected Retroactive Seniority Date, broken down by: (1) Retroactive Employee

Contribution, (2) Retroactive Employer Contribution, (3) any Statutory Interest that is due on Khan's Retroactive Employee Contribution for the time period between Khan's Retroactive Seniority Date and the date Chicago's Retroactive Employer Contribution for Khan is due pursuant to Paragraph 86(m)(viii), and (4) any Statutory Interest that is due on the Retroactive Employer Contribution for the time period between Khan's Retroactive Seniority Date and the date Chicago's Retroactive Employer Contribution for Khan is due pursuant to Paragraph 86(m)(viii).

- iv. Within seven (7) days of receiving the PABF's communication described in Paragraph 86(m)(iii) above, the United States shall communicate in writing, by certified U.S. mail, return receipt requested, first class U.S. mail, and email, the amounts identified in Paragraph 86(m)(iii) above to Khan, with copies to Chicago and the PABF. This communication shall also identify "Khan's Funding Due Date," which shall be five (5) years from the date Khan notified Chicago of his selected Retroactive Seniority Date or the date the Khan retires from CPD service, whichever occurs first. This communication shall also identify the consequences for Khan's failure to fully fund the

Retroactive Employee Contribution on or before Khan's Funding Due Date.

- v. In order to receive the Benefits, Khan must pay PABF in full on or before Khan's Funding Due Date the Retroactive Employee Contribution and any Statutory Interest on the Retroactive Employee Contribution that has accrued for the time period between the date Chicago pays the Retroactive Employer Contribution and the date Khan pays the Retroactive Employee Contribution. If Khan pays his Retroactive Employee Contribution in full within sixty (60) days of Chicago paying the Retroactive Employer Contribution, PABF agrees to waive any Statutory Interest on the Retroactive Employee Contribution that has accrued during that sixty-day period. If, on or before 11:59 pm Central Time on Khan's Funding Due Date, he has failed to pay both (i) his Retroactive Employee Contribution and (ii) the Statutory Interest that has accrued for the time period between the date Chicago pays the Retroactive Employer Contribution and Khan's Funding Due Date, Chicago's obligation to fund the Retroactive Employer Contribution and applicable Statutory Interest and PABF's obligation to provide the Benefits to Khan shall cease.

- vi. If Khan does not fully fund the Retroactive Employee Contribution and applicable Statutory Interest on or before Khan's Funding Due Date, the provisions in Paragraphs 86(f) and 86(g) applicable for Priority Hires will apply to Khan.
- vii. Khan shall fund his Retroactive Employee Contribution from his share of the Backpay award (before taxes and other withholdings are deducted, subject to any applicable IRS tax limits). In the event that Khan's share of the Backpay award pursuant to the Stipulation is insufficient to fully fund his Retroactive Employee Contribution, Khan shall fund any remaining amounts owed from his prospective paychecks (before taxes and other withholdings are deducted, subject to any applicable IRS tax limits). In the event that Khan's share of the Backpay award pursuant to the Stipulation exceeds the amount required to fully fund his Retroactive Employee Contribution, Khan shall receive any remaining amounts in the manner prescribed in Paragraph 67 (after taxes and other withholdings are deducted, subject to any applicable IRS tax limits). The United States, Chicago and PABF have no responsibility for the tax treatment of the Backpay award by the IRS or the tax treatment of withholdings from Khan's prospective

paycheck by the IRS. Nothing in this Stipulation or the Side Agreement shall be construed as providing tax advice.

- viii. Within sixty (60) days of Khan's selection of a Retroactive Seniority Date, Chicago will pay PABF the amounts enumerated for Khan in Paragraph 86(m)(iii)(2)-(4). At the same time that Chicago issues the Backpay award check to Khan per Paragraph 67, Chicago also will pay directly to PABF the portion of Khan's Backpay award that shall fund his Retroactive Employee Contribution (enumerated in Paragraph 86(m)(iii)(1)). In the event that Khan fails to pay his Retroactive Employee Contribution and applicable Statutory Interest on or before Khan's Funding Due Date, PABF, on application made, shall return to Chicago within sixty (60) days all payments made to the PABF by Chicago for Khan as provided for in this Stipulation and the Side Agreement.
- ix. Subject to Khan's payment of the Retroactive Employee Contribution and the City's payment of the amounts enumerated for Khan in Paragraph 86(m)(viii), PABF shall provide Benefits to Khan identical to those benefits that would be provided to any CPD police officer hired on the Retroactive Seniority Date that he selected. Specifically, PABF agrees that if Khan selects and fully funds by Khan's

Funding Due Date a Retroactive Seniority Date on or after January 1, 2011, the Tier 2 formula annuity calculation set forth in 40 ILCS 5/5-238 shall apply. PABF further agrees that if Khan selects and fully funds by Khan's Funding Due Date a Retroactive Seniority Date between July 1, 2008 and December 31, 2010, the Tier 1 formula annuity calculation shall apply. In addition, and again subject to Khan's payment of the Retroactive Employee Contribution and the City's payment of the amounts enumerated for Khan in Paragraph 86(m)(viii), PABF shall in all other respects treat Khan the same as other CPD police officers hired on the Retroactive Seniority Date that he selected, except as specifically provided for in this Stipulation and the Side Agreement.

- n. For Priority Hires who are current CPD officers at the time an offer of priority hire is made pursuant to Paragraph 78, within thirty (30) days of receipt by Chicago of an acceptance of an offer of priority hire pursuant to Paragraph 78(h), Chicago will notify the Priority Hire in writing, by certified U.S. mail, return receipt requested, first class U.S. mail, and email, with a copy to the United States, that he or she may select a Retroactive Seniority Date for purposes of retroactive pension benefits and retirement eligibility between his or her Presumptive Hire Date of July 1, 2008 and his or her

actual date of hire. In that correspondence, Chicago will identify the deadline for selecting a Retroactive Seniority Date. That deadline shall be sixty (60) days from Chicago's receipt of the acceptance of an offer of priority hire pursuant to Paragraph 78(h). In order to assist these Priority Hires in the selection of a Retroactive Seniority Date, Chicago shall also include with that correspondence a table containing estimates of the amounts identified in Paragraph 86(b), above, for potential Retroactive Seniority dates for each quarter between July 1, 2008 and December 31, 2013.

- i. For Priority Hires who are current CPD officers, within sixty (60) days of Chicago's receipt of the acceptance of an officer or priority hire pursuant to 78(h), such person will select a Retroactive Seniority Date between his or her Presumptive Hire Date of July 1, 2008 and his or her actual date of hire, and notify Chicago of his or her selection. Chicago will submit the selected Retroactive Seniority Date to the PABF within seven (7) days of receipt.
- ii. For Priority Hires who are current CPD officers, within thirty (30) days of receipt of his or her selected Retroactive Seniority Date, PABF shall identify in writing to the United States and Chicago the amount required to Fund the Benefits for him or her for the selected Retroactive

Seniority Date, broken down by: (1) Retroactive Employee Contribution, (2) Retroactive Employer Contribution, (3) any Statutory Interest that is due on his or her Retroactive Employee Contribution for the time period between his or her Retroactive Seniority Date and the date Chicago's Retroactive Employer Contribution for him or her is due pursuant to Paragraph 86(n)(vii), and (4) any Statutory Interest that is due on the Retroactive Employer Contribution for the time period between his or her Retroactive Seniority Date and the date Chicago's Retroactive Employer Contribution for him or her is due pursuant to Paragraph 86(n)(vii).

- iii. Within seven (7) days of receiving the PABF's communication described in Paragraph 86(n)(ii) above, the United States shall communicate in writing, by certified U.S. mail, return receipt requested, first class U.S. mail, and email, the amounts identified in Paragraph 86(n)(ii) above to him or her, with copies to Chicago and the PABF. This communication shall also identify the appropriate Funding Due Date, which shall be five (5) years from the date he or she notified Chicago of his or her selected Retroactive Seniority Date or the date he or she retires from CPD service, whichever occurs first. This communication

shall also identify the consequences for his or her failure to fully fund the Retroactive Employee Contribution on or before his or her Funding Due Date.

- iv. In order for a Priority Hire who is a current CPD officer to receive the Benefits, he or she must pay PABF in full on or before the Funding Due Date the Retroactive Employee Contribution and any Statutory Interest on the Retroactive Employee Contribution that has accrued for the time period between the date Chicago pays the Retroactive Employer Contribution and the date he or she pays the Retroactive Employee Contribution. If he or she pays the Retroactive Employee Contribution in full within sixty (60) days of Chicago paying the Retroactive Employer Contribution, PABF agrees to waive any Statutory Interest on the Retroactive Employee Contribution that has accrued during that sixty-day period. If, on or before 11:59 pm Central Time on the Funding Due Date, he or she has failed to pay both (i) the Retroactive Employee Contribution and (ii) the Statutory Interest that has accrued for the time period between the date Chicago pays the Retroactive Employer Contribution and the Funding Due Date, Chicago's obligation to fund the Retroactive Employer Contribution

and applicable Statutory Interest and PABF's obligation to provide the Benefits to him or her shall cease.

v. For Priority Hires who are current CPD officers, if they do not fully fund the Retroactive Employee Contribution and applicable Statutory Interest on or before their Funding Due Date, the provisions in Paragraphs 86(f) and 86(g) will apply.

vi. A Priority Hire who is a current CPD officer may fund his or her Retroactive Employee Contribution from his or her share of the Backpay award payable to the Priority Hire pursuant to Paragraph 66 (after taxes and other withholdings are deducted, subject to any applicable IRS tax limits), from his or her prospective paychecks (after taxes and other withholdings are deducted, subject to any applicable IRS tax limits), from a separate financial institution, by personal check, or by any combination of the listed options. The United States, Chicago and PABF have no responsibility for the tax treatment of the Backpay award by the IRS or the tax treatment of withholdings from a Priority Hire's prospective paycheck by the IRS. Nothing in this Stipulation or the Side Agreement shall be construed as providing tax advice.

- vii. Within sixty (60) days of each Priority Hire's selection of a Retroactive Seniority Date, Chicago will pay PABF the amounts enumerated for each Priority Hire in Paragraph 86(n)(ii)(2)-(4). In the event that the Priority Hire fails to pay his or her Retroactive Employee Contribution and applicable Statutory Interest on or before the Funding Due Date, PABF has agreed, on application made, to return to Chicago within sixty (60) days all payments made to the PABF by Chicago for that Priority Hire.
- viii. Subject to a Priority Hire's payment of the Retroactive Employee Contribution and the City's payment of the amounts enumerated for him or her in Paragraph 86(n)(vii), PABF shall provide Benefits to him or her identical to those benefits that would be provided to any CPD police officer hired on the Retroactive Seniority Date that he or she selected. Specifically, PABF agrees that if Priority Hires select and fully fund by the Funding Due Date a Retroactive Seniority Date on or after January 1, 2011, the Tier 2 formula annuity calculation set forth in 40 ILCS 5/5-238 shall apply. PABF further agrees that if Priority Hires select and fully fund by the Funding Due Date a Retroactive Seniority Date between July 1, 2008 and

December 31, 2010, the Tier 1 formula annuity calculation shall apply. In addition, and again subject to Priority Hires' payment of the Retroactive Employee Contribution and the City's payment of the amounts enumerated for him or her in Paragraph 86(n)(vii), PABF shall in all other respects treat him or her the same as other CPD police officers hired on the Retroactive Seniority Date that he or she selected, except as specifically provided for in this Stipulation and the Side Agreement.

87. Chicago cannot refuse to select a Claimant under its regular hiring process on the basis that the Claimant is eligible for priority hire relief, Non-Competitive Retroactive Seniority, or Backpay relief under this Stipulation.

G. RECORD RETENTION AND PRODUCTION

88. While this Stipulation remains in effect, Chicago shall maintain all of the following records that are within its custody, possession, or control, (including those created or maintained in electronic form but excluding documents exclusively in the possession of third parties):

- a. All applications for PPO positions;
- b. All documents relating to the screening, evaluation, or selection of applicants for PPO positions;
- c. All records relating to the development or validation of any selection practice or procedure Chicago uses to screen or select PPOs;

- d. All documents relating to written or verbal complaints made by any person or entity regarding national origin discrimination in the hiring of PPOs;
 - e. All documents relating to written or verbal complaints made by any person or entity alleging that Chicago retaliated against, or otherwise adversely affected, any person because he or she: opposed the alleged discrimination at issue in this matter, participated or cooperated in the investigation or litigation of the alleged discrimination at issue in this matter, has been involved with the development or administration of this Stipulation, or received relief under or otherwise benefitted from this Stipulation;
 - f. All documents relating to the evaluation or selection of Claimants to be offered priority hire or to the employment of Claimants hired as Priority Hires (per Paragraphs 72-86) under this Stipulation; and
 - g. All other documents relating to Chicago's compliance with the requirements of this Stipulation, including, but not limited to, documents relating to the award of Individual Relief to any Claimant under this Stipulation.
89. Except as otherwise provided in this Stipulation, Chicago will make available to the United States, no later than sixty (60) days after the United States so requests in writing, any records maintained in accordance with Paragraph 88 of this Stipulation and relating to any dispute arising under this Stipulation.

90. When possible, all records furnished to the United States shall be provided in a computer-readable format to be agreed upon by the Parties before production.

91. The United States shall keep and maintain as confidential all non-public records provided pursuant to this Stipulation except to the extent that disclosure may be required by law.

H. DISPUTE RESOLUTION

92. The Parties shall attempt in good faith to resolve informally any disputes that arise under this Stipulation. If the Parties are unable to resolve the dispute expeditiously, either Party may submit the disputed issue to the Court for resolution upon fifteen (15) days' written notice to the other Party, unless a different time period is specified in the applicable section of this Stipulation.

93. Within thirty (30) days after the United States so requests in writing, unless a different time period is specified in the applicable section of this Stipulation, Chicago shall make available for interview or deposition (at the United States' option) any employee or official of Chicago who the United States reasonably believes has knowledge of information necessary to verify Chicago's compliance with the terms of this Stipulation or to resolve a dispute arising under this Stipulation.

I. DURATION OF THE STIPULATION

94. Unless otherwise ordered by this Court, and absent the pendency of any motion related to this Stipulation, this Stipulation shall expire without further order of the Court on the latter of the following events:

- a. Eighteen (18) months after the Fairness Finding; or
- b. Upon fulfillment of the Parties' obligations regarding the relief to be awarded under this Stipulation, including the Parties' obligations with respect to:
 - i. The Individual Relief pursuant to Section III(F), except for the payment of Retroactive Employee Contributions and Retroactive Employer Contributions pursuant to Paragraphs 86(d), 86(j), 86(m)(v) and 86(m)(viii);
 - ii. The service awards pursuant to Paragraph 46;
 - iii. Training pursuant to Paragraphs 25 through 28; and
 - iv. The development of lawful selection procedures pursuant to Paragraphs 26 through 32.
- c. The Stipulation shall expire without regard to a Priority Hire's obligation to fund his or her Retroactive Employee Contribution.

J. COST AND FEES

- 95. Except as otherwise provided herein, the Parties shall bear their own costs and expenses incurred as a result of the obligations imposed by this Stipulation.
- 96. The Parties shall bear their own costs, expenses, and attorney's fees incurred in this litigation.

K. MISCELLANEOUS

- 97. The Court shall retain jurisdiction over this Stipulation during its pendency for the purpose of resolving any disputes or entering any orders that may be appropriate to implement this Stipulation.

98. The Parties shall, at a minimum, confer quarterly during the duration of this Stipulation to discuss any issues relevant to implementation of this Stipulation.
99. This Stipulation constitutes the entire agreement of the Parties, and supersedes all prior agreements, representations, negotiations, and undertakings not set forth or incorporated herein.
100. Any documents required to be delivered by any objectors or Claimants to the United States shall be mailed or emailed to the following address:

United States Department of Justice
Civil Rights Division
Employment Litigation Section
Attn: Chicago Police Department Settlement Team
P.O. Box 14400
Washington, DC 20044-4400
chicagopolicesettlement@usdoj.gov

The date any document was mailed (as evidenced by a postmark), emailed (as evidenced by the email header), or otherwise sent (with some proof, generated by the delivery method or delivery provider, of the date on which the form was sent) to the United States shall be the date of return.

In the event that a document is returned by U.S. mail, but the postmark of the United States Postal Service is missing or illegible, the date of return shall be three (3) days before the date the form was received by the Employment Litigation Section of the Department of Justice's Civil Rights Division.

101. Except as otherwise provided in this Stipulation, all written information and documents required to be delivered under this Stipulation to the United States by Chicago or the Claims Administrator shall be sent by an

express mail service (such as Federal Express or United Parcel Service) or
email to the attention of:

Chicago Police Department Settlement Team
c/o Valerie L. Meyer
Senior Trial Attorney
U.S. Department of Justice
Civil Rights Division
Employment Litigation Section
601 D Street, N.W. – PHB 4916
Washington, DC 20579
Valerie.Meyer@usdoj.gov

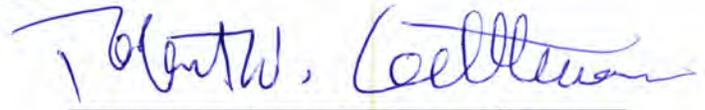
102. Except as otherwise provided in this Stipulation, all written information and documents required to be delivered under this Stipulation to Chicago by the United States or the Claims Administrator shall be sent by an express mail service (such as Federal Express or United Parcel Service) or email to the attention of:

Allan T. Slagel
Taft Stettinius & Hollister LLP
111 East Wacker Drive
Suite 2800
Chicago, Illinois 60601
aslagel@taftlaw.com

103. If any provision of this Stipulation is found to be unlawful, only the specific provision in question shall be affected, and the other provisions will remain in full force and effect.

104. The Fairness Finding constitutes the entry of final judgment within the meaning of Rule 54 of the Federal Rules of Civil Procedure as to all claims asserted in this action.

It is so **ORDERED**, this 5th day of June, 2016.


UNITED STATES DISTRICT JUDGE

AGREED AND CONSENTED TO:

FOR PLAINTIFF UNITED STATES OF AMERICA:

VANITA GUPTA
Principal Deputy Assistant Attorney General
Civil Rights Division
United States Department of Justice

By: /s/ Delora L. Kennebrew
DELORA L. KENNEBREW (GA 414320)
Chief
Employment Litigation Section

/s/ John P. Buchko
JOHN P. BUCHKO (DC 452745)
Deputy Chief
Employment Litigation Section

/s/ Valerie L. Meyer

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By: /s/ Allan T. Slagel

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Attorneys for Defendant the City of Chicago

13604227.10

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

UNITED STATES OF AMERICA,)	
)	
	Plaintiff,) Case No. 16 C 1969
)	
v.)) Honorable Robert W. Gettleman
)	
CITY OF CHICAGO,)) JURY TRIAL DEMANDED
)	
	Defendant.)

APPENDIX

STIPULATED CONSENT JUDGMENT

- Appendix A Hiring Data – Sample Layout
- Appendix B Notice of Settlement and Fairness Hearing
- Appendix C Letter to Potential Claimants Regarding Fairness Hearing on Stipulated Consent Judgment
- Appendix D Notice of Entry of Stipulated Consent Judgment to Potential Claimants
- Appendix E Notice to Claimants Regarding Individual Relief Determination
- Appendix F Notice of Fairness Hearing on Individual Relief
- Appendix G Letter to Claimants Regarding Acceptance of Relief and Release of Claims
- Appendix H Anonymized List of Claimants Eligible for Relief
- Appendix I Side Agreement
- Appendix J Joint Letter to Potential Priority Hires