

SETTLEMENT AGREEMENT

This agreement is entered into by and between the City of Milwaukee, in its own right and on behalf of its various departments, commissions, agencies, employees, including the Milwaukee Police Department and the Fire and Police Commission, and all agents thereof (hereinafter "City"), and Larry Joe Murphy, Jr. (hereinafter "Murphy").

WHEREAS, Murphy has filed complaints with the State of Wisconsin, Department of Workforce Development, Equal Rights Division, case numbers **CR200301173**, **CR200400308**, **CR200504422** and with the Equal Employment Opportunity Commission, charge numbers **26GA400595**, **26G200600279**, in which he alleges arrest record discrimination, race discrimination and retaliation in violation of the Wisconsin Fair Employment Act, and Title VII of the Civil Rights Act of 1964, as amended, regarding his failure to be hired as a police officer in 2003 based upon his failing the background investigation, and

WHEREAS, the parties wish to effect a final settlement of all complaints, claims, charges, demands and liabilities, of any kind or nature whether filed or not filed, arising from Murphy's failure to be hired or failure to pass the background investigation for the City of Milwaukee, including, without limitation, all claims arising out of the facts and circumstances which gave rise to the foregoing litigation, and

WHEREAS, the parties further wish to avoid the expense, burden and uncertainties of further litigation in this matter,

NOW, THEREFORE,

It is hereby stipulated and agreed as follows:

1. This agreement is in resolution of disputed claims and causes of action, and does not constitute an admission of liability by the City for any claim or cause of action, whether filed or not filed.
2. This agreement is subject to approval by the Common Council of the City of Milwaukee. It shall be deemed null and void, and have no force or effect, nor shall it be admissible for any purpose, in the event it is not so approved.
3. The City will pay a total settlement of \$15,000 in compensatory damages to Murphy in full and complete settlement of all claims for all damages that could be asserted, including without limitation, emotional distress, damages to reputation, back pay, lost pension benefits, punitive damages, lost medical or insurance benefits, attorney fees and costs. With respect to this payment, Murphy agrees to assume all responsibility for making any payments from this amount for state and federal income and employment taxes that are due or that may be determined to be due and owing from the aforementioned payment. Murphy agrees to indemnify, defend and hold the City harmless from and against any and all loss, liability, damage, deficiency or claim arising out of the City not making withholdings from this amount for state and federal income and employment taxes. The City will cause to be issued an IRS form 1099 memorializing said payment.
4. For and in consideration of the City's payment of the sum specified herein, Murphy hereby releases, waives and holds the City harmless for any and all claims whatsoever, including salary, pay, wages, or payroll related benefits, damages, attorney fees, costs, or other compensation attributed to his failure to be hired as a police officer as alleged in his complaint. Murphy further acknowledges that this

settlement does not include any instatement to employment or offer of employment. Murphy further agrees that he will not to seek employment from the City of Milwaukee as a police officer, police aide or other sworn member of the Milwaukee Police Department, for at least four years from the date this agreement becomes effective. Murphy understands that the City will not consider him for any employment as a police officer, police aide, or other sworn member of the Milwaukee Police Department, based on any application submitted sooner than the expiration of at least four years from the date this agreement becomes effective. He further understands that he if he applies after said four year time period, he will have to pass all portions of the selection procedures that apply to new applicants at that time.

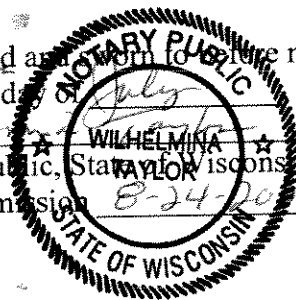
5. Based upon the settlement, Murphy agrees to execute a written agreement to dismiss the Equal Rights Division complaints with prejudice, and not to sue with respect to any EEOC complaint which has been filed and dismissed, or any other claim or complaint.
6. Murphy agrees to execute the attached release, which is incorporated as **Exhibit 1**, meeting the approval of the City Attorney as to form and execution.
7. Before signing this agreement, Murphy states that he has read the agreement, has had a full and complete opportunity to consider its terms, and that he understands the agreement, and knows that he is giving up all of his claims or potential claims, relating to his employment discrimination claims against the City up through the date of this settlement and release, and further agrees not to seek employment as a police officer in the future. He is aware of his right to consult with an attorney and, has had

an opportunity to consult with an attorney before signing this agreement. Murphy has signed this agreement knowingly and voluntarily.

Dated at Milwaukee, Wisconsin, this 18 day of July, 2006.

Larry Joe Murphy
LARRY JOE MURPHY, JR.

Subscribed and sworn to before me
this 18 day of July, 2006.
Wilhelmina Taylor
Notary Public, State of Wisconsin
My Commission 8-24-2008



GRANT F. LANGLEY
City Attorney

Miriam R. Horwitz
MIRIAM R. HORWITZ
Assistant City Attorney
State Bar No. 01016150
Attorneys for the City of Milwaukee

RELEASE OF CLAIM

KNOW ALL PERSONS BY THESE PRESENT, That the undersigned, LARRY JOE MURPHY, JR. for and in the consideration of the mutual promises and payments set forth in the Settlement Agreement dated July 18, 2006 in full compromise and settlement, does for himself, his heirs, executors and administrators forever releases and discharges the said City of Milwaukee, a municipal corporation, its successors, assigns, departments, officers, agents and employees, of and from any and all claims, demands, actions and causes of damages of any kind or nature whatsoever for back pay, front pay and benefits, attorney's fees, costs, compensatory damages, punitive damages, or any other damages whatsoever, arising out his applications for employment, his failures to be hired, and his failing the background investigations for police officer with the City of Milwaukee, including, without limitation, any claims arising out of the Wisconsin Fair Employment Act, Title VII of the Civil Rights Act of 1964, as amended, federal or state constitutional claims, and any other claims whatsoever under any federal, state or local anti-discrimination laws.

The foregoing release has been read and understood by the undersigned before signing thereof. This release has been signed knowingly and voluntarily and after opportunity to consult with an attorney representing the undersigned.

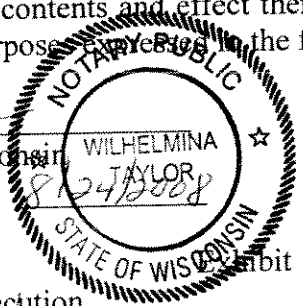
IN WITNESS WHEREOF I have hereunto set my hand and seal at Milwaukee, Wisconsin, this 18th day of July, 2006.

Larry Joe Murphy, Jr.
LARRY JOE MURPHY, JR.

STATE OF WISCONSIN)
) SS
MILWAUKEE COUNTY)

The foregoing instrument was executed before me this 18th day of July, 2006, by the above named releasor who duly acknowledged to me that he read the same, knew the contents and effect thereof, and affixed his signature thereto in my presence for the uses and purposes of the foregoing release.

Wilhelmina Taylor
Notary Public, State of Wisconsin
My Commission expires:



Approved as to form and execution
this 18 day of July, 2006.
Muhammad H. Sowaty
Assistant City Attorney
106570