

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
NORTHERN DIVISION

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U.S. DISTRICT COURT
WESTERN DISTRICT MICH

BY ml / cy

LOUIS OWEN,

Plaintiff,

v.

File No. 2:00-cv-71

L'ANSE AREA SCHOOLS, et al.,

Hon. Gordon J. Quist

Defendants,

U.S. District Judge

and

UNITED STATES OF AMERICA,

Plaintiff-Intervenor,

v.

L'ANSE AREA SCHOOLS,

Defendant.

CONSENT DECREE

This action was brought by Plaintiff Louis Owen and Plaintiff-intervenor United States of America ("United States") to enforce the provisions, inter alia, of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e et seq., ("Title VII"). In his Complaint, Mr. Owen alleges that the L'Anse Area Schools, former L'Anse Area Schools superintendent Brian Jentoft, and L'Anse High School principal H. Peter Moore discriminated against him in violation of state and federal law by subjecting him to a hostile work environment and constructively discharging him on the basis of his religion and national origin (ethnicity). In its Complaint in Intervention, the United States alleges that Defendant L'Anse Area Schools has discriminated against Louis Owen because of his religion and/or national origin (ethnicity) in violation of Section 703(a) of Title VII by subjecting him to religious and/or national origin (ethnicity) harassment that adversely affected

the terms, conditions, and privileges of his employment and failing or refusing to take appropriate action to remedy the effects of the discriminatory treatment.

Defendants (hereinafter "L'Anse Area Schools") have denied that they have discriminated against Louis Owen on the basis of his religion and/or national origin (ethnicity) in violation of Title VII. Nevertheless, the parties, desiring that this action be settled by appropriate Decree and without the burden of continued protracted litigation, agree to the jurisdiction of this Court over the parties and the subject matter of this action, and hereby waive, for purposes of this Decree, hearing and findings of fact and conclusions of law on all issues, and further agree to the entry of this Decree as final and binding among themselves as to the issues raised in the Complaint and Complaint in Intervention filed in this case.

This Decree, being entered with the consent of the parties, shall in no way constitute an adjudication or finding of any wrongdoing or violation of any applicable federal or state law or regulation, or be construed as an admission by L'Anse Area Schools.

In resolution of the action, the parties hereby AGREE and the Court expressly APPROVES, ENTERS, and ORDERS the following:

I. Duration of Consent Decree and General Terms

1. This Consent Decree is effective upon its entry by the Court and shall remain in effect for three (3) years from the date of entry.

2. The Court shall retain jurisdiction of this action during the term of the Decree for the purpose of enforcing the Decree as may be necessary. Three (3) years after entry of the Decree by the Court, this matter shall be dismissed unless the United States moves, for good cause shown upon notice to L'Anse Area Schools, for its continuation to carry out the purpose or provisions of this Decree. In the event that the United States moves to extend this Decree, it shall remain in effect until the motion

is resolved.

3. The time limits set forth throughout this Decree may be expanded upon mutual consent of the parties.

4. The parties to this Decree shall endeavor in good faith to resolve informally any disputes that may occur under this Decree. If the parties are unable to reach agreement within thirty (30) days after a matter has been brought to the attention of one of the parties by another party, the issue may be submitted to the Court for resolution.

II. General Injunctive Relief

5. L'Anse Area Schools, by and through its officials, agents, employees, successors, and all persons in active concert or participation with L'Anse Area Schools, in the performance of employment or personnel functions, shall not engage in any act or practice that discriminates against any employee in any term, condition or privilege of employment because of such employee's religion, ethnicity, or national origin.

6. L'Anse Area Schools shall not retaliate against or in any respect adversely affect any person because that person has opposed allegedly discriminatory policies or practices; filed a charge, either formal or informal, with the L'Anse Area Schools; filed a charge of discrimination with the Equal Employment Opportunity Commission ("EEOC") or the Michigan Department of Civil Rights; or participated or cooperated with the initiation, investigation, litigation or administration of this case or this Decree.

7. L'Anse Area Schools shall respond promptly and effectively to all allegations of harassment or discrimination on the basis of religion, national origin, or ethnicity against any employee or potential employee of L'Anse Area Schools in a way that provides for the prompt investigation of those allegations, remedies the effects of such conduct found to have occurred, and ensures the

policies shall explain with specificity how to report allegations of harassment and discrimination, Policies and procedures for reporting prohibited conduct. The L'Anse Area Schools

or discrimination, or who participate in the reporting or investigation of such allegations prohibit retaliation against employees of L'Anse Area Schools who report allegations of harassment or discrimination that they observe, are informed of, or reasonably suspect; and (5) promptly report, to the principal or a compliance coordinator (as described in Paragraph 9(1), below), or discrimination promptly and appropriately; (4) require all employees of L'Anse Area Schools to (3) affirm that the L'Anse Area Schools shall respond to oral and/or written complaints of harassment, origin, or ethnicity, are entitled to a working environment free from harassment and discrimination; a nondiscriminatory environment; (2) state that all staff members, regardless of religion, national Schools' commitment to protect staff members from harassment and discrimination and to maintain appropriate, shall revise its policies to ensure that those policies (1) set forth the L'Anse Area harassment and discrimination on the basis of religion, national origin or ethnicity and, where Schools shall review its policies and procedures for identifying, preventing, and remedying

9. A. Within one hundred twenty (120) days of the entry of this Decree, L'Anse Area

Harassment and Discrimination

III. Review and Revision of Policies for Preventing, Identifying, and Remedying

occurring against employees under their supervision. conduct or who fail promptly to report such conduct or to take action to prevent such conduct from harassment or discrimination; and (B) administrators of L'Anse Area Schools who engage in such harassment or discrimination or who retaliate against individuals for making allegations of such students at L'Anse Area Schools who engage in acts of religious, ethnic, or national origin L'Anse Area Schools shall take appropriate disciplinary action against: (A) employees of or

prevention of similar conduct in the future.

and, with annual revisions (as appropriate), identify to whom at each school in the L'Anse Area Schools or, alternatively, at the L'Anse Area Schools' central office, such allegations should be reported. The L'Anse Area Schools' policies shall allow harassment and discrimination complaints to be made orally or in writing. The L'Anse Area Schools shall set forth complaint procedures within the L'Anse Area Schools and shall also inform employees of their rights to file charges or complaints with the Equal Employment Opportunity Commission and the Michigan Department of Civil Rights.

C. Policies and procedures for investigating complaints. The L'Anse Area Schools shall describe the steps it will take to respond to reported incidents of harassment or discrimination, including but not limited to taking disciplinary measures against those found to have engaged in such acts, and, where appropriate, to report violent, threatening, or otherwise criminal conduct to law enforcement authorities.

D. Policies and procedures for remediating violations. The L'Anse Area Schools shall explain the disciplinary measures available against persons who are found to have engaged in harassment or discrimination. Corrective action shall be appropriate to the severity of the harassment or discrimination; calculated to end the harassment or discrimination; and designed to ensure that the offending conduct does not limit and/or interrupt the ability of the complainant (and the victim, if different) to work for the L'Anse Area Schools or participate in the educational services, programs and/or opportunities provided by the L'Anse Area Schools.

E. Policies regarding confidentiality. The L'Anse Area Schools, consistent with its legal obligations to investigate and to take appropriate action as well as to conform with any discovery or disclosure obligations, shall respect the privacy of the complainant, the victim, individuals against whom a complaint is filed, and witnesses.

F. Posting of policies and procedures. The L'Anse Area Schools shall post, in the staff

break rooms and on the main student bulletin board in each school and in L'Anse Area Schools' administrative offices, the notice regarding its policy prohibiting harassment and discrimination that is attached hereto as Exhibit I.

G. Dissemination of policies and procedures to students and parents. The L'Anse Area Schools shall inform students and their parents or guardians, through, at a minimum, annual meetings with all students, an annual distribution of notices to students and mailings to parents or guardians within the first month of the school year, and inclusion in student and parent or guardian handbooks, of the L'Anse Area Schools' policies prohibiting harassment and discrimination, and what steps the L'Anse Area Schools will take to investigate complaints and discipline those found to have engaged in prohibited conduct.

H. Student curriculum. As part of each school's regular curriculum, at least annually, the L'Anse Area Schools shall provide education for students (using age-appropriate materials) in grades six (6) and higher regarding tolerance, diversity, and/or respect for others. At the high school level, this shall include education about the inappropriateness of harassment and discrimination on the basis of religion, national origin, or ethnicity and the district's policies with respect to such harassment and discrimination.

I. Designation of compliance coordinators at each school in the L'Anse Area Schools. At least one compliance coordinator shall be appointed by the L'Anse Area Schools' Superintendent for each school. The Superintendent shall also be considered a compliance coordinator. A compliance coordinator will have authority to receive and investigate complaints of harassment or discrimination or retaliation, and to take such other actions as may be delineated. Complaints may be made to any compliance coordinator. No compliance coordinator shall investigate a complaint in which the compliance coordinator is the subject of the complaint. If the Superintendent is the

subject of a complaint, the Board of Education shall conduct the investigation. The L'Anse Area Schools shall ensure that appropriate time is afforded the compliance coordinators to fulfill their duties as described herein. The L'Anse Area Schools shall inform its employees, students and parents or guardians of the identities and roles of the compliance coordinators. Within two hundred ten (210) days of the entry of this Decree, the compliance coordinators will participate in appropriate training. The United States or its designee will provide such training. Such training shall, at a minimum, include: (1) how to investigate allegations of harassment, discrimination or retaliation; (2) how to document and maintain records of such investigations; and (3) how to balance the complainant's privacy and confidentiality concerns with the need to conduct an investigation. The Superintendent of the L'Anse Area Schools will meet with the compliance coordinators within the first month of each school year to review the district's policies and the responsibilities of the compliance coordinators. Appropriate training shall be provided within forty-five (45) days to any new compliance coordinators who may be designated during the pendency of a school year.

~~J. Record keeping.~~ The L'Anse Area Schools shall maintain a written record ("Incident Report") of each and every allegation, whether made verbally or in writing, of harassment or discrimination. The Incident Report shall, at a minimum, include: (1) the name of the person making the allegation, and, if different, the name of the alleged victim; (2) the nature of the allegation and the date of the alleged incident(s); (3) the names of all persons alleged to have committed violations; (4) the names of all persons who may have relevant information about the incident; (5) the written statements of the complainant, the victim (if different from the complainant), the alleged perpetrator, and any witnesses; (6) the outcome of the investigation, including any findings that discrimination did or did not occur; (7) any action taken by the L'Anse Area Schools; and (8) copies of any documents supplied to the L'Anse Area Schools or created during the investigation or complaint

process. The Incident Report shall be completed no later than thirty (30) calendar days after the date on which the complaint is first made. The compliance coordinators, the school building principal, the Superintendent, and at least one designee of the Board of Education shall be supplied with a copy of each such Incident Report, and, in a space specifically designated, each shall initial the Incident Report to indicate that s/he has reviewed the Report and approves of the actions taken. Within thirty (30) days of the creation of an incident report, each incident report shall be provided to counsel for the United States.

10. Within thirty (30) days of the receipt of the L'Anse Area Schools' revised policies, the United States shall provide written comments or objections, if any, to the L'Anse Area Schools. The L'Anse Area Schools shall make a good faith effort to address the reasonable concerns of the United States, and, where appropriate, incorporate any suggestions or modifications proposed by the United States.

IV. Mandatory Training Program

11. No later than two hundred ten (210) days from the entry of this Consent Decree, all employees and members of the Board of Education of the L'Anse Area Schools shall be provided with training on the law of equal employment opportunity, including the L'Anse Area Schools' policy on discrimination and harassment based on religion, national origin and ethnicity. The United States shall review and approve a training program proposed to be provided by the L'Anse Area Schools prior to its administration. At the request of the L'Anse Area Schools, this training will be provided by the United States or its designee. Non-instructional employees, which the L'Anse Area Schools has indicated represents a total of 17-18 employees, shall be provided with two and one-half (2 ½) hours of training. All other employees and the members of the Board of Education shall be provided with four (4) hours of training. Compliance coordinators shall be provided with an additional four (4) hours of training pursuant to Section III(9)(I), above. Within ten (10) days after

the training is provided, the L'Anse Area Schools shall provide to the United States with written confirmation that all employees and members of the Board of Education of L'Anse Area Schools attended this training and include copies of sign-in sheets indicating attendance.

12. The L'Anse Area Schools shall review its policies with respect to identifying, preventing, and remedying harassment and discrimination on the basis of religion, national origin, and ethnicity with all employees within thirty (30) days of the start of each school year during the pendency of this Decree. In addition, new members of the Board of Education and employees of the L'Anse Area Schools shall participate in a comparable policy review session within sixty (60) days from the start of their affiliation with, or employment in, the L'Anse Area Schools. The L'Anse Area Schools shall maintain a record of these policy review sessions.

V. Reports to the United States and Record Keeping Requirement

13. On or before December 15th of each year for duration of this Decree, the L'Anse Area Schools shall deliver to counsel for the United States a detailed report covering the preceding reporting period containing information about the L'Anse Area Schools' compliance efforts with this Decree, including but not limited to:

A. Copies of any modifications or revisions to the L'Anse Area Schools' policies and procedures for identifying, preventing, and responding to harassment and discrimination on the basis of religion, national origin, or ethnicity;

B. Copies of notices and other materials provided to employees, students and parents or guardians of the L'Anse Area Schools' policies and procedures for identifying, reporting, responding to and preventing harassment and discrimination on the basis of religion, national origin, or ethnicity, and a description of how and when these notices and materials were distributed;

C. A list of compliance coordinators by job title and school;—

D. Copies of all posters or notices regarding harassment and discrimination, and a description of when they were posted and where;

E. Copies of all Incident Reports, as described in Paragraph 9 (D) above.

14. The L'Anse Area Schools shall retain during the term of this Decree all records necessary to document the implementation of the Decree. The L'Anse Area Schools shall make these records and all other documents relevant to the compliance with and implementation of this Decree available for production within thirty (30) days of any written request from the Department of Justice to the L'Anse Area Schools' attorneys. The L'Anse Area Schools shall similarly furnish information or reports on matters relevant to compliance with and implementation of the Decree to the Department of Justice within thirty (30) days of any written request to the L'Anse Area Schools' attorney.

15. All documents required to be delivered under this Decree to the United States shall be sent to the following address: Aaron Schuham/Ross Wiener, Civil Rights Division, U.S. Department of Justice, 950 Pennsylvania Avenue, NW, Patrick Henry Building Room 4036, Washington, D.C.

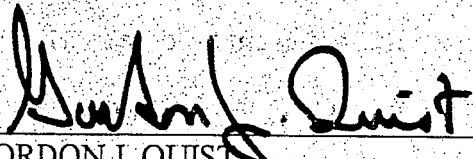
~~20035. The United States can change the address or the attorneys to whom documents shall be~~
addressed by providing written notice to the L'Anse Area Schools with thirty (30) days' notice.

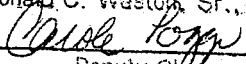
VI. Monetary Relief

16. Individual monetary relief for Plaintiff Louis Owen is set forth in a separate document, attached hereto as Exhibit 2, and incorporated hereto by reference.

17. This Decree shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, and assigns.

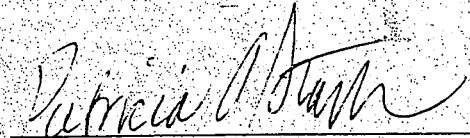
SO ORDERED, this 11th day of April, 2002.


GORDON J. QUIST
UNITED STATES DISTRICT JUDGE

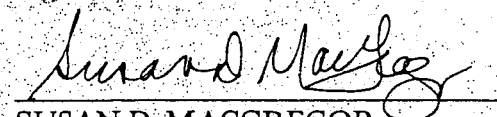
Certified as a True Copy
Ronald C. Weston, Sr., Clerk
By 
Deputy Clerk
U. S. District Court
Western Dist. of Michigan
Date 4/15/02

By their signatures on this page, the undersigned counsel agree to, and request the entry of, this Consent Decree:

Counsel for Plaintiff Louis Owen:


JUSTIN C. RAVITZ
PATRICIA A. STAMLER
Sommers, Schwartz, Silver & Schwartz
2000 Town Center, Suit 900
Southfield, MI 48075
(248) 355-0300

Counsel for L'Anse Area Schools,
Brian D. Jentoft, and H. Peter Moore:

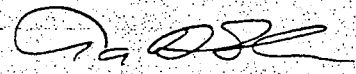


SUSAN D. MACGREGOR
PHILIP ERICKSON
Plunkett & Cooney
300 South Front Street
Marquette, Michigan 49855
(906) 225-0077

Counsel for Plaintiff-Intervenor United States:

RALPH BOYD, JR.
Assistant Attorney General

MARGARET M. CHIARA
United States Attorney

CHARLES GROSS
Assistant United States Attorney
Western District of Michigan



AARON D. SCHUHAM
ROSS WIENER
Attorneys
U.S. Department of Justice
Civil Rights Division
950 Pennsylvania Avenue, N. W.
Washington, DC 20530
(202) 514-3878

By order of the Board of Directors of the American Telephone and Telegraph Company

WALTER DILL SCHEIDT, Secretary

EXHIBIT 1

WALTER DILL SCHEIDT, Secretary
American Telephone and Telegraph Company
400 West 125th Street
New York, New York 10019

CHARLES W. ROSS
American Telephone and Telegraph Company
400 West 125th Street
New York, New York 10019

WALTER DILL SCHEIDT, Secretary
American Telephone and Telegraph Company
400 West 125th Street
New York, New York 10019

**L'ANSE AREA SCHOOLS' POLICY AGAINST HARASSMENT
AND DISCRIMINATION**

The L'Anse Area Schools prohibits harassment and discrimination on the basis of race, sex, national origin, religion, and ethnicity. Conduct violating this policy will not be tolerated. Students found to have engaged in harassment or discrimination shall be disciplined up to and including suspension or expulsion. Staff found to have violated this policy shall be disciplined up to and including dismissal.

Students, employees, and visitors of L'Anse Area Schools have the right to report complaints of harassment and discrimination to any school Principal or to the Superintendent of L'Anse Area Schools. Complaints may be made orally or in writing. Employees of L'Anse Area Schools are required to report harassment and/or discrimination that they observe or that they reasonably suspect has occurred. No person who complains of harassment or discrimination, or who participates in an investigation of a complaint, shall be subjected to any form of retaliation. Oral complaints will be reduced to writing by the responsible school Principal or the Superintendent.

Individuals making complaints of harassment or discrimination have the right to have their complaint(s) investigated and to be informed of the district's determination whether the anti-harassment policy has been violated within thirty (30) days of the complaint. Consistent with its obligation to investigate and to take appropriate corrective action, the L'Anse Area Schools shall protect the confidentiality and privacy of the parties to a complaint of harassment or discrimination.

A copy of the complete policy prohibiting harassment and discrimination is available in the front office of each L'Anse Area Schools and in the Superintendent's office.

Case No. 03-10017 (S.D.N.Y.) / Case No. 03-10017 (D.C.)

EXHIBIT 2

Document 100-10017-10017

Page 1 of 1

The following information was obtained from the records of the United States District Court for the Southern District of New York and the District of Columbia. It is being provided to you for your information and use. This information is not to be used for any other purpose without the express written consent of the United States District Court for the Southern District of New York and the District of Columbia.

The information contained herein is confidential and its disclosure is restricted to the parties to the case and their counsel. It is not to be used for any other purpose without the express written consent of the United States District Court for the Southern District of New York and the District of Columbia.

This document is the property of the United States District Court for the Southern District of New York and the District of Columbia. It is to be returned to the court upon request.

The information contained herein is confidential and its disclosure is restricted to the parties to the case and their counsel. It is not to be used for any other purpose without the express written consent of the United States District Court for the Southern District of New York and the District of Columbia.

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This document is the property of the United States District Court for the Southern District of New York and the District of Columbia. It is to be returned to the court upon request.

SETTLEMENT AGREEMENT AND RELEASE

THIS SETTLEMENT AGREEMENT AND RELEASE (hereinafter referred to as "Settlement Agreement") is entered into between LOUIS OWEN (hereinafter referred to as "Owen"), L'ANSE AREA SCHOOLS (hereinafter referred to as "L'Anse"), BRIAN JENTOFT (hereinafter referred to as "Jentoft") and H. PETER MOORE (hereinafter referred to as "Moore").

IT IS HEREBY AGREED that Owen, L'Anse, Jentoft and Moore desire to settle any claims or disputes Owen may have against L'Anse, Jentoft and Moore whether known or unknown as of the date of this Settlement Agreement and Release, and specifically wish to settle a lawsuit filed by Owen against L'Anse, Jentoft and Moore which is currently pending in the United States District Court for the Western District of Michigan, Case No. 2:00-cv-71, and a workers' compensation claim that is currently pending between Owen and L'Anse, matter no. 372-42-3856, as well as any and all other matters connected with that lawsuit or the workers' compensation claim.

Therefore, the parties for good and valuable consideration as set forth below, do hereby agree as follows:

I. Payment Terms and Details

1. That the parties will resolve the pending workers' compensation claim between Owen and L'Anse by way of a redemption in the amount of \$100,000. This payment will be made to Owen upon approval of the parties' agreement by the presiding magistrate and expiration of the fifteen day appeal period.
2. The parties will resolve the lawsuit by payment on behalf of L'Anse, Jentoft and Moore allocated in the following fashion:
 - a. \$137,981.59 will be paid to Owen's attorneys, Sommers, Schwartz, Silver and Schwartz, for attorneys' fees and costs and 1099 Forms will be issued to Sommers, Schwartz, Silver & Schwartz, P.C. reflecting its receipt of \$ 137,981.59 and the 1099 Forms shall include Sommers, Schwartz, Silver & Schwartz, P.C. federal tax i.d. number and;
 - b. \$27,018.41 will be paid to Owen as compensation for his alleged mental anguish and emotional distress arising out of his discrimination and retaliation claims and a Form 1099 will be issued to Owen reflecting his receipt of \$27,018.41.

The parties will resolve the lawsuit by payment on behalf of L'Anse, These payments will be made as soon as practicable following the expiration of both the seven day revocation period under the Older

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Workers' Benefit Protection Act and contemporaneous with the dismissal of the lawsuit.

- 3. Other than as specifically provided herein, Owen and his attorneys are not entitled to and L'Anse, Jentoft and Moore are not obligated to make or provide any further payments or compensation of any kind to Owen or his attorneys.

II. Release of All Claims

Owen does hereby release and forever discharge L'Anse, Jentoft and Moore and all current and former Board of Education members, employees and representatives of L'Anse, and any successors or assigns, insurance carriers, lawyers, and all persons acting by, through, under or in concert with them, from any and all manners of action or actions, causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liabilities, claims, demands, damages, losses, costs, expenses or attorneys' fees of any nature whatsoever, known or unknown, fixed or contingent which Owen now has or may thereafter have against L'Anse, Jentoft and Moore by reason of any acts, omissions, events, or facts occurring or existing prior to the date this Release is executed by Owen, except as expressly provided herein. The claims released hereunder include, without limitation, any alleged breach of any express or implied employment agreement between Owen, L'Anse, Jentoft and Moore; any alleged breach of any covenant of good faith and/or fair dealing, expressed or implied; any alleged torts or other legal restrictions of the school district's rights regarding Owen's employment; any alleged violation of any federal, state or local statute or ordinance, including, without limitation, Title VII of the Civil Rights Act of 1964 as amended, the federal Age Discrimination in Employment Act of 1967 as amended, the Americans with Disabilities Act, the Michigan Elliott-Larsen Civil Rights Act and the Michigan Persons with Disabilities Civil Rights Act 42 U.S.C. § 1983 and 42 U.S.C. § 1985; and any claims which have been or could have been alleged in the lawsuit or workers' compensation claim or EEOC Charge No. 230-99-0772. Nothing in this Settlement Agreement and Release shall impact Owen's pension benefits.

III. No Reapplication/Reinstatement/Reemployment

Owen specifically agrees that employment or re-employment with L'Anse is expressly waived by the terms of this Agreement. Owen further agrees that he will not seek reemployment with L'Anse or submit an application for employment to L'Anse, and that this Settlement Agreement alone constitutes sufficient reason for L'Anse to not rehire him.

IV. Entry of Order of Dismissal With Prejudice

Contemporaneous with payment of the settlement amounts as set forth above, Owen and his attorneys will execute a stipulation and order of dismissal dismissing, with prejudice, Defendants L'Anse, Jentoft and Moore in the case of *Owen v. L'Anse Area Schools, et al.*, Case No. 2:00-cv-71, pending in the United States District Court for the Western District of Michigan.

Owen, L'Anse, Jentoff and Moore agree to submit any claim or dispute arising out of the terms of this Agreement to private and confidential arbitration by a single neutral arbitrator. Subject to the terms of this paragraph, the arbitration proceeding shall be governed by the commercial arbitration rules of the American Arbitration Association. The arbitrator shall be appointed by agreement of the parties hereto, or if no agreement can be reached, by the American Arbitration Association pursuant to its rules. The decision of the arbitrator shall be final and binding on all parties to this Agreement and judgment thereon may be entered in any court having jurisdiction. All costs of the arbitration proceeding, including reasonable attorneys' fees and witness expenses, shall be paid by the party against whom the arbitrator rules. This arbitration procedure is intended to be the exclusive method of resolving any claim related to the obligations set forth in this Agreement.

X. Severability

In the event any provision of this Agreement shall finally be determined to be unlawful, such provision shall be deemed to be severed from this Agreement and every other provision of this Agreement shall remain in full force and effect. If, moreover, any one or more of the provisions contained in this Agreement shall, for any reason be held to be excessively broad, it shall be construed, by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

IN ACCORDANCE WITH THE OLDER WORKERS BENEFIT PROTECTION ACT OF 1990, OWEN ACKNOWLEDGES AS FOLLOWS:

- (A) OWEN HAS THE RIGHT TO CONSULT WITH AN ATTORNEY BEFORE SIGNING THIS SETTLEMENT AGREEMENT AND RELEASE;
- (B) OWEN HAS BEEN ADVISED THAT HE HAS TWENTY-ONE (21) DAYS TO CONSIDER THIS SETTLEMENT AGREEMENT AND RELEASE BEFORE SIGNING IT; AND HAVING BEEN SO ADVISED OWEN HAS WAIVED THE 21 DAY CONSIDERATION PERIOD; AND
- (C) OWEN HAS SEVEN (7) DAYS AFTER SIGNING THIS SETTLEMENT AGREEMENT AND RELEASE TO REVOKE THIS SETTLEMENT AGREEMENT AND RELEASE, AND THE SETTLEMENT AGREEMENT AND RELEASE WILL BECOME EFFECTIVE UPON THE EXPIRATION OF THAT REVOCATION PERIOD.

THE UNDERSIGNED HAS READ THE FOREGOING RELEASE AND HAS CONSULTED WITH HIS ATTORNEY AND FULLY UNDERSTANDS IT.

CAUTION: READ BEFORE SIGNING BELOW

Dated: 3/19/02

By: [Signature]
LOUIS OWEN

STATE OF MICHIGAN)
 acting in) SS.
COUNTY OF Washtenaw)

On this 19th day of March, 2002, before me personally appeared Louis Owen, known to me as the person named herein who executed the foregoing Settlement Agreement and Release and who, after being first duly sworn, did depose and say that he has read and understands the foregoing and that he executed the same freely and without duress.

[Signature]
NOTARY PUBLIC, Washtenaw COUNTY, MI
My Commission Expires: 7-30-02

L'ANSE AREA SCHOOLS

Dated: 3-19-02

By: [Signature]
Its: Superintendent

Dated: 3-20-02

By: [Signature]
BRIAN JENTOFF

Dated: 3-20-02

By: [Signature]
H. PETER MOORE

Branches.01675.94990.1072280-1

In addition, Owen will be executing resignation, release and waiver agreements in connection with his workers' compensation case.

V. Resolution of All Claims

The parties agree and understand that this Settlement Agreement and Release will become effective only upon the resolution of all pending matters, which include the following:

1. The redemption of his pending workers' compensation claim; and
2. The entry of the Order of Dismissal of his lawsuit, pending in the United States District Court for the Western District of Michigan.

It is understood and agreed between the parties that both the dismissal of the lawsuit and the redemption of the workers' compensation claim are conditions of this Settlement Agreement and Release. Failure to complete either the dismissal of the lawsuit or redemption of the workers' compensation claim will render the entire Settlement Agreement null and void, obligating Owen to return any consideration received hereunder.

VI. Not An Admission of Liability

It is understood and agreed that this settlement is a compromise of disputed claims and that the payments made hereunder are not to be construed as an admission of liability on the part of any of the parties hereby released and that L'Anse, Jentoft and Moore hereby deny any liability for any claims of Owen but merely intend to avoid litigation and to buy their peace.

VII. No Coercion or Reliance Upon Representations By L'Anse, Jentoft and Moore

Owen hereby declares and represents that the injury and damages claimed to be sustained by him are or may be permanent and progressive and may exist in the future and that recovery therefrom is uncertain and indefinite. In making this release, it is understood and agreed that Owen relies wholly upon his judgment, the judgment of his attorney and the judgment of his personal physician and that he has consulted with an attorney and made the settlement without reliance upon any statement or representation of the parties herein released or their representatives, or by any attorney or physician employed by them. In addition, Owen affirms that this settlement is entered into by him voluntarily without any coercion or duress on the part of L'Anse, Jentoft and Moore or their representatives.

VIII. Indemnity for Potential Tax Liability

Owen agrees to indemnify and hold L'Anse harmless against any tax liability should any taxing authorities conclude that L'Anse has any tax liability in connection with the payment of \$100,000 to redeem his worker's compensation claim or the payment of \$165,000 to resolve the lawsuit.

IX. Arbitration