

**SETTLEMENT AGREEMENT BETWEEN THE UNITED STATES DEPARTMENT OF
JUSTICE, MICHELLE SPARLING,
AND
METROPOLITAN SCHOOL DISTRICT OF WABASH COUNTY**

1. The parties to this Agreement are the United States Department of Justice, Metropolitan School District of Wabash County, Indiana and Michelle Sparling. The United States Department of Justice is referred to hereinafter as the "Department of Justice." Metropolitan School District of Wabash County, its agents, employees, officials, designees, and successors in interest, are referred to hereinafter as "MSD." Michelle Sparling is referred to as "Ms. Sparling." The Equal Employment Opportunity Commission is referred to hereinafter as the "EEOC." Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, et seq., is referred to hereinafter as "Title VII."

The parties hereby agree as follows:

FACTUAL AND JURISDICTIONAL BACKGROUND

2. This matter arises from charges filed on or about January 24, 2001, and April 4, 2001, by Ms. Sparling with the Indianapolis District Office of the EEOC, charge numbers 240A10819 and 240A11463, in which she alleged discrimination against herself and other female teachers of the MSD. On or about September 25, 2001, the EEOC issued a determination letter on charge number 240A10819 that reasonable cause existed to believe that MSD discriminated against Ms. Sparling on the basis of sex. On or about September 27, 2001, the EEOC issued a determination letter on charge number 240A11463 that reasonable cause existed to believe that MSD discriminated against Ms. Sparling on the basis of sex. The EEOC was unable to secure an acceptable conciliation agreement and subsequently referred the charges to the Department of Justice pursuant to Section 706 (f) (1) of Title VII, 42 U.S.C. § 2000e-5 (f) (1).

3. The 1995 (in effect from October 10, 1995 to May 22, 2000) and the 2000 (in effect from May 23, 2000 to May 26, 2003) Collective Bargaining Agreements ("CBAs") covering teachers employed by MSD contained a provision called "Paternity Days" that stated as follows: "Each teacher employed under regular contract shall be entitled to two (2) days absence per school year at such time his wife gives birth to a child on a regular school day. One (1) day of the above days may be used at the time said wife is discharged from the hospital." No female teacher who gave birth during the time the 1995 and 2000 CBAs were in effect could take leave under this provision.

4. The provision set forth in paragraph 3 above was changed in the 2003 CBA. That provision now entitled "Parental Days" states as follows: "Each teacher shall be entitled to two (2) days absence per school year at such time the teacher or the teacher's wife gives birth to a child on a regular school day. One (1) day of the above days may be used at the time the mother is discharged from the hospital."

5. Title VII applies to the MSD because it is a person within the meaning of 42 U.S.C. § 2000e-(a) and an employer within the meaning of 42 U.S.C. § 2000e-(b).

6. The Department of Justice has authority to file suit on EEOC charge numbers 240-A1-0819 and 240-A1-1463 under Title VII, 42 U.S.C. 2000e-5(f)(1).

7. This Agreement, in whole or in part, shall not be construed as an admission by the MSD or as an acceptance by the Department of Justice of any argument that the MSD has previously made or may subsequently make as to the substance of the allegations in charge numbers 240-A1-0819 and 240-A1-1463.

8. The parties have determined that their respective interests can be met without engaging in protracted litigation to resolve this dispute, and have therefore voluntarily entered into this Agreement whereby the MSD is offering Ms. Sparling and other present and former female teachers the following relief:

ACTIONS TO BE TAKEN BY MSD

9. The MSD is offering to Ms. Sparling and other female present teachers who gave birth during a school year during the period from October 10, 1995 to May 26, 2003 the option of receiving for each such occasion either two days' sick leave credit or two days of paid personal leave to be taken during the school year.

9a. The MSD is offering to former teachers who gave birth during a school year during the period from October 10, 1995 to May 26, 2003 a sum equal to two days' pay at their respective per diem rates on the dates each of them gave birth.

10. By her signature to this Agreement and her execution of the "Release of All Claims," attached as Exhibit A, Ms. Sparling is accepting the above-described offer to her from the MSD.

11. The MSD will within (30) days after the effective date of this agreement notify all other female present and former teachers who gave birth during a school year during the period from October 10, 1995 to May 26, 2003, of the Settlement Agreement and the MSD's offer to them pursuant to the Settlement Agreement by sending each of them a notice, in the form attached as Exhibit B for present teachers and Exhibit C for former teachers and a release by which to accept the offer in the form attached as Exhibit D. The MSD will send copies of these notices to the Department of Justice in care of its attorney, at the time it sends those notices it will send to the Department of Justice in care of its attorney, copies of the executed releases it receives pursuant to the Agreement with (15) days after receipt.

OTHER PROVISIONS

12. The Attorney General of the United States is authorized, pursuant to Section 706 (f)(1) of Title VII, 42 U.S.C. § 2000e-5 (f)(1), to institute a civil action against a local government employer when the EEOC has determined that there is reasonable cause to believe that a charge of employment discrimination is true, and the EEOC has been unable to secure an acceptable conciliation agreement. These preconditions exist with respect to EEOC charge numbers 240-A1-0819 and 240-A1-1463 filed by Ms. Sparling. In consideration for the MSD offering the relief to Ms. Sparling and other female

present and former teachers provided for in this Agreement, the Attorney General will not use EEOC charge numbers 240-A1-0819 and 240-A1-1463 as the jurisdictional basis for a civil action against the MSD under Title VII. Nothing in this Agreement precludes the Attorney General from investigating or bringing any action under any statute or regulation against the MSD under factual circumstances other than those of EEOC charge numbers 240-A1-0819 and 240-A1-1463.

13. Within sixty (60) days after the effective date of this Agreement, the Department of Justice will issue to Ms. Sparling a notice of right to sue on EEOC charge numbers 240-A1-0819 and 240-A1-1463 pursuant to Section 706 (f) (1) of Title VII. However, by her signature to this Agreement and the Release of All Claims attached as Exhibit A hereto, Ms. Sparling agrees not to file a lawsuit on EEOC charge numbers 240-A1-0819 and 240-A1-1463.

14. The Department of Justice, in the name of the United States, may institute a civil action in the appropriate U.S. District Court to enforce this Agreement, if it believes that this Agreement or any requirement thereof has been violated. The Department of Justice may review compliance with this Agreement at any time. If the Department of Justice believes that this Agreement or any portion of it has been violated, it will raise its concern(s) with the MSD, and the parties will attempt to resolve the concern(s) in good faith. The MSD will be given 14 days to cure any breach of this Agreement, after the alleged breach has been brought to its attention, prior to the institution of any enforcement action.

15. A signatory to this document in a representative capacity for either party represents that he or she is authorized to bind that party to this Agreement.

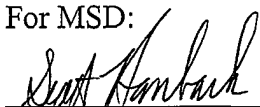
16. Failure by the Department of Justice to enforce this entire Agreement or any provision thereof shall not be construed as a waiver of its right to do so with regard to other provisions of this Agreement.

17. The parties to this Agreement agree that this Agreement is a public document and the MSD and Ms. Sparling waive any and all claims under Title VII and any other law that the Agreement or any part of the Agreement is confidential. The parties further agree that this Agreement constitutes the entire agreement between the parties on the matters raised herein. No other statement, promise, or agreement, either written or oral made by either party, that is not contained or referenced in this written Agreement, shall be enforceable. Copies of this Agreement shall be made available to any person by either party upon request to that party. The MSD and Ms. Sparling agree that either party or the Department of Justice shall be permitted to post this Agreement on their respective websites, issue press releases regarding this Agreement and make the Agreement public in any other lawful manner.

EFFECTIVE DATE

18. The effective date of this Agreement is the date of the last signature below.
Agreed and Consented to:

For MSD:



Scott Hanback
Superintendent
204 N. 300 W.
Wabash, Indiana 46992

For the United States
Department of Justice:

Bradley J. Schlozman
Acting Assistant Attorney General

Date: _____

Charles R. Tiede

Charles R. Tiede, Esquire
Tiede, Metz & Downs, P.C.
99 West Canal Street
Wabash, Indiana 46992

Date: Oct. 18, 2005

Antoinette Barksdale

William B. Fenton
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Attorneys
Employment Litigation Section
Civil Rights Division
U.S. Department of Justice
10th and Constitution Ave., NW
Washington, D.C. 20530
(202) 514-3814

Date: 11/29/05

Charging Party

Michelle Sparling

Michelle Sparling
Charging Party on EEOC
charge numbers 240-A1-0819 and
240-A1-1463
2212 N. 750 E.
Andrews, Indiana 46702

Date: 11/09/05

EXHIBIT A

RELEASE OF ALL CLAIMS

For and in consideration of the acceptance of the relief, or any part of it, offered to me by the Metropolitan School District of Wabash County, Indiana, referred to hereinafter as the "MSD" pursuant to the provisions of the Settlement Agreement between the United States Department of Justice, MSD and myself, I, Michelle Sparling, hereby release and forever discharge the MSD, its current and future officials, employees and agents, of and from all legal and equitable claims arising out of and connected with Equal Employment Opportunity Commission ("EEOC") charge numbers 240-A1-0819 and 240-A1-1463 filed by me. I further agree that I will not exercise any right to institute against the MSD any civil action alleging employment discrimination on the basis of EEOC charge numbers 240-A1-0819 and 240-A1-1463 or any of the facts alleged therein.

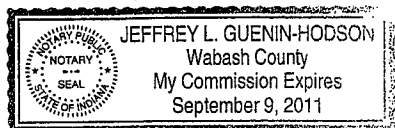
I understand that the relief to be given to me in consideration for this Release does not constitute an admission by the MSD of the validity of any claim raised by me or on my behalf.

**I HAVE READ THIS RELEASE AND UNDERSTAND THE CONTENTS THEREOF
AND I EXECUTE THIS RELEASE OF MY OWN FREE ACT AND DEED.**

Date: 11/09/05

Michelle Sparling
Michelle Sparling

Subscribed and sworn to before me this 9th day of Nov., 2005.



Jeffrey L. Guenin-Hodson
Notary Public

My commission expires: 9.9.2011