

**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.	)	

**[PROPOSED] STIPULATED CONSENT JUDGMENT**

**United States of America**  
By: U.S. Department of Justice  
Civil Rights Division  
Employment Litigation Section  
601 D Street, N.W. – PHB  
Washington, DC 20579

**City of Chicago**  
By: Taft Stettinius & Hollister LLP  
111 E. Wacker Drive  
Suite 2800  
Chicago, IL 60601

**TABLE OF CONTENTS**

**I. INTRODUCTION..... 1**

**II. STIPULATIONS..... 2**

**III. RELIEF UNDER THE STIPULATION ..... 5**

**A. DEFINITIONS AND PARTIES ..... 5**

**B. PURPOSES OF THE STIPULATION ..... 9**

**C. INJUNCTIVE RELIEF ..... 9**

**D. FAIRNESS HEARING ON THE TERMS OF THE STIPULATION ..... 20**

**E. ENTRY OF THE STIPULATION ..... 24**

**F. INDIVIDUAL RELIEF ..... 24**

**G. RECORD RETENTION AND PRODUCTION ..... 57**

**H. DISPUTE RESOLUTION..... 59**

**I. DURATION OF THE STIPULATION ..... 59**

**J. COST AND FEES ..... 60**

**K. MISCELLANEOUS ..... 60**

**APPENDIX**

## 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. 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](mailto: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](mailto: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. 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.

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](mailto: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](mailto: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](mailto: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 \_\_\_\_ day of \_\_\_\_\_, 201\_\_.

---

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:

---

DELORA L. KENNEBREW (GA 414320)  
Chief  
Employment Litigation Section

---

JOHN P. BUCHKO (DC 452745)  
Deputy Chief  
Employment Litigation Section

---

VALERIE L. MEYER (AZ 023737)  
KATHLEEN O. LAWRENCE (DC 1011297)  
CAROL A. WONG (IL 6294123)  
Senior Trial Attorneys  
United States Department of Justice  
Civil Rights Division  
Employment Litigation Section  
950 Pennsylvania Avenue, NW, PHB  
Washington, DC 20530  
Telephone: (202) 616-9100  
Fax: (202) 514-1105  
E-mail: [Valerie.Meyer@usdoj.gov](mailto:Valerie.Meyer@usdoj.gov)

Attorneys for Plaintiff United States of America

FOR DEFENDANT CITY OF CHICAGO:

By:

---

ALLAN T. SLAGEL (IL 6198470)  
HEATHER A. JACKSON (IL 6243164)  
RACHEL L. SCHALLER (IL 6306921)  
Taft, Stettinius & Hollister  
111 East Wacker Drive, Suite 2800  
Chicago, Illinois 60601  
Telephone: (312) 836-4056  
Fax: (312) 275-7604  
E-mail: [aslagel@taftlaw.com](mailto:aslagel@taftlaw.com)

Attorneys for Defendant the City of Chicago

13604227.7

**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**

**[PROPOSED] 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

# **APPENDIX A**



# **APPENDIX B**

## **APPENDIX B**

### **NOTICE OF SETTLEMENT AND FAIRNESS HEARING**

On February 10, 2016, the United States of America (“United States”) and the City of Chicago (“City”) agreed to settle a lawsuit filed by the United States on February 5, 2016 in the federal District Court for the Northern District of Illinois. In the lawsuit, the United States claimed that Chicago used hiring practices that did not comply with Title VII of the Civil Rights Act of 1964. The United States claimed that Chicago’s use of a ten-year continuous United States residency requirement (“ten-year residency requirement”) as part of its background check overly excluded people born outside the United States from being hired as probationary police officers (“PPO”). The United States claimed that this requirement was not shown to be job related and consistent with business necessity, as required by federal law.

To resolve this matter without the time and costs of litigation and to promote the purposes of Title VII, the United States and Chicago have entered into a “Stipulated Consent Judgment” settling the lawsuit.

#### **Terms of the Stipulated Consent Judgment**

Under the proposed Stipulated Consent Judgment:

- Chicago will stop using the ten-year residency requirement. They will use one that meets the required legal standards.
- Chicago will hire up to eight (8) people who were born outside the United States and disqualified as PPO candidates due to the ten-year residency requirement. Those people must pass City’s other selection requirements.
- Chicago will give non-competitive retroactive seniority for purposes of salary, retirement eligibility, and retirement benefits to those eight (8) people. This means that they will get starting salaries as if they had started as a PPO on July 1, 2008. Also, they will have the option to fund their pensions as though they began as early as July 1, 2008.
- Chicago will provide \$2,002,956.47 for a Settlement Fund that will be paid to the eligible candidates who were born outside the United States and disqualified by the ten-year residency requirement after taking one of the 2006 PPO written exams. This money will not just be paid to the eight (8) people who are hired. It will be divided between all eligible candidates who were born outside the United States and disqualified due to the ten-year residency requirement.
- Chicago will give training about Title VII to all Chicago officials and employees involved in Chicago’s PPO hiring process. The training will focus on national origin discrimination, and how to report allegations of discrimination.

## Next Steps

1. The Court will hold a “Fairness Hearing” to decide if the terms of the proposed Stipulated Consent Judgment are fair, reasonable, and adequate. This Fairness Hearing will be held on [], 201\_ at [] AM/PM, at the federal district courthouse located at 219 South Dearborn St., Chicago, IL.
2. If you do not object to the proposed Stipulated Consent Judgment you do not have to do anything.
3. If you believe any of the terms of the proposed Stipulated Consent Judgment are unfair, unreasonable, or inadequate, you have the right to submit a written objection. Instructions for how to file an objection are enclosed with this notice. **Making an objection is optional. But if you do not object at this time, you may not be able to take any action against this Stipulated Consent Judgment in the future.**
4. Your objection must be filed by [], 201\_. The instructions for how to file an objection are enclosed with this notice.
5. You may obtain a copy of the proposed Stipulated Consent Judgment from Taft Stettinius & Hollister LLP, located at 111 E. Wacker, Suite 2800, Chicago, IL. You may also review this document at the office of the Clerk for the United States Federal Court for the Northern District of Illinois, Eastern Division, located at 219 South Dearborn, Chicago, IL. You may also review a copy online at [website address].
6. You have the right to go to the Fairness Hearing on [], 201\_. The Court will review your objection whether or not you go to the hearing.
7. If you have any questions, you may call the Employment Litigation Section of the Civil Rights Division of the Department of Justice at 1-800-556-1950, Box # 4. If you call this number, please leave a message with your name, address, telephone number, and a time when you can be reached. Your call will be returned as soon as possible.



**INSTRUCTIONS FOR FILING AN OBJECTION**  
**PRIOR TO THE FAIRNESS HEARING**

1. If you believe the terms of the Stipulated Consent Judgment are unfair, unreasonable, or inadequate, you may object to its final entry by the Court. **Making an objection is voluntary. But if you do not object at this time, you may not be able to take any action against this Stipulated Consent Judgment in the future.** If you decide to object, you must follow the instructions on this page. If you choose to object, the judge will review your objection before deciding whether to approve the terms of the Stipulated Consent Judgment.
2. **All objections must be returned by [ ], 201\_ . If your objection is not returned by this date, your objection may not be reviewed. Also, you may be prohibited from objecting at a later time. The date of the postmark by the United States Postal Service or email date-stamp will be the date of return of the objection.**
3. **All objections must be made in writing.** Your objection should be made on the attached form. You must fill out this page fully. You must include a description of the basis of your objection. If you have hired an attorney to help you in this matter, include the name, address, phone number, and email address of your attorney with your objection. You may attach additional pages if necessary.
4. You must send your objection to:

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  
*OR*  
Chicagopolicesettlement@usdoj.gov
5. The Court will hold the Fairness Hearing on [ ], 201\_ at [ ] AM/PM, at the federal district courthouse located at 219 South Dearborn St., Chicago, IL.
6. At the hearing, the Court will review all timely objections. You may go to this hearing if you wish. The Court will review your written objection whether or not you go to the hearing.
7. If you have any questions about how to submit an objection, you may consult with an attorney at your own expense. You may also call the Employment Litigation Section of the Civil Rights Division of the Department of Justice at 1-800-556-1950, Box # 4. If you do call this number, please leave a voicemail message with your name, address, telephone number, and a time when you can be reached. Your call will be returned as soon as possible.

**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, )  
 )  
 ) Defendant. )

**OBJECTION TO THE ENTRY OF THE STIPULATED CONSENT JUDGMENT**

I am objecting to the terms of settlement of this case included in the Stipulated Consent Judgment agreed to by the United States and the City of Chicago.

---

Name

---

Address City State Zip

---

Telephone Email address

**Attorney Contact Information (if you have an attorney representing you):**

Name			
Address	City	State	Zip
Telephone	Email address		

Basis of my objection: \_\_\_\_\_

---

Are you requesting to state (or have your attorney state) your objection in person at the Fairness Hearing?

[ ] Yes [ ] No

**YOU MAY USE MORE PAGES TO EXPLAIN THE BASIS OF YOUR OBJECTION. YOU MUST SEND YOUR OBJECTION TO THE DEPARTMENT OF JUSTICE AT THE ADDRESS LISTED IN THE INSTRUCTIONS. YOUR OBJECTION MUST BE POSTMARKED OR EMAILED BY [1, 201].**

# **APPENDIX C**

**APPENDIX C**

Letter to Potential Claimants Regarding Fairness Hearing on Stipulated Consent Judgment

Re: United States of America v. City of Chicago, Civ. Action No. 16-CV-01969 (N.D. Ill.)

Dear \_\_\_\_\_:

Our records show that you were born outside the United States and disqualified as a probationary police officer candidate by the Chicago Police Department because of a ten-year continuous United States residency requirement. This letter is to inform you of a settlement of a civil lawsuit between the United States and the City of Chicago that may affect you.

Enclosed please find a document entitled "**NOTICE OF SETTLEMENT AND FAIRNESS HEARING.**" This document describes the basis of the lawsuit and the terms of the settlement. The document also shows the time and place of a Fairness Hearing and tells you how to make an objection to the terms of the settlement if you choose to do so. **Please read the document carefully; your rights may be affected.**

**You may be eligible for relief from the settlement. This relief is described in the attached notice.** If the Court approves the settlement, you will be contacted about how to submit a claim for such relief. **You do not need to take any action at this time to be eligible for relief under the settlement.**

Sincerely,

The City of Chicago

Enclosure

# **APPENDIX D**

## APPENDIX D

### Notice of Entry of Stipulated Consent Judgment to Potential Claimants

Re: United States of America v. City of Chicago, Civ. Action No. 16-CV-1969 (N.D. Ill.)

Dear \_\_\_\_\_:

On **[insert date]**, the Court approved the Stipulated Consent Judgment in the United States of America v. City of Chicago. In the lawsuit, the United States claimed that Chicago used hiring practices that did not comply with Title VII of the Civil Rights Act of 1964 (“Title VII”). The United States claimed that Chicago’s use of a ten-year continuous United States residency requirement (“ten-year residency requirement”) as part of its background check overly excluded people who were born outside the United States from being hired as probationary police officers (“PPO”). The United States claimed that this requirement was not shown to be job related and consistent with business necessity, as required by federal law.

**You may be eligible for the relief from the settlement. This letter explains how to be considered for relief.**

#### **Terms of the Stipulated Consent Judgment**

Under the Stipulated Consent Judgment:

- Chicago will stop using the ten-year residency requirement. They will use one that meets the required legal standards.
- Chicago will hire up to eight (8) people who were born outside the United States and disqualified as PPO candidates due to the ten-year residency requirement. Those people must pass Chicago’s other selection requirements.
- Chicago will give non-competitive retroactive seniority for purposes of salary, retirement eligibility, and retirement benefits to those eight (8) people. This means that they will get starting salaries as if they had started as a PPO on July 1, 2008. Also, they will have the option to fund their pensions as though they began as early as July 1, 2008.
- Chicago will provide \$2,002,956.47 for a Settlement Fund that will be paid to the eligible candidates who were born outside the United States and disqualified by the ten-year residency requirement after taking one of the 2006 PPO written exams. This money will not just be paid to the eight (8) people who are hired. It will be divided equally between all the eligible candidates who were born outside the United States and disqualified due to the ten-year residency requirement.
- Chicago will give training about Title VII to all City officials and employees involved in Chicago’s PPO hiring process. The training will focus on national origin discrimination, and how to report allegations of discrimination.

## Next Steps

1. If you believe you are entitled to relief under the terms of the settlement, you **MUST** fill out the **Interest In Relief Form** enclosed with this notice. The Interest in Relief Form must be returned by mail or email no later than **[insert date]** to:

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  
*OR*  
Chicagopolicesettlement@usdoj.gov

2. Mark the type of relief you are interested in. You can select that you are interested in monetary relief, being considered for a PPO position with Chicago, both, or neither. Please note that you may be required to provide additional information.
3. If you have questions about how to submit a claim, or if you are eligible for relief, you may consult with an attorney at your own expense. You may also call the Employment Litigation Section of the Civil Rights Division of the Department of Justice at 1-800-556-1950, Box # 4. If you call this number, please leave a voicemail message with your name, address, telephone number and a time when you can be reached. Your call will be returned as soon as possible.

**SUBMITTING THE INTEREST IN RELIEF FORM BY [insert date] DOES NOT MEAN THAT YOU ARE ENTITLED TO ANY RELIEF. IT DOES NOT GUARANTEE THAT YOU WILL RECEIVE ANY RELIEF. IF YOU DO NOT SUBMIT A CLAIM FORM BY [insert date] YOU WILL NOT BE ABLE TO OBTAIN RELIEF.**

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

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

**INTEREST IN RELIEF FORM**

I want to receive relief under the Stipulated Consent Judgment. By signing and returning this form, I certify that I: (1) was born outside of the United States; (2) applied for a job as a probationary police officer (“PPO”) with the City of Chicago and took and passed one of the PPO written exams in 2006; and (3) was eliminated from further consideration due to the background investigation’s ten-year continuous United States residency requirement.

---

Name Last 4 digits of Social Security Number

---

Other name(s) used

---

Address City State Zip

---

Telephone Email address

I wish to be considered to receive the following forms of relief (choose one):

- No Relief
- Monetary relief
- Hiring relief (requires passage of selection procedures used by Chicago, such as background check, medical exam, psychological exam, etc., before receiving offer of hire)
- Both Monetary and Hiring Relief

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

Return this form to:

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  
OR  
Chicago.policesettlement@usdoj.gov

**SUBMITTING THE INTEREST IN RELIEF FORM BY [insert date] DOES NOT MEAN THAT YOU ARE ENTITLED TO ANY RELIEF. IT DOES NOT GUARANTEE THAT YOU WILL RECEIVE ANY MONEY. IF YOU DO NOT SUBMIT A CLAIM FORM BY [insert date] YOU WILL NOT BE ABLE TO OBTAIN RELIEF.**



# **APPENDIX E**

**APPENDIX E**

Notice to Claimants Regarding Individual Relief Determination

Re: United States of America v. City of Chicago, Civ. Action No. 16-CV-1969 (N.D. Ill.)

Individual Relief Determination

1. The United States has made an initial determination that you [ ] are [ ] are not eligible for monetary relief. You should receive at least **insert amount**, minus tax withholding.
2. The United States has made an initial determination that you [ ] are [ ] are not eligible to be considered for an offer of hiring relief. **This does not guarantee that you will be hired by Chicago.** However, if you are hired, you will be given a retroactive hire date of **July 1, 2008** for purposes of salary. If you are hired, you have the option of selecting a retroactive hire date between July 1, 2008 and your actual hire date for purposes of retirement eligibility and retroactive pension benefits only. If you are hired, you will get more information about this option.
3. The United States has determined that you are [not eligible for monetary relief] or [not eligible to be considered for hiring relief] because:

---

---

---

# **APPENDIX F**

## APPENDIX F

### NOTICE OF FAIRNESS HEARING ON INDIVIDUAL RELIEF

Re: United States of America v. City of Chicago, Civ. Action No. 16-CV-01969 (N.D. Ill.)

Dear \_\_\_\_\_:

On **[insert date]**, the Court approved the Stipulated Consent Judgment in the United States of America v. City of Chicago. In the lawsuit, the United States claimed that Chicago used hiring practices that did not comply with Title VII of the Civil Rights Act of 1964 (“Title VII”). The United States claimed that Chicago’s use of a ten-year continuous United States residency requirement (“ten-year residency requirement”) as part of its background check overly excluded people who were born outside the United States from being hired as probationary police officers (“PPO”). The United States claimed that this requirement was not shown to be job related and consistent with business necessity, as required by federal law.

**You filed an “Interest In Relief Form” in this Case. The enclosed Notice to Claimants Regarding Individual Relief Determination explains the relief the United States recommends you are eligible to receive. Also enclosed are instructions explaining how you can object to the United States’ recommendation about your eligibility for relief. If you do not object, you do not have to do anything at this time.**

Under the Stipulated Consent Judgment:

- Chicago will stop using the ten-year residency requirement. They will use one that meets the required legal standards.
- Chicago will hire up to eight (8) people who were born outside the United States and disqualified as PPO candidates due to the ten-year residency requirement. Those people must pass Chicago’s other selection requirements.
- Chicago will give non-competitive retroactive seniority for purposes of salary, retirement eligibility, and retirement benefits to those eight (8) people. This means that they will get starting salaries as if they had started as a PPO on July 1, 2008. Also, they will have the option to fund their pensions as though they began as early as July 1, 2008.
- Chicago will provide \$2,002,956.47 for a Settlement Fund that will be paid to the eligible candidates who were born outside the United States and disqualified by the ten-year residency requirement after taking one of the 2006 PPO written exams. This money will not just be paid to the eight (8) people who are hired. It will be divided between all the eligible candidates who were born outside the United States and disqualified due to the ten-year residency requirement.
- Chicago will give training about Title VII to all Chicago officials and employees involved in Chicago’s PPO hiring process. The training will focus on national origin discrimination, and how to report allegations of discrimination.

The City and the United States are not providing any tax advice. You (and only you) shall be personally and solely responsible for any taxes due. Please seek the advice of a tax professional at your own expense if you have questions or concerns regarding tax liability.

### Next Steps

1. Review the enclosed Notice to Claimants Regarding Individual Relief Determination that shows what type of relief the United States is recommending for you.
2. If you agree with the relief, you do not have to do anything at this time.
3. If you do not agree with the relief, you can submit a written objection. **Making an objection is optional. If you do not object at this time, you will not be able to object in the future.**
4. The parties have asked the Court to hold a Fairness Hearing on Individual Relief. The Fairness Hearing on Individual Relief will be held on **[insert date]** at **[insert time]**, at the federal district courthouse located at 219 South Dearborn St., Chicago, IL. **You have the right to go to this Fairness Hearing.** At the hearing, the Court will review the United States' recommendations. If you file an objection, the Court will review it whether or not you go to the hearing.
5. If you have questions about your individual relief, you may consult with an attorney at your own expense.
6. If you have questions about your individual relief, you may also call the Employment Litigation Section of the Civil Rights Division of the Department of Justice at 1-800-556-1950, Box # 4. If you call this number, please leave a message with your name, address, telephone number and a time when you can be reached. Your call will be returned as soon as possible.

**INSTRUCTIONS FOR FILING AN OBJECTION TO INDIVIDUAL RELIEF**

1. If you want to object to the United States' determinations about the relief you are entitled to under the Stipulated Consent Judgment, you must follow the instructions below. **Making an objection is optional. If you do not object at this time, you will not be able to object in the future.** If you make an objection, the judge will review your objection before deciding whether or not to approve the relief provided to you and other individuals under the Stipulated Consent Judgment.
2. **All objections must be returned by [insert date]. If your objection is not returned by this date, your objection may not be considered. You will be prohibited from objecting at a later time. The date of the postmark by the United States Postal Service or email date-stamp will be the date of return of the objection.**
3. **All objections must be made in writing.** Your objection should be made on the attached form. You must fill out this form fully. You must include a description of your objection. If you have hired an attorney to help you in this matter, include the name, address and phone number of your attorney with your objection. You may attach additional pages if necessary.
4. You must send your objection to:

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

*OR*

Chicagopolicesettlement@usdoj.gov

5. The Court will hold the Fairness Hearing on Individual Relief on [insert date] at [time], at the federal district courthouse located at 219 South Dearborn St., Chicago, IL. You may go to this hearing. The Court will review your written objection whether or not you go to the hearing.
6. If you have any questions about how to submit an objection, you may consult with an attorney at your own expense. You may also call the Employment Litigation Section of the Civil Rights Division of the Department of Justice at 1-800-556-1950, Box #4. If you do call this number, please leave your name, address, telephone number and a time when you can be reached. Your call will be returned as soon as possible.

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

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

**OBJECTION TO UNITED STATES' DETERMINATION REGARDING INDIVIDUAL RELIEF TO BE  
AWARDED UNDER THE STIPULATED CONSENT JUDGMENT**

I am objecting to the United States' determinations regarding the relief to which I am entitled under the Stipulated Consent Judgment.

---

Name \_\_\_\_\_

---

Address _____	City _____	State _____	Zip _____
---------------	------------	-------------	-----------

---

Telephone _____	Email address _____
-----------------	---------------------

**Attorney Contact Information (if you have an attorney representing you):**

Name _____
Address _____ City _____ State _____ Zip _____
Telephone _____ Email address _____

Nature and basis of my objection: \_\_\_\_\_

**YOU MUST ATTACH A COPY OF ANY DOCUMENTATION  
THAT YOU HAVE THAT SUPPORTS YOUR OBJECTION.**

Are you requesting to state (or have your attorney state) your objection in person at the Fairness Hearing on Individual Relief?

[ ] Yes [ ] No

**YOU MAY USE MORE PAGES TO EXPLAIN THE BASIS OF YOUR OBJECTION. YOU MUST SEND YOUR OBJECTION TO THE DEPARTMENT OF JUSTICE AT THE ADDRESS LISTED IN THE INSTRUCTIONS. YOUR OBJECTION MUST BE POSTMARKED OR EMAILED BY [INSERT DATE].**

# **APPENDIX G**



**APPENDIX G**

Letter to Claimants Regarding Acceptance of Relief and Release of Claims

Re: United States of America v. City of Chicago, Civ. Action No. 16-CV-01969 (N.D. Ill.)

Dear \_\_\_\_\_:

On **[insert date]**, the Court decided each person's eligibility for relief under the Stipulated Consent Judgment in the United States of America v. City of Chicago. In the lawsuit, the United States claimed that Chicago used hiring practices that did not comply with Title VII of the Civil Rights Act of 1964 ("Title VII"). The United States claimed that Chicago's use of a ten-year continuous United States residency requirement ("ten-year residency requirement") as part of its background check overly excluded people who were born outside the United States from being hired as probationary police officers. The United States claimed that this requirement was not shown to be job related and consistent with business necessity, as required by federal law.

The Court has determined that you are eligible for the following relief: [    ].

Enclosed is a copy of your "Acceptance of Relief and Release of Claims" form. To receive relief you **MUST**:

1. Properly and completely fill out the enclosed form;
2. Initial where indicated;
3. Sign the form in the presence of a notary public;
4. Fill out and return the withholding forms so that appropriate taxes may be withheld; and
5. Return the forms to the Department of Justice no later than **[insert date]**.

**Please carefully review the enclosed documents. You will not be able to receive any relief if you do not properly and completely fill out the enclosed forms, and return them by the above date.** If you have any questions, you may consult with an attorney at your own expense.

Sincerely,

The United States Department of Justice  
Civil Rights Division  
Employment Litigation Section

Enclosures

**ACCEPTANCE OF RELIEF AND RELEASE OF CLAIMS**

In consideration for this award of the relief stated above, \_\_\_\_\_, for himself/herself and his/her successors, assigns, heirs, and beneficiaries (“Releasor”) hereby releases and discharges the City of Chicago, the Chicago Police Department, and all of their employees, agents, attorneys, representatives, administrators, predecessors, successors, and assigns (the “Releasees”), from all or any legal claims, whether in law, equity, or statutory, known or unknown, which the Releasor has, may have, has had, or may have had against any of the Releasees as of the date this Acceptance of Relief and Release of Claims is signed below, based upon or arising from alleged discrimination on the basis of national origin through the use of a ten-year continuous residency requirement in the selection process for Probationary Police Officers in violation of any federal, state, or local statutes, regulations, ordinances, or executive orders providing for or giving rise to claims or rights of action relating to equal employment, including Title VII of the Civil Rights Act of 1964, the Civil Rights Act 1991, 42 U.S.C. § 1981, The Illinois Human Rights Act, the Chicago Human Rights Ordinance, any and all applicable amendments to those named statutes, and any other applicable state or local human rights statutes, regulations, or ordinances.

Releasor warrants and represents that Chicago and the United States have not provided Releasor any advice, representations, warranties, guaranties, promises, statements or estimates regarding the tax treatment or effect of any payments in this case. In the event it should be subsequently determined that payment of taxes on any amounts received as part of this case should have been made, Releasor will be personally and solely responsible for all such taxes, as well as for any related penalties or interest which may be due. In addition, Releasor indemnifies and holds harmless Chicago and the United States from any payment, interest, penalty and reasonable attorney’s fees and costs incurred in connection with any claim.

Releasor does not waive or release Releasees from any legal claims whatsoever arising or accruing after the date this Release of Claims is signed. Releasor further represents and warrants that Release of Claims is given voluntarily and for good and valuable consideration.

**I HAVE READ THIS ACCEPTANCE OF RELIEF AND RELEASE OF CLAIMS FORM AND UNDERSTAND THE CONTENTS THEREOF. I SIGN THIS FORM OF MY OWN FREE ACT AND DEED.**

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City State Zip

( ) \_\_\_\_\_  
Home Telephone

( ) \_\_\_\_\_  
Work/Mobile Telephone

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Last Four Digits Social Security Number

City/County of \_\_\_\_\_  
State of Illinois

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

Notary registration number \_\_\_\_\_ My commission expires: \_\_\_\_\_, \_\_\_\_\_.

Seal:

**Return this form to:**

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

OR [Chicagopolicesettlement@usdoj.gov](mailto:Chicagopolicesettlement@usdoj.gov)

# **APPENDIX H**

## Appendix H

Potential Claimant Number	Eligible for Monetary Relief	Eligible for Hiring Relief
1	Yes	Yes
2	Yes	Yes
3	Yes	Yes
4	Yes	Yes
5	Yes	Yes
6	Yes	Yes
7	Yes	Yes
8	Yes	Yes
9	Yes	Yes
10	Yes	Yes
11	Yes	Yes
12	Yes	Yes
13	Yes	Yes
14	Yes	Yes
15	Yes	Yes
16	Yes	Yes
17	Yes	Yes
18	Yes	Yes
19	Yes	Yes
20	Yes	Yes
21	Yes	Yes
22	Yes	Yes
23	Yes	Yes
24	Yes	Yes
25	Yes	No, but eligible for retroactive seniority
26	Yes	Yes
27	Yes	Yes
28	Yes	Yes
29	Yes	Yes
30	Yes	Yes
31	Yes	Yes
32	Yes	Yes
33	Yes	Yes
34	Yes	Yes
35	Yes	Yes
36	Yes	Yes
37	Yes	Yes
38	Yes	Yes
39	Yes	Yes
40	Yes	Yes
41	Yes	Yes
42	Yes	Yes
43	Yes	Yes
44	Yes	Yes
45	Yes	Yes
46	Yes	Yes
47	Yes	Yes

# **APPENDIX I**

In furtherance of the Stipulated Consent Judgment (the “Stipulation”) anticipated to be entered in a case captioned *United States of America v. City of Chicago* filed in the Northern District of Illinois, Eastern Division (the “Litigation”), the Policemen’s Annuity and Benefit Fund (“PABF”), the United States Department of Justice (the “United States”), and the City of Chicago (“City” or “Chicago”) agree as follows:

1. The United States and Chicago are parties to the Litigation and to the Stipulation. PABF is not party to the Litigation or to the Stipulation. However, in order to comply with the terms of the Stipulation, the United States and Chicago are entering into the Agreement with PABF.

2. As a material term of the Stipulation, the United States and Chicago have agreed and intend that: (a) eight (8) Claimants hired by the Chicago Police Department (“CPD”) pursuant to the terms of the Stipulation (herein, the “priority hires”) and (b) Masood Khan (“Khan”) shall receive retroactive pension benefits (the “Benefits”) from the PABF.

3. This Agreement sets forth the terms by which: (a) the Benefits for a particular priority hire and Khan shall be determined; (b) the priority hires, Khan and Chicago shall fund the Benefits; and (c) PABF’s obligations to provide the Benefits to the priority hires and Khan.

4. In each unconditional offer of employment letter to any Claimant pursuant to the Stipulation, Chicago shall communicate to the Claimant his or her obligation to select a retroactive seniority date between July 1, 2008 and his or her actual date of hire (*i.e.*, the date he or she entered the CPD Academy) (the “Actual Date of Hire”) for purposes of eligibility to receive Benefits and the amount of the Benefits (the “Retroactive Seniority Date”) in the event that the Claimant accepts the offer of employment and becomes a priority hire. Chicago shall

also identify the deadline for selecting a Retroactive Seniority Date in that correspondence. In order to assist priority hires in the selection of a Retroactive Seniority Date, Chicago shall include with the offer of employment letter a table containing estimates of the amounts identified in Paragraph 6, below, for potential Retroactive Seniority Dates for each quarter between July 1, 2008 and the anticipated Actual Date of Hire. PABF will provide this table to Chicago within ten (10) days of Chicago's request.

5. 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. 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.

6. 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.

- (a) The retroactive employee contribution means the employee 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 nine percent (9%) of the priority hire's (or Khan's) presumptive pensionable earnings during that time period.
- (b) The 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.

- (c) "Statutory interest" as used herein shall have the meaning set forth in 40 ILCS 5/5-120. Chicago shall pay statutory interest that is due on the retroactive employee contributions for the time period between each priority hire's Retroactive Seniority Date and his or her Actual Date of Hire. With respect to Khan, Chicago shall pay statutory interest that is due on his retroactive employee contribution for the time period between his Retroactive Seniority Date and the date Chicago makes the retroactive employer contribution on behalf of Khan. Chicago shall also pay statutory interest that is due on the retroactive employer contributions for each priority hire and Khan for the time period between his or her Retroactive Seniority Date and the date that Chicago makes the retroactive employer contribution on his or her behalf.

7. Within seven (7) days of receiving the PABF's communication described in Paragraph 6 above, the United States shall communicate in writing the amounts identified in Paragraph 6 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.

8. 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.

- (a) If a priority hire pays his or her retroactive employee contributions in full within sixty (60) days of his or her Actual Date of Hire, PABF agrees to waive any statutory interest on the retroactive employee contribution that has accrued during that sixty-day period.

- (b) 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.
- (c) 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, will 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.
- (d) 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 the Stipulation (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 Agreement or in the parties' Stipulation shall be construed as providing tax advice.
- (e) The City and the United States, on behalf of themselves and the PABF, agree that they shall advise the priority hires in writing 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.

9. 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 6(b) and 6(c). 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, on application made, shall return to Chicago within sixty (60) days all payments made to the PABF by Chicago for that priority hire.

10. Subject to compliance with Paragraphs 8 and 9 above, PABF shall 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:

- (a) 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.
- (b) 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.

In addition, and again subject to compliance with Paragraphs 8 and 9 above, PABF shall in all other respects treat each priority hire the same as other CPD police officers hired on the Retroactive Seniority Date, except as specifically provided for in this Agreement.

11. Chicago and the United States also intend that the Stipulation will provide certain retroactive pension benefits to Khan, a current CPD employee, as follows:

- (a) Within thirty (30) days of receipt by Chicago of Khan's executed Acceptance of Relief and Release of Claims form in Appendix G of the Stipulation, Chicago will notify Khan in writing 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 6, above, for potential Retroactive Seniority Dates for each quarter between July 1, 2008 and his actual date of hire of April 1, 2013. PABF will provide this table to Chicago within ten (10) days of Chicago's request.



- (b) Within sixty (60) days of receipt by Chicago of Khan's executed Acceptance of Relief and Release of Claims form in Appendix G of the Stipulation, 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.
- (c) 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: (i) retroactive employee contribution, (ii) retroactive employer contribution, (iii) 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 11(h), and (iv) 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 11(h).
- (d) Within seven (7) days of receiving the PABF's communication described in Paragraph 11(c) above, the United States shall communicate in writing the amounts identified in Paragraph 11(c) 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.
- (e) 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.

- (f) 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 Paragraph 8(c) applicable for priority hires will apply to Khan.
- (g) Khan shall fund his retroactive employee contribution from his share of the backpay award pursuant to the Stipulation (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 by the Stipulation (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 Agreement or in the parties' Stipulation shall be construed as providing tax advice.
- (h) Within sixty (60) days of Khan's selection of a Retroactive Seniority Date, Chicago will pay PABF the amounts enumerated for Khan in Paragraph 11(c)(ii)-11(c)(iv). 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 agreement.
- (i) Subject to Khan's payment of the retroactive employee contribution and the City's payment of the amounts enumerated for Khan in Paragraph 11(c)(ii)-11(c)(iv), 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 11(c)(ii)-11(c)(iv), 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 Agreement.

12. Nothing contained herein shall relieve the priority hires or Khan from making all future contributions required under 40 ILCS 5/5-101 *et seq.* for the receipt of Benefits.

13. Any documents required to be delivered shall be mailed or emailed to the parties at following addresses:

For the United States:

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](mailto:Chicagopolicesettlement@usdoj.gov)

For Chicago:

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

[aslagel@taftlaw.com](mailto:aslagel@taftlaw.com)

For PABF:

[insert]

14. 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) shall be the date of return. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth above, by any of the following means: (a) overnight courier or (b) registered or certified first class mail, return receipt requested.

15. This Agreement may not be altered, modified or amended except by a written instrument signed by all the parties hereto. This Agreement and the Stipulation constitute the entire agreement between the United States, Chicago and PABF regarding the pension funding

and benefits for priority hires and Khan, and supersedes all prior agreements, negotiation and discussion between them. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

16. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois. The parties agree that the venue for all disputes, claims, and lawsuits arising between the parties under this Agreement shall be the United States District Court for the Northern District of Illinois (Chicago), and that that Court shall have the jurisdiction of such matters and each party consents to that Court's exercise of jurisdiction. The parties agree that the United States is a necessary party to any lawsuit seeking to enforce this Agreement.

17. Execution of this Agreement by PABF is authorized by action of the Board of Trustees on November 24, 2015.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their authorized officers on or as of the \_\_\_th day of November, 2015.

City of Chicago

By: \_\_\_\_\_

Date: \_\_\_\_\_

United States Department of Justice

By: Jaleel Mays

Date: February 16, 2016

Policemen's Annuity and Benefit Fund

By: Begina Jugak

Date: November 24, 2015



# **APPENDIX J**

APPENDIX J

DEPARTMENT OF JUSTICE

CITY OF CHICAGO

[ADDRESS]

[DATE]

Dear \_\_\_\_\_

You have been selected to begin training as a Probationary Police Officer with the Chicago Police Department ("CPD"). This job offer is being made to you as part of a settlement between the City of Chicago and the Department of Justice in the case *U.S. v. City of Chicago*, 16 CV 1969. This letter explains the employment benefits you will be eligible to receive from the settlement. Read the enclosed Notice to Report to learn how to accept the job offer and report for duty. If you do not follow the instructions in the Notice to Report, you could be disqualified from hire. If you are disqualified from hire, you will not be eligible to receive the benefits described in this letter.

If you accept this job offer, you will receive a starting salary (and future salary increases) as if you were hired as a probationary police officer on July 1, 2008. Your starting salary will be \$\_\_\_\_\_.

You will also be eligible to receive retroactive pension benefits. You will also be eligible to retire as though you were hired on the retroactive seniority date you choose. To receive these retroactive pension benefits, you must take all three of the following actions:

1. Choose a retroactive seniority date between July 1, 2008 and \_\_\_\_\_ (your first day of employment).

AND

2. Tell CPD's Human Resources Division your chosen retroactive seniority date in writing by \_\_\_\_\_ (30 days after your first day of employment).

AND

3. Pay the Policemen's Annuity and Benefit Fund of Chicago all required employee pension contributions and statutory interest by \_\_\_\_\_ (5 years after your first day of employment) or the date you retire from CPD service, whichever occurs first.

The retroactive pension date you choose will determine the amount you must pay for the benefits, the level of retirement benefits you will be eligible to receive, and the date you will be eligible to retire. The amount you must pay for the benefits (called the retroactive employee pension contribution) is equal to nine percent (9%) of the salary a CPD police officer earned between your chosen retroactive seniority date and your first day of employment with CPD. The City will pay the retroactive employer pension contributions and accrued statutory interest, which could exceed \$125,000, depending on the retroactive seniority date you choose.

To help you choose a retroactive seniority date, the chart below estimates the amount you would be required to pay based on different retroactive seniority dates<sup>1</sup>

Retroactive Seniority Date (You Choose)	Estimated Retroactive Employee Pension Contribution (You Pay)	Estimated Retroactive Employer Pension Contribution (Chicago Pays)	Estimated Amount of Benefits at Retirement
July 1, 2008	[ BD by P ABF]		[ BD by P ABF]
October 1, 2008	[ BD by P ABF]		[ BD by P ABF]
January 1, 2009	[ BD by P ABF]		[ BD by P ABF]
April 1, 2009	[ BD by P ABF]		[ BD by P ABF]
July 1, 2009	[ BD by P ABF]		[ BD by P ABF]
October 1, 2009	[ BD by P ABF]		[ BD by P ABF]
January 1, 2010	[ BD by P ABF]		[ BD by P ABF]
April 1, 2010	[ BD by P ABF]		[ BD by P ABF]
July 1, 2010	[ BD by P ABF]		[ BD by P ABF]
October 1, 2010	[ BD by P ABF]		[ BD by P ABF]
January 1, 2011 <sup>2</sup>	[ BD by P ABF]		[ BD by P ABF]
April 1, 2011	[ BD by P ABF]		[ BD by P ABF]
July 1, 2011	[ BD by P ABF]		[ BD by P ABF]
October 1, 2011	[ BD by P ABF]		[ BD by P ABF]
January 1, 2012	[ BD by P ABF]		[ BD by P ABF]
April 1, 2012	[ BD by P ABF]		[ BD by P ABF]
July 1, 2012	[ BD by P ABF]		[ BD by P ABF]
October 1, 2012	[ BD by P ABF]		[ BD by P ABF]
January 1, 2013	[ BD by P ABF]		[ BD by P ABF]
April 1, 2013	[ BD by P ABF]		[ BD by P ABF]
July 1, 2013	[ BD by P ABF]		[ BD by P ABF]
October 1, 2013	[ BD by P ABF]		[ BD by P ABF]
January 1, 2014	[ BD by P ABF]		[ BD by P ABF]
April 1, 2014	[ BD by P ABF]		[ BD by P ABF]
July 1, 2014	[ BD by P ABF]		[ BD by P ABF]
October 1, 2014	[ BD by P ABF]		[ BD by P ABF]
January 1, 2015	[ BD by P ABF]		[ BD by P ABF]
April 1, 2015	[ BD by P ABF]		[ BD by P ABF]
July 1, 2015	[ BD by P ABF]		[ BD by P ABF]
October 1, 2015	[ BD by P ABF]		[ BD by P ABF]

<sup>1</sup> These estimates are provided for informational purposes only. Final amounts owed will be determined by the Policemen's Annuity and Benefit Fund of Chicago. The estimates assume you will pay the retroactive employee pension contribution within sixty (60) days of the start of your employment and that you will retire on July 1, 2028. If you wait more than sixty (60) days to pay, you also must pay three percent (3%) annual interest on the retroactive employee contribution. This interest will accrue from your first day of employment until you pay the full contribution and interest. Your actual retirement benefits depend on your retirement date.

<sup>2</sup> Pursuant to 40 ILCS 5/5-238, members with seniority dates on or after January 1, 2011 are subject to a different formula annuity calculation than members with seniority dates before January 1, 2011.

Retroactive Seniority Date (You Choose)	Estimated Retroactive Employee Pension Contribution (You Pay)	Estimated Retroactive Employer Pension Contribution (Chicago Pays)	Estimated Amount of Benefits at Retirement
January 1, 2016	[ TBD by PABF ]		[ TBD by PABF ]
April 1, 2016	[ TBD by PABF ]		[ TBD by PABF ]
July 1, 2016	[ TBD by PABF ]		[ TBD by PABF ]

After you select a retroactive seniority date, the Department of Justice will send you a letter telling you how much you have to pay to receive retroactive retirement eligibility and benefits. You may pay this amount several ways:

1. Using the check you already received from this settlement;
2. From your future paychecks (after taxes and other withholdings are taken out);
3. From a separate financial institution (i.e. an existing 401(k) or IRA);
4. By personal check; or
5. Any combination of these options.

Regardless of the retroactive seniority date you choose for pension benefits, you will still receive a salary as if you were hired as a probationary police officer on July 1, 2008.

The tax treatment of your contribution and benefits will depend on how you choose to pay your retroactive employee pension contribution. The City of Chicago and the Department of Justice strongly recommend you speak to a tax attorney about tax treatment options. You should not rely upon any advice, representations, warranties, guarantees, statements or estimates of anyone other than your own attorney regarding the tax treatment or effect of any payments or benefits made under the settlement. If the Internal Revenue Service or state tax agency later determine that additional taxes are owed or any settlement payment should have been reported as income, you will be personally and solely responsible for all such taxes, as well as for any related penalties or interest which may be due.

To remain eligible to receive these retroactive retirement benefits, you should become familiar with the details and requirements of the settlement. If you have any questions about the benefits described in this letter or the settlement, you may contact the Department of Justice at 1-800-556-1950, Box # 4. If you have questions about the information in the enclosed Notice to Report, you may contact CPD's Human Resources Division at 1-312-745-5300.

Your hire as part of the settlement will remain confidential and will not be disclosed by the Chicago Police Department or the City of Chicago, except for court documents filed with appropriate confidentiality.

Thank you for your attention to this important matter. We wish you success as you start your career as a member of the Chicago Police Department.

---

United States Department of Justice

---

City of Chicago