

SETTLEMENT AGREEMENT AND GENERAL RELEASE OF ALL CLAIMS

THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE OF ALL CLAIMS is entered into this 6th day of January 2012, by and between Margaret J. Ackley (hereinafter "Ackley" or "Employee") and the City of New London (hereinafter "the City" or "Employer").

WITNESSETH

WHEREAS, Ackley has made allegations against the City, its employees and elected officials relating to her employment as Chief of Police;

WHEREAS, Employee and Employer have resolved their differences and wish to enter this Agreement to dispose fully and finally the differences between them and any claims that now exist under federal, state, municipal and/or common law between the parties, from the commencement of the Employee's employment as Chief of Police to the date of the execution of this Agreement;

WHEREAS, the parties desire to resolve any and all differences or disputes between the parties that presently exist regarding the Employee's employment with the Employer;

NOW, THEREFORE, in consideration of the above recitals and further in consideration of the mutual promises and forbearance anticipated hereunder and in further consideration of the sums to be paid, the parties, intending to be bound legally and acting of their own free will, agree as follows:

1. Acknowledgments:

(a) Employee and Employer expressly acknowledge that the consideration provided herein is solely for the purpose of avoiding the cost, burden and uncertainties of litigation. Employee and Employer further understand and agree that this Agreement and execution hereof by the parties does not make her a prevailing party in any legal action and that it does not constitute and shall not be construed as an admission by the Employer, or any of its commissions, officials, elected officials, officers, agents and successors, employees or representatives, that they are in any way liable to Employee, that they harmed or damaged the Employee in any way, that they committed any acts of discrimination whatsoever against Employee, or any other person, or that they violated any federal, state, or local law. This Agreement is the good faith settlement of disputed claims, and the Employer specifically disclaims any liability to or discrimination against Employee or any other person, on the part of itself, its commissions, officials, officers, agents and successors, employees, or representatives.

(b) Employee and Employer each represent and warrant that no person other than the signatories hereto has any interest in the matters referred to or covered by this Agreement, that each of them has the sole right and exclusive authority to execute this Agreement; and that they have not sold, assigned, transferred, conveyed, or otherwise disposed of any claim or demand relating to any matter covered by this Agreement.

(c) Employee represents and agrees that she is able to read the language and that she has carefully read, and understands all provisions and effects of this Settlement Agreement and General Release of All Claims.

(d) Employee represents and agrees that she fully understands her right to discuss all aspects of this Settlement Agreement and General Release of All Claims with a private attorney(s), and she has availed herself of this opportunity, that she has carefully read and fully understand all the provisions of this Settlement Agreement and General Release of All Claims, and that Employee is knowingly and voluntarily entering into this Settlement Agreement and General Release of All Claims.

(e) Employee represents and agrees that she has been given twenty-one (21) days to consider the Settlement Agreement and General Release of All Claims.

(f) Employee represents and agrees that she would not otherwise be entitled to the settlement proceeds as outlined below.

(g) The parties agree that there exists no other contract or promise of any kind that would require the Employer to make any payment to Employee or make any allowance for Employee that is equal to or greater than the consideration afforded Employee under the terms of this Agreement.

2. Representation by Employee:

Employee represents that she has filed no claims, complaints, charges, lawsuits or grievances against Employer, its employees, agents, officials, officers or representatives with any governmental agency or any court for any matter, claim, or incident known or unknown which occurred or arose out of occurrences on or prior to the date of this Agreement.

3. Settlement of Claims:

(a) Employer agrees to pay the sum of TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$25,000.00) to Employee in full settlement of any of her claims, it being expressly stated and understood that said payment is in accord and satisfaction of a disputed claim for compensatory damages to Employee.

(b) The above settlement proceeds are not representative of compensation for back pay, lost wages, past or future, or other earned income, benefits or compensation. Employee specifically waives all claims for back pay, future pay, or other form of earned income or compensation, except as specifically set forth in this Agreement.

4. Attorney's Fees and Costs; Breach of Agreement:

(a) This Agreement shall not be construed to render Employee a "prevailing party" within the meaning of any statute providing for allowance of attorney's fees and costs.

(b) Each party hereto shall bear all attorney's fees and costs arising from the actions of its own counsel in connection with this Agreement, the matters and documents referred to herein, and all related matters.

(c) Notwithstanding anything to the contrary above, if either the Employer or the Employee believes the other has materially breached the Agreement, the party will notify the other in writing of the alleged breach and will provide the other with fourteen (14) days to correct it to the extent reasonably possible. During said fourteen (14) day period, neither party will be relieved of its obligations pursuant to this Agreement. Any lawsuit

for any breach or threatened breach of the Agreement shall not be commenced until the breaching party has received written notice and has not corrected the alleged breach.

5. Release and indemnity

(a) In consideration of the promises of the Employer set forth in this Settlement Agreement and General Release of All Claims, Employee, on her own behalf or on behalf of her heirs, executors and administrators intending to be legally bound, hereby, except as expressly stated below, irrevocably and unconditionally releases the Employer, its current or former agents, officials, elected officials, officers, employees, representatives, attorneys, subsidiaries, affiliates, and successors in their individual and/or official capacities (hereinafter referred to collectively as "Releasees") from any and all causes of actions, liabilities, obligations, suits, claims and demands of whatsoever kind or nature in law, equity or otherwise, relating in any way to Employee's employment as recited above, which Employee had, has, or may have against Releasees, including any claims under federal, state, municipal and/or local laws, constitutions and common law, including, but not limited to, the Connecticut Fair Employment Practices Act, Connecticut General Statutes Section 46a-51 et seq., and regulations issued thereunder; the Connecticut Protection of Employees Who Disclose Their Illegal Activities Act, Public Act No. 82-289; certain provisions of the Workers' Compensation Act, namely, C.G.S. §§ 31-290a and 31-284b; the National Labor Relations Act (NLRA), 29 U.S.C. §151 et seq.; the Civil Rights Act of 1981, 42 U.S.C. §1981, Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000e et seq., and regulations issued thereunder, the Age Discrimination Employment Act of 1967, 29 U.S.C. §621; Title 1 of the Americans with Disabilities Act of 1990; the Rehabilitation Act of 1973, the Family and Medical Leave Act of 1993; the Civil Rights Act of 1991; the Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985; the Fair Labor Standards Act, 29 U.S.C. §201 et seq. and regulations issued thereunder; the Connecticut Wage and Hour Statutes, C.G.S. Chap. 558, Title 31, and regulations issued thereunder, and any and all other claims which could arise from employment, whether in contract, express or implied, or claims of negligence, or in tort, including, but not limited to breach of a covenant of good faith and fair dealing, a contract of permanent employment, defamation and the intentional or negligent infliction of emotional or mental distress, all claims for counsel fees and costs, and any and all claims arising out of any allegations made by Employee in an August 24, 2011, letter sent to the City by Employee's attorney. This release does not release any claims for worker's compensation or heart and hypertension benefits that the Employee may have filed prior to the date of this Agreement.

(b) Employee also knowingly and voluntarily agrees that by this Agreement, she does for herself and anyone claiming for or through her waiver, release, promise and agree not to bring or pursue any judicial, quasi-judicial, or administrative action against the Employer for any reason whatsoever arising out of her employment with the City up to and including the date of this Agreement. This Agreement however, does not prevent Employee from filing a charge with the Equal Employment Opportunity Commission, although Employee waives her right to recover any damages or other relief in any claim or suit brought by or through the Equal Employment Opportunity Commission or any other state or local agency on behalf of the Employee under any federal or state discrimination law, except where otherwise prohibited by law.

(c) Employee understands and agrees hereby that if this Agreement was not signed, Employee would have the right to voluntarily encourage or assist other individuals,

employees or entities in bringing claims, including but not limited to complaints or suits, against the Employer. Employee further understands and agrees hereby that she waives such right and will not provide any such assistance other than the assistance in an investigation or proceeding conducted by the United States Equal Employment Opportunity Commission. The Employer and Employee further agree that Employee may provide information pursuant to any valid subpoena or other compulsory process. Employee will notify the Employer by contacting the Personnel Director within three (3) business days of receipt of any such subpoena or other compulsory process.

(d) In consideration of the promises by Ackley set forth in this Settlement Agreement and General Release of All Claims, the City, its current or former agents, officials, elected officials, officers, employees, representatives, attorneys, subsidiaries, affiliates, and successors in their official capacities, irrevocably and unconditionally release Ackley from any and all causes of actions, liabilities, obligations, suits, claims and demands of whatsoever kind or nature in law, equity or otherwise, which the City its current or former agents, officials, elected officials, officers, employees, representatives, attorneys, subsidiaries, affiliates, and successors in their official capacities had, has, or may have against Ackley.

6. Confidentiality of Agreement:

(a) Except such disclosure that is required by law, that the Employee makes to her respective attorneys, tax planners or advisors consulted regarding the Agreement or that the Employee makes to her immediate family, unless such disclosure is made for the purposes of violating the intent of this provision, Employee agrees that she will not disclose, publicize, publish or disseminate, or cause to be disclosed, published, publicized or disseminated, in any manner, the terms, conditions or contents of this Agreement or of the discussions that led to this Agreement, to any third person. Employee may disclose information relating to the terms, conditions or contents of this Agreement to the extent required to enforce her respective rights and obligations under the Agreement.

(b) Except such disclosure that is required by law, that the City makes to its respective attorneys, tax planners or advisors consulted regarding the Agreement unless such disclosure is made for the purposes of violating the intent of this provision the City does not intend to disclose, publicize, publish or disseminated the or cause to be disclosed, published, publicized or disseminated, in any manner, the terms, conditions or contents of this Agreement to any third person. The City may disclose information relating to the terms, conditions or contents of this Agreement to the extent required to enforce its respective rights and obligations under the Agreement.

7. Communications to Third Parties:

(a). Employee agrees not to communicate or disseminate in any form or manner whatsoever to any individual, company, governmental body or agency, or any other entity, any false or derogatory information about the Employer, its officials, elected officials, agents, employees or representatives regarding the subject matter hereof. This provision does not limit the Employee's rights to comment on matters of public concern which occur during her continued employment with or after separation from the City. The Employer and Employee further agree that Employee may provide information, even if derogatory in nature, pursuant to any valid subpoena or other compulsory process.

Employee will notify the Employer by contracting the Personnel Director within three (3) business days of receipt of any such subpoena or other compulsory process.

(b). Employer, its officials, elected officials, agents, employees or representatives, agree not to communicate or disseminate in any form or manner whatsoever to any individual, company, governmental body or agency, or any other entity, any false, or derogatory information about the Employee. The Employer and Employee further agree that Employer may provide information, even if derogatory in nature, pursuant to any valid subpoena or other compulsory process. Employer will notify the Employee by contracting the Employee within three (3) business days of receipt of any such subpoena or other compulsory process.

8. Integration and Modification:

This Agreement constitutes the entire agreement by and between the parties hereto with respect to the subject matter hereof and may be modified or amended only in writing signed by both parties. This Agreement specifically supersedes all conversational discussions, representations and/or agreements by and between the parties with respect to the resolution of the differences and disputes existing between the parties that are the subject matter hereof.

9. Construction and Severability:

(a) This Agreement is entered into and shall be construed, interpreted and performed in accordance with the internal laws of the State of Connecticut.

(b) If any of the provisions, terms or clauses of this Agreement is declared illegal, unenforceable or ineffective in a legal forum or by operation of law, those provisions, terms and terms and clauses shall be deemed severable, such that all other provisions, terms and clauses of this agreement shall remain valid and binding upon both parties.

10. Counterparts:

This Agreement will be executed simultaneously in any number of counterparts, each of which shall be deemed an original and all of which shall be deemed one and the same instrument.

11. Consideration:

Employee affirms that the only consideration of her signing this Agreement is the terms stated above.

12. Binding Effect:

This Agreement shall be binding upon, and shall insure to the benefit of Employee and her heirs, administrators or representatives, successors and assigns. It also shall be binding upon, insure to the benefit of the City, its members, directors, officials, elected officials, officers, current or former agents, representatives and employees, and its successors and assigns.

13. Reviews by Counsel:

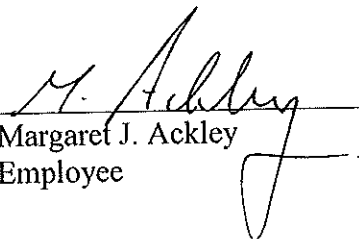
Employee acknowledges that she has been advised to consult an attorney regarding this Agreement, that she has in fact consulted an attorney with regard to it, and that she has satisfied herself that its provisions are acceptable to her.

14. Employee's Right of Revocation and Acceptance:

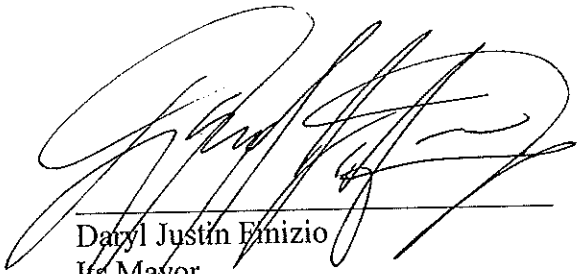
Employee's signature below indicates her knowledge and agreement that she has read this Agreement, that she understands its terms, that she enters into it freely and voluntarily, and that she has been given the opportunity to consult with and has consulted with an attorney. Employee further acknowledges and agrees that she has a period of twenty-one (21) day period from the date of her receipt of this Agreement to review consider and execute this Agreement. Employee also acknowledges and agrees that if at any time during this twenty-one (21) day period she elects to execute this Agreement, she shall nevertheless have a period of seven (7) days following such execution to revoke her acceptance. Any such revocation of acceptance shall be effective by having written notice of the revocation postmarked during the seven (7) day period and sending it to the Personnel Department of the City of New London. This Agreement shall not become effective or enforceable until such seven (7) day revocation period has expired.

IN WITNESS WHEREOF, the aforementioned parties, intending to be legally bound hereby, have executed this Agreement.

Employee


Margaret J. Ackley
Employee

The City of New London

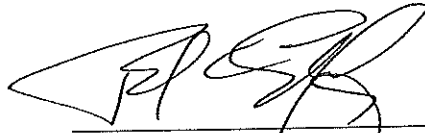

Daryl Justin Finizio
Its Mayor

STATE: OF CONNECTICUT)
)
COUNTY OF NEW LONDON)

ss.

New London, CT

On this 6th day of January, 2012, before me personally appeared Margaret J. Ackley, known to me to be the person whose name is subscribed to the within instrument who acknowledged that she executed the same for the purposes therein contained as her free act and deed.



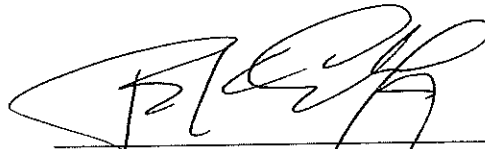
Notary Public/Commissioner of the Superior Court
My Commission Expires on:

STATE: OF CONNECTICUT)
)
COUNTY OF NEW LONDON)

ss.

New London, CT

On this 6th day of January, 2012, before me personally appeared Daryl Justin Finizio, duly authorized Mayor of the City of New London, known to me to be the person whose name is subscribed to the within instrument who acknowledged that she executed the same for the purposes therein contained as her free act and deed.



Notary Public/Commissioner of the Superior Court
My Commission Expires on: