

January 27, 2016

**COMMERCIAL DISPUTE - AUTHORIZE SETTLEMENT IN  
BOARD v. LEXINGTON INSURANCE COMPANY, CASE NO. 10 CH 23002**

**THE GENERAL COUNSEL REPORTS THE FOLLOWING SETTLEMENT:**

Authorize settlement of the insurance coverage dispute with Lexington Insurance Company ("Lexington") regarding liability coverage for an injury to a student. As full and final settlement, Lexington will pay the sum of \$1,625,000.00 to the Board.

**DESCRIPTION:** The General Counsel has determined that this settlement is in the Board's best interest.

**LSC REVIEW:** LSC approval is not applicable to this report.

**AFFIRMATIVE ACTION STATUS:** Affirmative Action review is not applicable to this report.

**FINANCIAL:** Lexington will pay the Board \$1,625,000 in settlement of this litigation.

**AUTHORIZATION:** Authorize the General Counsel to execute the Settlement Agreement(s), and all ancillary documents related thereto.

**GENERAL CONDITIONS:**

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness – Not applicable to this report.

Ethics – The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability – Not applicable to this report.

APPROVED,

  
RONALD L. MARMER  
General Counsel *RM*