



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE SECRETARY
1509 West Seventh Street, Suite 401
Post Office Box, 3278
Little Rock, Arkansas 72203-3278
Phone: (501) 682-2242
Fax: (501) 682-1029
<http://www.dfa.arkansas.gov>

November 4, 2019

Ms. Sherri L. Robinson
UAMS – Office of General Counsel
4301 West Markham, #860
Little Rock, Arkansas 72205-7199

*Re: Proposed Settlement of Amber Ashley v. Board of Trustees of the University of Arkansas and the University of Arkansas for Medical Sciences, et al;
Case No. 4:18-CV-684 KGB*

Ms. Robinson:

I am in receipt of your October 8, 2019 letter request to settle the above-referenced civil matter filed by Amber Ashley in the United States District Court for the Eastern District of Arkansas. Pursuant to the proposed settlement, the Board of Trustees of the University of Arkansas and UAMS (collectively, "the Board") has agreed to pay a total a total settlement amount of \$85,000 as follows:

- (1) \$20,000 less wage withholding for federal income tax, state income tax, Social Security and Medicare will be paid to Ms. Ashley representing lost wages to be reported on a W-2;
- (2) \$35,000 will be paid to Ms. Ashley representing compensable damages to be reported on a 1099; and
- (3) \$30,000 will be paid in attorney compensation to Sutter and Gillham, P.L.L.C., to be reported on a 1099.

Ms. Ashley will be given a neutral job reference to prospective employers and UAMS will remove any disciplinary documents from Ms. Ashley's official personnel file relating to her termination.

Arkansas Code Annotated § 19-4-1614(c) (Repl. 2016) provides as follows:

(c) When notified that a state employee has filed suit or is in any other manner claiming redress under the provisions of [Title VII of the federal Civil Rights Act of 1964, as amended, or the federal Civil Rights Act of 1866, or the federal Civil Rights Act of 1871, or the Fourteenth Amendment to the United States Constitution], the Chief Fiscal Officer of the State may investigate the circumstances surrounding the claim. If, based on the evidence and facts found during the investigation, the Chief Fiscal Officer of the State determines or has reason to believe that the court would sustain the employee's claim and find for the

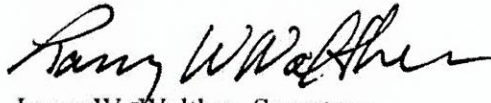
Amber Ashley v. Audrey Bradley, et al
RE: Request for Approval of Proposed Settlement
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employee and in so doing award wages or salaries in addition to those paid or due for the employee's personal service rendered, then the Chief Fiscal Officer of the State shall, with the advice of the Legislative Council or the Joint Budget Committee, authorize payment of the additional wages or salaries as provided in subsection (a) of this section.

Based upon my review of your settlement agreement as required under Ark. Code. Ann. § 19-4-1614(c), your agency has my consent to request approval from the Legislative Council or the Joint Budget Committee your proposed settlement with the above-referenced party.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Larry W. Walther, Secretary
Department of Finance and Administration

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RELEASE AND SETTLEMENT AGREEMENT

THIS AGREEMENT is entered into between Plaintiff, Amber Ashley, hereinafter referred to as "Ashley;" and the Board of Trustees of the University of Arkansas, hereinafter referred to as "the Board," on behalf of the Board, the University of Arkansas for Medical Sciences, hereinafter referred to as "UAMS," Audrey Bradley, Jason Rawn, Dr. Arjav Shah and Jeannie Shah. Collectively, Ashley, the Board, UAMS, Bradley, Rawn, Dr. Shah and Mrs. Shah may be referred to in this Agreement as "the parties."

WITNESSETH:

WHEREAS, Ashley alleges that she was terminated from employment with UAMS after complaining of harassment and retaliation;

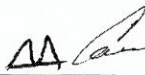
WHEREAS, the Board, UAMS, Bradley, Rawn, Dr. Shah and Mrs. Shah deny these allegations and deny that they or any other current or former officers, officials, agents, representatives, or employees of the Board, the University of Arkansas, or UAMS have violated Ashley's constitutional rights or civil rights, or otherwise engaged in conduct giving rise to any cause of action in favor of Ashley;

WHEREAS, because of the uncertainties and costs associated with litigation, the parties desire to resolve all current and potential claims, demands and causes of action which Ashley may have against the Board, UAMS, Bradley, Rawn, Dr. Shah and Mrs. Shah now or which may be asserted against the Board, the University of Arkansas, UAMS, Bradley, Rawn, Dr. Shah and Mrs. Shah, or any current or former officers, officials, agents, representatives, or employees resulting from or arising out of Ashley's employment and termination from UAMS or Ashley's interaction with Dr. Shah or other UAMS employees during her employment at UAMS.


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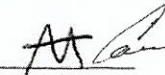
NOW THEREFORE, in consideration of the mutual promises of the parties contained herein, the parties agree as follows:

1. ACTION TO BE TAKEN BY DEFENDANT. The Board agrees that within 30 days of the effective date of this Agreement as set forth in paragraph 14 and dismissal of the action, *Amber Ashley v. Audrey Bradley, et al.*, USDC No. 4:18-cv-684 KGB in the Eastern District of Arkansas, with prejudice, as set forth in paragraph 2, UAMS will pay a total settlement amount of \$85,000. This amount will be paid as follows: (1) \$20,000 less wage withholdings for federal income tax, state income tax, Social Security and Medicare will be paid to Ashley representing her lost wages to be reported on a W-2; (2) \$35,000 will be paid to Ashley representing compensable damages to be reported on a 1099; and (2) \$30,000 will be paid to Sutter and Gillham, P.L.L.C. to be reported on a 1099. Ashley will be given a neutral job reference via the automated verification system when potential employers contact The Work Number at:
or 1-800-367-5690 with UAMS employer code 14891.
UAMS will remove any disciplinary documents related to Ashley's termination from her official personnel file.
2. ACTION TO BE TAKEN BY PLAINTIFF. Following the effective date of the Agreement as set forth in paragraph 14, Ashley will dismiss the action set forth in paragraph 1 with prejudice.
3. COMPLETE RELEASE AND WAIVER. This Agreement constitutes the entire agreement between the parties and is accepted by Ashley in full compromise, settlement and satisfaction of, and as sole consideration for the final release and discharge of all current and potential actions, rights, causes of action, claims and


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demands whatsoever that now exist or might have been asserted against the Board, UAMS, Bradley, Rawn, Dr. Shah and Mrs. Shah, or any current or former officers, officials, agents, representatives, or employees, resulting from or arising out of Ashley's employment and termination from UAMS or Ashley's interaction with Dr. Shah or other UAMS employees during her employment at UAMS.

4. ENTIRE AGREEMENT. The performance of item 1 shall constitute the entire settlement, monetary or otherwise, to be paid by the Board, UAMS, Bradley, Rawn, Dr. Shah and Mrs. Shah to Ashley, and that neither Ashley nor her heirs or assigns, shall receive any other sums for any alleged damages or injuries, fees and costs, or any other matter resulting from or arising out of Ashley's employment at and termination from UAMS or Ashley's interaction with Dr. Shah or other UAMS employees during her employment at UAMS, which Ashley may have asserted. Neither party has relied upon any promise or statement, oral or written that is not set forth in this Agreement.
5. NO ADMISSION OF LIABILITY. This is a compromise settlement of disputed claims. This settlement and any action undertaken by the Board pursuant thereto, shall never be construed as an admission of liability on the part of the Board, UAMS, Bradley, Rawn, Dr. Shah and Mrs. Shah, or any of the entities or individuals they represent, each of whom and which expressly denies any such liability or any violation of any Federal or State law. Ashley agrees not to suggest or construe this Agreement as an admission or implication of wrongdoing and agrees that the Agreement is not admissible in any court or administrative body except as necessary to enforce its terms or as otherwise required by law.


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6. LIENS AND TAXES. The parties agree that Ashley shall be responsible for the satisfaction of any liens asserted against the settlement proceeds, if any, and shall be responsible for any and all tax consequences of the settlement proceeds, if any. The Board and its attorneys make no representation regarding the tax consequences or liability, if any, arising from payment of the settlement proceeds. Ashley agrees to hold the Board, UAMS or any of the entities or individuals they represent harmless from and against any tax or tax withholding claims, amounts, interest, penalties, fines or assessments brought or sought by any taxing authority or governmental agency with regard to payment described in paragraph 1. In the event that the Board receives any notice that any tax or tax withholding claims, amounts, interest, penalties, fines or assessments are being asserted against it as a result of the payment described in paragraph 1, it shall promptly notify Ashley's attorney, Lucien Gillham.
7. MODIFICATION. This Agreement may not be modified, amended, or altered except by written agreement executed by all parties.
8. ENFORCEMENT. The parties agree that the Court will retain jurisdiction of this matter for 60 days after the effective date. In the event of nonpayment, any dismissal will be nullified.
9. VOLUNTARY AGREEMENT. Plaintiff acknowledges that she has read and understood all of the provisions of this Agreement and had the opportunity to consult an attorney if she desired. She further acknowledges that she is entering into this Agreement voluntarily, free of undue influence, coercion or duress of any kind.
10. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon the parties and each of their respective agents, administrators, heirs, successors and assigns.

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11. NO RESCISSION FOR MISTAKE. The parties acknowledge that each has had the opportunity to investigate the facts and law relating to the claims raised by Ashley and any additionally waived and released claims to the extent each deems necessary and appropriate. The parties assume the risk of any mistake of fact or law and agree that any mistake of fact or law shall not be grounds for rescission or modification of any part of this Agreement.
12. CHOICE OF LAW. This Agreement shall be governed by and construed in accordance with the substantive law of the State of Arkansas.
13. EFFECTIVE DATE. This Agreement is effective upon execution by both parties and approval by the Chief Fiscal Officer of the State of Arkansas.
14. COUNTERPARTS. This Agreement may be executed in counterparts and the counterparts taken together will have binding effect.
15. EXECUTION. The persons executing this document assert that they are authorized to act on behalf of their clients, agency, and individuals and bind those persons by execution of this document.

IN WITNESS WHEREOF, we have set our hands on the dates indicated below:

BOARD OF TRUSTEES OF THE
UNIVERSITY OF ARKANSAS



PLAINTIFF



CAM PATTERSON, M.D., M.B.A.
Chancellor for UAMS

9.26.19

Date

10/8/2019

Date


RELEASE AND SETTLEMENT AGREEMENT AMENDMENT

Paragraph 13 is amended as follows:


13. EFFECTIVE DATE. This Agreement is effective upon execution by both parties, approval by the Chief Fiscal Officer of the State of Arkansas, and approval as required by Arkansas Code Annotated § 19-4-1614.

IN WITNESS WHEREOF, we have set our hands on the dates indicated below:

**BOARD OF TRUSTEES OF THE
UNIVERSITY OF ARKANSAS**



PLAINTIFF



CAM PATTERSON, M.D., M.B.A.
Chancellor for UAMS

10/30/19

Date

November 4, 2019

Date