

January 27, 2016

GENERAL COUNSEL'S AUTHORITY SETTLEMENT

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.

MEMORANDUM FOR THE BOARD OF TRUSTEES