

December 20, 2007

**CONFIDENTIAL SETTLEMENT COMMUNICATION**

**Via Fax (804-648-2707) and First Class Mail**

Bradford A. King  
Harrell & Chambliss LLP  
Eighth & Main Building  
707 East Main Street  
Richmond, VA 23219

**Re: Thomas Sheeran ads. Richmond School Board**

Dear Brad:

As you know, I represent Thomas Sheeran with respect to his recent resignation as the Assistant Superintendent for Finance and Operations for the City of Richmond Public Schools. To this end, I have reviewed and analyzed the "Separation Agreement and Release of Claims" (the "Agreement") proposed by the Richmond School Board (the "Board"). I write now to set forth my client's position as to the proposed terms of the Agreement.

Let me begin with some background information related to Mr. Sheeran's resignation. As you probably know, when Mr. Sheeran tendered his resignation on November 19, 2007, he did so with the express understanding that it would be treated by the Board as a confidential personnel matter. It was to be only discussed in "closed" session at the meeting that took place on that same date and it was not to be treated as a public matter. Significantly, Mr. Sheeran purposefully wanted to avoid having members of the Board (or others School officials) use his resignation either as an opportunity for grandstanding in the local press or as a chance to take negative and gratuitous public swipes at him or his performance.

Unfortunately, that's exactly what happened. In fact, it appears that one or more of the Board members breached the confidentiality of Mr. Sheeran's resignation within a mere hour of the meeting at which it was discussed. We say this for several reasons. First, immediately after the meeting, one Board member (Ms. Carol Wolf) was seen frantically making cell phone calls, presumably to various press outlets, and talking to a Richmond Times-Dispatch reporter. Second, Ms. Wolf was expressly mentioned in a Richmond Times-Dispatch newspaper article about Mr. Sheeran's resignation that was published the very next morning after the meeting. Third, before he had even completed his drive home from the Monday night meeting, Mr. Sheeran received a telephone call from the Times-Dispatch asking for his comments about his resignation (Mr. Sheeran declined to comment). And fourth, it is well known that Ms. Wolf has been an outspoken (albeit incorrect) critic of Mr. Sheeran's performance as the School Board's Chief Financial Officer. In short, we believe that Ms. Wolf and (perhaps) others intentionally went out of their way to make Mr. Sheeran's resignation a news-worthy event.

The breach of confidentiality also did not result in simply one isolated or discrete news story. Instead, in the days immediately following his resignation, Mr. Sheeran was prominently and negatively featured in newspaper and internet-based stories in the Richmond-area news media, including the Richmond Times-Dispatch, the Richmond Free Press, and Style Weekly. Among the various negative comments were:

- “Sheeran . . . has faced increased scrutiny over school district spending from city officials and the School Board” (Richmond Times-Dispatch, November 20, 2007);
- “Some School Board members have spent the last two weeks *putting pressure* on Jewell-Sherman to take action against Sheeran” (Style Weekly “web exclusive” posted on November 20, 2007) (emphasis added); and
- “Both privately and publicly various School Board members have *expressed concerns over Sheeran’s management* and *some have hinted strongly that he needed to go* in order for them to maintain their confidence in Jewell-Sherman’s leadership.” (Style Weekly “web exclusive” posted on November 20, 2007) (emphasis added)

As you can imagine, this negative publicity was, and has been, very distressing for Mr. Sheeran and his family. Moreover, this distress has been made all the more worse by the “sniper”-like remarks made by both named and unnamed Board members. Again, this is precisely what Mr. Sheeran wanted to avoid.

With this background, Mr. Sheeran believes that the entire “high-road” purpose behind his voluntary resignation has been undermined by these (and likely other) actions. As such, he, through me, is currently investigating his legal options – in particular, private defamation claims – vis-à-vis the various Board member remarks (both public and private) that were made about his resignation. Indeed, with public references such as “putting pressure,” “expressed concerns,” and “needed to go” reported in the press, it is both logical and reasonable to conclude that far more sinister and pernicious comments – i.e., ones that were not reported -- lie beneath the surface and may subject one or more of the Board members to liability. While our investigation into these comments is only just beginning, we have great confidence it will yield a veritable “treasure trove” of damning and damaging remarks.

That said, in an effort to put the entirety of this matter behind all of the parties at issue (yet recognizing that one or more members of the Board scuttled the notion of confidentiality that was part and parcel to Mr. Sheeran’s resignation proposal), Mr. Sheeran is willing to sign the Agreement as written – i.e., with its broad-based release of the School Board and its members (both in their individual and official capacities) – with one modification. Specifically, whereas the current Agreement designates March 31, 2008 as the “Separation Date”; a revised Agreement should designate **May 31, 2008** as the “Separation Date.” This change adds two months’ worth of extra salary, which amount is designed to compensate Mr. Sheeran for the

improper actions that occurred immediately after his resignation. While we believe that the distress caused to Mr. Sheeran and his family by these actions is actually worth far more, we are willing to forego any such claims in the spirit of compromise.

On the other hand, if the Board and its members are not agreeable to the above proposal, then Mr. Sheeran firmly believes that it is necessary for him to keep his legal options open. To this end, Mr. Sheeran will sign the Agreement with its current "Separation Date," so long as the release language under "paragraph 3" is modified as follows:

Sheeran, on behalf of himself, his descendants, ancestors, dependents, heirs, executors, administrators, assigns, and successors, hereby covenants not to sue and fully releases, acquits, and discharges, the School Board, its individual members (but only to the extent they are acting in their official capacities and within the scope of their official duties), officers (but only to the extent they are acting in their official capacities and within the scope of their official duties), including Jewell-Sherman (but only to the extent she is acting in her official capacities and within the scope of her official duties), agents (but only to the extent they are acting in their official capacities and acting within the scope of their official duties and/or within the scope of their employment), servants (but only to the extent they are acting in their official capacities and acting within the scope of their official duties and/or within the scope of their employment), employees (but only to the extent they are acting in their official capacities and acting within the scope of their official duties and/or within the scope of their employment), representatives (but only to the extent they are acting in their official capacities and acting within the scope of their official duties and/or within the scope of their employment), assigns, and successors with respect to and from any and all claims, wages, rights, agreements, contracts, covenants, actions, suits, causes of action, obligations, debts, expenses, attorney fees, damages, judgments, orders and liabilities of whatever kind or nature in law, equity, or otherwise, whether known or unknown, and suspected or unsuspected, which he has at any time heretofore owned or held against them, including without limitation, those arising out of or in any way connected with his employment relationship with the School Board or his termination/resignation, or any other transactions, occurrences, acts, or omissions of any loss, damage, or injury committed or omitted prior to the date of this Agreement, and including, without limitation, claims for breach of contract, libel, slander, wrongful discharge, intentional infliction of emotional harm, or other tort, or discrimination or harassment based upon any federal, state, or municipal statute of local ordinance relating to discrimination in employment.

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Nothing herein is intended to, or does, waive, release, or discharge any claims by the parties against each other for any conduct, whether or not referencing, relating to, or pertaining to Sheeran's prior employment relationship with the School Board or his termination/resignation, that occurs subsequent to the date of the execution of this agreement

Obviously, this language creates a much narrower release than the one initially proposed in the Agreement. However, it preserves Mr. Sheeran's legal rights, should he wish to pursue them, with respect to the conduct that occurred immediately following his resignation.

I thank for your attention to these proposals and I look forward to your prompt response, preferably by Wednesday, **December 26, 2007**.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'R. Hawkins, III', written in a cursive style.

Richard F. Hawkins, III

cc: Thomas Sheeran