

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into between the Board of Ethics of the City of Philadelphia (“Ethics Board”) and J. Shane Creamer, Jr. The Ethics Board and Mr. Creamer are referred to jointly as “the Parties.”

RECITALS

- A. The Philadelphia Board of Ethics is an independent board that was established by Charter amendment, approved by voters, and installed on November 27, 2006. It is charged with providing ethics training for all city employees and enforcing city campaign finance, financial disclosure and conflict of interest laws. The Board has the authority to render advice, investigate complaints and issue fines.
- B. J. Shane Creamer, Jr. is currently a staff member of the Ethics Board and serves as its Executive Director.
- C. Section 20-606(1)(i) of the City of Philadelphia Ethics Code (“Ethics Code”) provides in relevant part that “the records, reports, memoranda and files of the Board shall be confidential and shall not be subject to public inspection, except as otherwise provided by law. Also no person shall disclose or acknowledge to any other person any information relating to a complaint, investigation, referral or pending adjudication, except as otherwise provided by law.”
- D. In February 2009, the Ethics Board commenced an investigation regarding certain contributions received and expenditures made by the campaign of Seth Williams, a candidate for the office of District Attorney of Philadelphia (the “Williams Campaign”).
- E. Thereafter, the Ethics Board and the Williams Campaign commenced discussions regarding the settlement of reporting errors in the Campaign’s 2008 cycle 7 campaign finance reports regarding the aforementioned contributions and expenditures.
- F. Pursuant to Section 20-606(1)(i), Mr. Creamer was prohibited from disclosing or acknowledging to any person any information relating to the Ethics Board’s investigation of the Williams Campaign, including settlement discussions with the Campaign.
- G. While en route to work on the morning of May 7, 2009, Mr. Creamer received a telephone call from a reporter (the “Reporter”) who asked if Mr. Creamer could confirm that the Ethics Board was fining Seth Williams \$16,000. Mr. Creamer stated that that was not true. The Reporter then asked Mr. Creamer whether the

Ethics Board was doing “anything” with Seth Williams. Mr. Creamer responded on the record he had “no comment.”

- H. Mr. Creamer was concerned, however, that the Reporter might take “no comment” as a confirmation that there was some investigation and that the Reporter might pursue other leads and publish a story before the Williams Campaign and the Ethics Board had the opportunity to finalize their agreement and disclose the issue publicly on their own terms. It was anticipated that the resolution and disclosure by the Williams Campaign and the Board would be completed in short order.
- I. Mr. Creamer therefore added to his response to the Reporter that “off the record” and “confidentially,” the Ethics Board was negotiating a settlement that would be nowhere near \$16,000 and that, if the Board and the Williams Campaign were able to reach an agreement, it would probably be announced at the meeting of the Ethics Board the next week. (The settlement with the Williams Campaign was in fact announced in the afternoon of May 12, 2009.) After hanging up, Mr. Creamer reflected on the conversation and determined that he may have breached his confidentiality obligation.
- J. When Mr. Creamer arrived at his office a short while later, he took immediate remedial steps. Mr. Creamer promptly disclosed the conversation with the Reporter to the interested parties. Specifically, he composed and sent an email to the attorneys for the Williams Campaign describing in detail his conversation with the Reporter, explaining his reason for not stopping at “no comment,” and expressing his concern that someone had made up a false rumor about a \$16,000 fine or that there was a leak among the parties to the negotiations. Mr. Creamer sent this email at 10:37 am.
- K. Approximately one hour later, Mr. Creamer received another call from a different reporter who also requested confirmation that the Ethics Board was fining Seth Williams \$16,000. Mr. Creamer advised this reporter that the rumor was false. When this reporter then asked in substance whether the Ethics Board was investigating Mr. Williams, Mr. Creamer appropriately responded that he would not comment on anything that the Board may or may not be doing with any candidate for DA or Controller.
- L. At the conclusion of this conversation, at 11:29 am, Mr. Creamer sent another email to the attorneys for the Williams Campaign recounting this conversation.
- M. Later in the day, Mr. Creamer received a call from one of the attorneys for the Williams Campaign in which the attorney requested that Mr. Creamer call the Reporter back to confirm that he was not writing any story regarding an investigation of the Williams Campaign. Mr. Creamer placed that call, confirmed that the Reporter was not writing such a story, and related this information back to the attorney for the Williams Campaign. No story was written by the Reporter.

- N. Also that day, Mr. Creamer informed the Chairman of the Ethics Board about his conversation with the Reporter and the steps he had taken. Thereafter, the full Board was informed about Mr. Creamer's disclosure and its circumstances.
- O. Following receipt of this information, the Board commenced an investigation of this matter, pursuant to Regulation 2.3(c)(3), delegating authority to the Board's Chairman in lieu of Mr. Creamer to pursue that investigation. Mr. Creamer has been recused from any role in conducting the Board's investigation, which was supervised by the Board's outside counsel. Mr. Creamer also played no role in the Board's deliberations about this matter. He has cooperated fully in the Board's investigation.
- P. The Board credits Mr. Creamer's assertion that his violation of Section 20-606(1)(i) was not deliberate and that his intention in disclosing to the Reporter anything beyond "no comment" was to preempt the Reporter's publication of a story before the Williams Campaign and the Board had the opportunity to make their own disclosure. The Board further credits Mr. Creamer's assertion that Mr. Creamer was familiar with the reputation and credibility of the Reporter and believed the Reporter would maintain the confidentiality of the information as requested. Nonetheless, having concluded its investigation, the Board has determined that Mr. Creamer's disclosure violated Section 20-606(1)(i).
- Q. The Parties desire to enter into this Agreement in order to resolve the violation described herein.

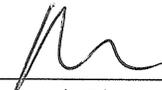
AGREEMENT

The Parties agree as follows:

1. Mr. Creamer's disclosure regarding the Board's settlement negotiations with the Williams Campaign, however well-intentioned, violated the confidentiality requirement of Section 20-606(1)(i) of the Philadelphia Code.
2. Mr. Creamer will pay a civil penalty of \$500 for the aforesaid violation.
3. Mr. Creamer will strictly adhere to Section 20-606(1)(i) and any Press Policy that the Ethics Board may adopt in the future.
4. The Parties will not make any public statements that are inconsistent with the terms of the Agreement.
5. The Agreement contains the entire agreement between the Parties.
6. The Agreement shall become effective on execution by the Parties.

By the Board of Ethics of the City of Philadelphia:

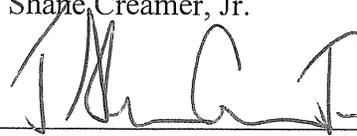
Dated: 5/26/09



Richard Glazer, Esquire
Chair

By J. Shane Creamer, Jr.

Dated: 5/26/09



J. Shane Creamer, Jr., Esquire