

## SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into by the Board of Ethics of the City of Philadelphia, J. Shane Creamer Jr., the Executive Director of the Board, and the Hon. R. Seth Williams, jointly referred to as “the Parties.”

### **RECITALS**

- A. The Board of Ethics of the City of Philadelphia is an independent, five-member City board established in 2006 through voter approval of an amendment to the Philadelphia Home Rule Charter. Pursuant to Section 4-1100 of the Home Rule Charter and Chapter 20-600 of the Philadelphia Code, the Board is charged with administering and enforcing the City Ethics Code.
- B. The Hon. R. Seth Williams is the District Attorney of Philadelphia. He took office in January of 2010.
- C. Philadelphia Code Section 20-610 requires that certain City officers, including the District Attorney, file an annual City Statement of Financial Interests. The Statement is due by May 1 of each year and contains financial information related to the previous calendar year.
- D. In a City Statement of Financial Interests, a City officer must disclose, among other information, any persons that gave him or her gifts worth \$200 or more in the aggregate in the previous calendar year and any sources of income of \$500 or more during the previous calendar year. The filer must disclose the value and circumstances of each gift.
- E. As defined by Code Section 20-601(10), a gift is:
  - A payment, subscription, advance, forbearance, rendering or deposit of money, services or anything of value given to, or for the benefit of, an officer or employee, unless consideration of equal or greater value is received. “Gift” shall not include a political contribution otherwise reportable as required by law, a commercially reasonable loan made in the ordinary course of business, or a gift received from a Family member of the individual or from a relative within the third degree of consanguinity of the individual or of the individual’s spouse or Life Partner, or from the spouse or Life Partner of any such relative.
- F. From 2011 through 2016, District Attorney Williams filed six City Statements of Financial Interests for calendar years 2010 through 2015 (the “Original Statements”). In these Statements, District Attorney Williams declared that he did not receive any reportable gifts in the relevant calendar years.
- G. In July of 2016, an attorney for District Attorney Williams contacted Board enforcement staff and informed Board enforcement staff that District Attorney Williams had omitted numerous items from the six City Statements of Financial Interests he filed for calendar years 2010 through 2015. Based on this information, Board enforcement staff opened an investigation into potential violations of the City Ethics Code. In the course of the investigation, enforcement staff obtained information from District Attorney Williams and subpoenaed documents from various third parties.

- H. In August of 2016, District Attorney Williams filed amended City Statements of Financial Interests for calendar years 2010 through 2015 (the “Amended Statements” and, together with the Original Statements, collectively, the “Statements”). The Amended Statements revealed that District Attorney Williams omitted the following items from the Original Statements, as set forth and described in more detail in the Amended Statements:
- i. One source of income in 2010;
  - ii. Four sources of income in 2015;
  - iii. Nine gifts in 2010;
  - iv. 14 gifts in 2011;
  - v. 13 gifts in 2012;
  - vi. 21 gifts in 2013;
  - vii. 20 gifts in 2014; and
  - viii. 12 gifts in 2015.
- I. Among the gifts District Attorney Williams failed to disclose in the Original Statements were 20 gifts from individuals who had a financial interest that the District Attorney was able to substantially affect through official action. These individuals included criminal defense attorneys who were handling cases prosecuted by the District Attorney’s Office, as well as subordinate employees and contractors of the District Attorney’s Office.
- J. In addition, during their investigation, Board enforcement staff discovered that the Amended Statements failed to disclose the following additional 10 items that should have been disclosed:
- i. In 2010:
    - a. a gift of \$2,500 from Obermayer Rebmann Maxwell & Hippel, LLP;
    - b. a gift of \$3,536.59 from William R. Miller, IV;
    - c. a gift of \$500 from William R. Miller, IV; and
    - d. income from Zarwin Baum DeVito Kaplan Schaer Toddy, P.C.
  - ii. In 2011:
    - a. a gift of \$1,000 from Widener University; and
    - b. income from Zarwin Baum DeVito Kaplan Schaer Toddy, P.C.
  - iii. In 2013:
    - a. a gift of \$7,000 from Mohammad N. Ali;
    - b. a gift of \$500 from Monumental Baptist Church; and
    - c. a gift of \$630 from Orlando Cummings, Jr.
  - iv. In 2015, income from Zarwin Baum DeVito Kaplan Schaer Toddy, P.C.

- K. Section 20-604(1) of the City Ethics Code, as amended in 2014, prohibits a City officer from accepting monetary gifts in any amount or non-monetary gifts worth more than \$99 in the aggregate per calendar from a person who (1) is seeking official action from that officer or (2) has a financial interest at the time, or in close proximity to the time, the gift is received that the officer is able to substantially affect through official action.
- L. In calendar years 2014 and 2015, District Attorney Williams accepted the following five gifts from individuals who had a financial interest he was able to substantially affect through official action:
  - i. In 2014:
    - a. \$690 in Phillies and 76ers tickets from Scott DiClaudio, a criminal defense attorney who was handling cases prosecuted by the District Attorney's Office;
    - b. \$750 in Visa gift cards from Mr. DiClaudio;
    - c. \$200 in cash from Pierre Gomez, a subordinate employee of the District Attorney's Office; and
    - d. \$200 in cash from Daniel Kearney, a subordinate employee of the District Attorney's Office.
  - ii. In 2015, \$1,000 in lodging from Richard Hoy, a criminal defense attorney who was handling cases prosecuted by the District Attorney's Office.
- M. A violation of Code Section 20-610 or 20-604 is subject to a civil monetary penalty of \$1,000, which may be increased to \$2,000 if an aggravating factor is present or decreased to \$250 if mitigating factors are present.
- N. District Attorney Williams cooperated with the Board's investigation of the violations described in this Agreement.
- O. The Parties desire to enter into this Agreement in order to resolve the matters described herein.

## AGREEMENT

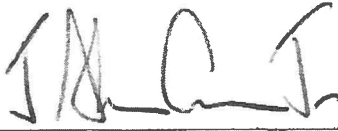
In consideration of the foregoing recitals and the mutual covenants and promises set forth herein, and intending to be legally bound, the Parties hereby agree as follows:

1. By failing to disclose gifts and sources of income in the six original City Statements of Financial Interests he filed for calendar years 2010 through 2015, District Attorney Williams violated Philadelphia Code Section 20-610. He is subject to a civil monetary penalty of \$2,000 for each of the six Statements from which he made such omissions, for a total civil monetary penalty of \$12,000 for these violations of Code Section 20-610.
2. By failing to disclose the 20 gifts described in paragraph I in the six original City Statements of Financial Interests he filed for calendar years 2010 through 2015, District Attorney Williams violated Philadelphia Code Section 20-610. He is subject to a civil monetary penalty of \$1,000 per omitted gift, for a total civil monetary penalty of \$20,000 for these violations of Code Section 20-610.
3. By failing to disclose the 10 gifts and sources of income in the amended City Statements of Financial Interests he filed in August of 2016, as described in paragraph J, District Attorney Williams violated Philadelphia Code Section 20-610. He is subject to a civil monetary penalty of \$2,000 for each of these 10 omissions, for a total civil monetary penalty of \$20,000 for these violations of Code Section 20-610.
4. By accepting the five gifts described in paragraph L, District Attorney Williams violated Philadelphia Code Section 20-604(1). He is subject to a civil monetary penalty of \$2,000 for each of these five prohibited gifts, for a total civil monetary penalty of \$10,000 for these violations of Code Section 20-604(1).
5. By April 30, 2017, District Attorney Williams shall disgorge to the City \$2,840, which is the total value of the prohibited gifts described in paragraph L. Payment shall be by check or money order made payable to the City of Philadelphia and delivered to the offices of the Board.
6. The aggregate civil monetary penalty for the violations described in paragraphs 1-4 is \$62,000, which District Attorney Williams shall pay on the following schedule:
  - 6.1. \$2,500 by December 31, 2017; and
  - 6.2. At least \$10,000 during each subsequent calendar year until the full amount is paid, provided that the full amount shall be paid by December 31, 2022.Payment shall be by check or money order made payable to the City of Philadelphia and delivered to the offices of the Board.
7. Within 30 days of the Effective Date of the Agreement, District Attorney Williams shall file amended City Statements of Financial Interests to correct the omissions described in paragraph J.

8. District Attorney Williams releases and holds harmless the Board and its staff from any potential claims, liabilities, and causes of action arising from the Board's investigation, enforcement, and settlement of the matters described in the Agreement.
9. District Attorney Williams represents and warrants that, except for the corrected and additional information set forth in this Agreement, the information contained in the Statements (including, without limitation, the stated gift values) is accurate and complete in all material respects.
10. In consideration of the above and in exchange for the compliance of District Attorney Williams with all of the terms of the Agreement, the Board waives any further penalties or fines against him for the violations described in the Agreement, provided that, if after the Effective Date of the Agreement, the Board (i) learns of other violations by District Attorney Williams of the laws enforced by the Board that occurred prior to the date hereof ("Other Violations") or (ii) learns that the information District Attorney Williams has provided (including, without limitation, the value of the gifts as stated by District Attorney Williams in the Statements) was materially inaccurate or insufficient ("Inadequate Disclosures"), the Board shall not be barred by this Agreement from pursuing and shall have the right to pursue such enforcement actions as the Board determines to be appropriate to address such Other Violations or Inadequate Disclosures.
11. Nothing herein shall limit or impair the right of the Board to investigate and prosecute District Attorney Williams for any violations of the City laws enforced by the Board occurring after the date of this Agreement.
12. The Parties will not make any public statements that are inconsistent with the terms of the Agreement.
13. If the Board is forced to seek judicial enforcement of the Agreement, and prevails, District Attorney Williams shall be liable for attorneys' fees and costs reasonably expended in enforcing compliance with the Agreement. Fees for time spent by City attorneys shall be calculated based upon standard and customary billing rates in Philadelphia for attorneys with similar experience.
14. The Executive Director, or his Designee, will submit a signed copy of the Agreement to the Board for approval. The Agreement shall become effective upon approval by the Board. The Effective Date of the Agreement shall be the date the Board approves the Agreement.
15. Upon the Agreement becoming effective, the City shall file the Stipulated Judgment, appended hereto. The Agreement and the Stipulated Judgment contain the entire agreement between the Parties.

By the Executive Director of the Board of Ethics:

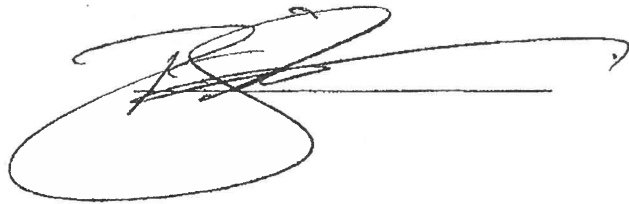
Dated: 1/17/17



J. Shane Creamer, Jr.


By R. Seth Williams:

Dated: 1-17-17



Approved by the Board of Ethics:

Dated: 1/17/17



Michael H. Reed  
Chair

BY: BRIAN CULLIN, ASSISTANT CITY SOLICITOR  
ATTORNEY IDENTIFICATION NUMBER: 318384  
CITY OF PHILADELPHIA, LAW DEPARTMENT  
1401 JOHN F. KENNEDY BLVD, 5<sup>TH</sup> FLOOR  
PHILADELPHIA, PA 19102  
215-686-0518

ATTORNEY FOR PLAINTIFF

CITY OF PHILADELPHIA  
BOARD OF ETHICS

v.

COURT OF COMMON PLEAS  
PHILADELPHIA COUNTY

R. SETH WILLIAMS

NO.

**STIPULATED JUDGMENT AGAINST DEFENDANT**

AND NOW, this 17<sup>th</sup> day of January, 2017, it is hereby stipulated by and among the City of Philadelphia Board of Ethics for and on behalf of the City of Philadelphia (hereinafter referred to as "Plaintiff"), and R. Seth Williams (hereinafter referred to as "Defendant"), as follows:

WHEREAS, Defendant agrees that he is indebted to Plaintiff for payment of civil monetary penalties and disgorgement for his violations of Sections 20-604 and 20-610 of the Philadelphia Ethics Code as described in the Settlement Agreement attached hereto as Exhibit A (the "Agreement"), which is incorporated by reference herein in full;

NOW, THEREFORE, the parties intending to be legally bound, do hereby agree to the following:

1. Defendant stipulates to judgment in favor of Plaintiff and against Defendant in the amount of **\$64,840 ("Judgment Amount")** which includes: (a) civil monetary penalties in the amount of \$62,000, and (b) disgorgement of \$2,840.

2. Plaintiff and Defendant agree that judgment be entered in favor of Plaintiff and against Defendant in the amount of the Judgment Amount.

3. Plaintiff and Defendant agree that execution upon the Judgment Amount will be stayed upon the condition that Defendant satisfies the terms of the Agreement including complying with the payment schedule set forth in paragraphs 5 and 6 of the Agreement, to wit:

(a) (i) \$2,840 by April 30, 2017; (ii) \$2,500 by December 31, 2017, and (iii) at least \$10,000 per subsequent calendar year until the full amount is paid, provided that the full amount shall be paid by December 31, 2022.

(b) **All payments are to be made by check or money order made payable to “City of Philadelphia.”** All payments shall be directed to:

City of Philadelphia Board of Ethics  
1515 Arch St, 18<sup>th</sup> Floor  
Philadelphia, PA 19102

If a check is returned unpaid for insufficient or uncollected funds, Defendant authorizes eCollect, LLC to: (i) make a one-time electronic funds transfer from his account to collect a fee of twenty dollars (\$20.00); and (ii) re-present his check electronically to his depository institution for payment.

4. Defendant is making all payments pursuant to this Stipulated Judgment in the normal course of his personal financial affairs.

5. In the event Defendant fails to make any of the Stipulated Payments on or before the due date, Defendant shall be in breach under the Agreement and under this Stipulated Judgment, whereupon Plaintiff may give written notice of such breach to Defendant. If Defendant fails to cure such breach by paying the full amount then due within a grace period of fifteen days from the due date, Defendant shall be in default under this Stipulated Judgment, whereupon Plaintiff may proceed immediately, without further notice to Defendant, to execute upon aforesaid judgment for the full Judgment Amount, less any sums received by Plaintiff, pursuant to this Stipulated Judgment.

6. Plaintiff may also recover any and all attorneys’ fees and costs reasonably incurred in enforcing the Agreement and this Stipulated Judgment.



7. If Defendant makes all payments timely pursuant to paragraph 3 and otherwise complies with the terms and conditions set forth in the Agreement, Plaintiff shall file a Satisfaction of Judgment.

8. In the event that Defendant has sought, or at any future time seeks, review in any court of competent jurisdiction of the civil monetary penalties or disgorgement for the violations of The Philadelphia Code covered by this Stipulated Judgment, Defendant acknowledges, and by signing this Stipulated Judgment Defendant agrees, that any action seeking such review is hereby withdrawn, hence waiving Defendant's ability to seek relief from any such liabilities, now and in the future.

9. Defendant acknowledges that this Stipulated Judgment does not preclude future review of Defendant's personal books and financial records and, if after the Effective Date of the Settlement Agreement, the Board of Ethics learns of additional violations or learns that the information Mr. Williams has provided was materially inaccurate or insufficient, the Board is not precluded from pursuing enforcement of such violations.

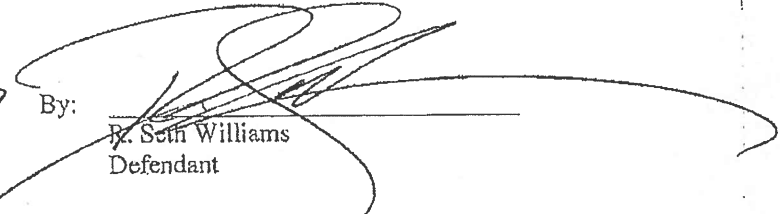
10. Defendant releases and holds harmless the Board of Ethics and its staff from any potential claims, liabilities, and causes of action arising from the Board's investigation, enforcement, and settlement of the matters described in the Agreement.

11. Defendant agrees to notify Plaintiff of any change in address during the term of this Stipulated Judgment. Said notice is to be submitted to Board enforcement staff in writing within 30 days of the relevant change.

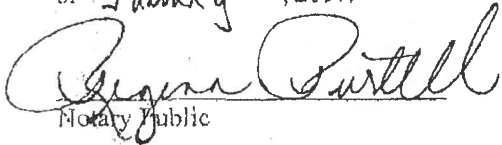
12. This Stipulated Judgment and the Agreement contain all terms and conditions agreed upon by the parties, and no other agreements, oral or otherwise, regarding the subject matter of this Stipulated Judgment shall be deemed to exist or to bind any of the Parties hereto. Any and all amendments to this Stipulated Judgment or the Agreement must be in writing, signed by the Parties hereto.

Defendant acknowledges that he has fully read and understands this Stipulated Judgment and the Agreement and that he is in accord with all of their terms. Defendant further acknowledges that he has been represented by independent counsel of his choice during the negotiation and execution of this Stipulated Judgment and the Agreement.

The undersigned understands that, pursuant to 18 Pa. C.S.A. §4904, false statements herein are punishable by law.

Date: January 17, 2017 By:   
R. Seth Williams  
Defendant

Sworn to and subscribed before this 17<sup>th</sup> day  
of January, 2017.

  
Notary Public

COMMONWEALTH OF PENNSYLVANIA  
NOTARIAL SEAL  
REGINA PURTELL, Notary Public  
City of Philadelphia, Phila. County  
My Commission Expires September 3, 2018

Date: January 17, 2017

City of Philadelphia Board of Ethics

By:   
Michael H. Reed, Chair