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1Panel: CTU broke agreement, must pay out \$100,000Pat MilhizerBy Pat Milhizer
Law Bulletin staff writer

The Chicago Teachers Union must pay \$100,000 to a former vice president because it broke a deal to not talk about him or the details of his removal from office, a state appeals panel has ruled.

The ruling stems from a 2008 decision by the union board to remove Theodore Dallas from his position as vice president after he was accused of misusing union funds.

Dallas fought the termination and negotiated a settlement in which the union and its employees agreed to not "make any written or oral statement" about Dallas or the settlement. If such statements occurred, Dallas would be entitled to a minimum of \$100,000 in damages.

The following year, the union published an article that said Dallas was removed from union membership because of allegations that included misusing funds, providing special benefits to certain members and engaging in inappropriate behavior with colleagues.

Dallas responded with a lawsuit seeking damages.

Dorothy Kirie Kinnaird, who was a Cook County circuit judge at the time, ruled that the settlement agreement was breached. She ordered the union to pay \$100,000 in liquidated damages to Dallas.

The union appealed, alleging that the \$100,000 minimum payment was not reasonable at the time of the agreement because it doesn't bear any relation to the damages that Dallas alleged.

The 1st District Appellate Court affirmed Kinnaird's ruling Tuesday in a 12-page opinion written by Justice Sheldon A. Harris.

Harris wrote that the \$100,000 figure is "clearly related" to the alleged damages because Dallas negotiated a settlement that allowed him to seek an appointed, paid position with the union in the future. His previous salaries from 2004 to 2009 ranged from \$121,383 to \$180,886.

The union also attacked the language of the settlement, arguing that because the figure in question is listed as a "minimum" rather than a fixed amount, it violates the rule that liquidated damages must be specific. But Harris noted that the figure is not an optional penalty under the settlement; it's a specific minimum amount that Dallas negotiated.

Dallas was represented by Ruth I. Major, Laura M. Rawski and John Peter Chase of The Law Offices of Ruth I. Major P.C.

Major said the ruling is a good one "because this whole area of liquidated damages is a little dicey. There seem to be more cases that have been against them than for them, so I think it's important for that reason."

"Mr. Dallas has fought hard to try to protect his reputation and we were very glad to see this court uphold his liquidated damages position," Major said.

The union was represented by Robin B. Potter of Robin Potter & Associates P.C.

Potter declined to comment on the case because she hasn't yet received approval of a circuit court motion to void the confidentiality provision of the settlement in question.

Justices Joy V. Cunningham and Maureen E. Connors concurred in the ruling, which is *Theodore Dallas v. Chicago Teachers Union, et al.*, No. 1-10-0979.

pmilhizer@lbpc.com