

## Exhibit 16 to the Complaint

**HAND | PONIST**  
HORVATH SMITH & RAYL

July 18, 2019

Via Certified Mail, Return Receipt

Gary School Corporation  
c/o Gary Schools Recovery, LLC  
150 West Market Street, Suite 800  
Indianapolis, Indiana 46204

7015 0640 0002 0509 9666

NOTICE UNDER INDIANA CODE § 34-13-3.5-4  
& OFFER OF SETTLEMENT

RE: *Claimant: Jean-Christophe Scheere*  
*Date of Event: January 19, 2019 – March 15, 2019*

Greetings:

Enclosed please find the Tort Claim Notice that was sent out to your office on July 16, 2019 via certified mail. This letter serves as notice pursuant to Indiana Code § 34-13-3.5-4 with our specific requested relief of the Gary Community School Corporation (the “School Corporation”).

In addition to the tort liability described in the Tort Claim Notice, the School Corporation is in breach of its contractual obligations resulting from Mr. Scheere’s purchase of the Model (as defined in the Tort Claim Notice) at the auction held on January 19, 2019 and the School Corporation currently detains the Model unlawfully. Mr. Scheere intends to pursue all legal remedies available to him, including specific performance and replevin. In an effort for all parties to avoid the expense and burden of litigation, Mr. Scheere has authorized us to make an offer of settlement with the following terms:

1. The School Corporation shall tender possession of the Model to Mr. Scheere, at the Gary Area Career Center as of a date and time to be specified in a definitive settlement agreement, and Mr. Scheere shall take possession at such date and time unless he is prevented from doing so by events beyond his reasonable control.
2. Prior to Mr. Scheere taking possession, the School Corporation will safeguard the Model against loss or damage, including loss or damage by theft, vandalism, or other acts, to the extent it is within the School Corporation’s reasonable power to prevent such loss or damage.

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3. Risk of loss and responsibility to insure will remain with the School Corporation until Mr. Scheere takes possession, at which time they shall pass to Mr. Scheere.
4. Mr. Scheere will be responsible for arranging for the preparation of the Model for shipping and for transporting the Model to a destination of his choosing.
5. The School Corporation shall furnish such reasonable assistance and cooperation as requested by Mr. Scheere or such other persons he may engage to prepare the Model for shipping and to remove it from the Gary Area Career Center, with Mr. Scheere to reimburse the School Corporation its actual cost of out-of-pocket expenses reasonably incurred by the School Corporation in doing so.
6. The School Corporation shall deliver to Mr. Scheere a bill of sale for the Model and any other documents or instruments that Mr. Scheere may reasonably request, including any documents or instruments necessary to establish his ownership of the Model and to satisfy any export or import requirements of the United States, Belgium, or other jurisdictions relevant to transportation of the Model to the destination of Mr. Scheere's choosing.
7. The School Corporation shall defend and indemnify Mr. Scheere from and against (a) any claims of ownership or right of possession of the Model by any other individual or entity, to the extent such claims arise prior to, or arise from events that occur prior to, Mr. Scheere taking possession of the Model, excluding any such claims that arise solely from Mr. Scheere's acts or omissions; and (b) any claims based on or arising from any allegation that the sale of the Model completed on January 19, 2019, was unauthorized or invalid, or any other allegation that Mr. Scheere did not acquire exclusive, unconditional, and unencumbered title to, or the exclusive right to possess, the Model as a result of such sale.
8. The School Corporation shall release Mr. Scheere of all claims related to or arising from his purchase of the Model that was completed on January 19, 2019.
9. Mr. Scheere shall release the School Corporation; Gary Schools Recovery, LLC; the City of Gary; the Indiana Distressed Unit Appeals Board; and their respective officers, directors, members, managers, employees, and other representatives and agents; of all claims related to or arising from the failure of the School Corporation to deliver possession of the Model promptly after the sale of the Model was completed on January 19, 2019, whether arising from breach of contract or tort, including his claims for attorneys' fees and other costs afforded under Indiana Code § 34-24-23-1. (If, however, the School Corporation does not accept this settlement offer, forcing litigation,

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Mr. Scheere intends to pursue all his remedies, including attorneys' fees which already exceed \$40,000.)

10. Such other incidental terms and conditions as the parties may mutually agree and incorporate into the definitive settlement agreement.

This offer will remain open until **August 2, 2019**. If we have not had any meaningful discussions of settlement by that date, we intend to proceed with litigation to pursue all relief available to Mr. Scheere. We look forward to hearing from you. If you have any questions or concerns, please do not hesitate to contact us.

Very truly yours,

HAND | PONIST

A handwritten signature in blue ink that reads "Rachelle Ponist". The signature is fluid and cursive, with the first name "Rachelle" and last name "Ponist" clearly distinguishable.

Rachelle N. Ponist  
Partner/Attorney  
RPonist@HandPonist.com

Cc:

Office of the Mayor of Gary

City of Gary c/o Corporate Counsel

Indiana Distressed Unit Appeal Board (c/o Daniel Schackle, via email)