

IN THE UNITES STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF ALABAMA
NORTHEASTERN DIVISION

LINDA JOHNSON, on behalf of)	
herself and others similarly situated,)	
)	
Plaintiffs,)	
)	Civil Action Number
v.)	5:07-cv-00064-UWC
)	
STEELCASE, INC.,)	
)	
Defendant.)	

ORDER PRELIMINARILY APPROVING
PROPOSED SETTLEMENT

The parties have jointly moved the Court for approval of a settlement between Plaintiff Linda Johnson, individually and as Class Representative, (“Plaintiffs”), and defendant, Steelcase, Inc. (“Steelcase”). The Court has been advised that the parties have agreed, subject to Court approval following notice to the Class Members and a hearing, to settle this action upon the terms and conditions set forth in the Settlement Agreement (“Agreement”), appended to this Order as Attachment “A,” at pp. 5-27.

The Court has now thoroughly reviewed the Agreement, as well as the entire record in this case. Based upon this review and consideration, the Court hereby makes the following Findings of Fact.

1. Jurisdiction. This Court has jurisdiction over the claims at issue in this action, as well as to the parties to this proceeding.

2. Previous Proceedings. Substantial discovery has been initiated and completed in this case. Subsequent to discovery, the parties have engaged in arms-length settlement discussions.

3. The Certified Class. On September 9, 2008, on its findings and conclusion that the named Plaintiff satisfies all of the requirements of F.R.Civ. P. (“Rule”)23(a) and (b)(2), the Court certified the following class in this case:

All black Americans who, between January 5, 2005, to the present were/are employed by Steelcase, Incorporated in Production Technician (EEO-7) positions and who were qualified but not selected for vacancies in permanent positions of Quality Specialists and Quality Control Technicians (EEO-5BA), Zone Leaders and Temporary Supervisors (EEO-6BA) and Production Specialists (EEO-6CA).

The certification remains effective for purposes of this Settlement.

4. Notice to the Class. Although notice is not required in an action under Rule 23(b)(2), the Court requires that notice be provided to the Class Member to assure that their due process rights are protected. The Court finds and concludes

that the notice required by this Order meets all applicable constitutional standards , both in terms of its substance and the manner in which it is to be disseminated. The Court further finds that reasonable efforts have been made to obtain the most current addresses for all Class Members. The approved Notice is appended to this Order as “Attachment B,” at pp. 28-30.

Based on these Findings of Fact and Conclusions of Law, as well as the Court’s review of the entire file, and its careful review of the terms and conditions of the proposed Settlement Agreement, **the Court hereby PRELIMINARILY APPROVES the Settlement Agreement** as fair, reasonable, and adequate.

Commencing at 10:00 a.m. on Wednesday, **January 28, 2009**, at the Federal Courthouse, 400 Wells Street, in the City of Decatur, Alabama, the Court will conduct a **FAIRNESS HEARING** on whether the Settlement Agreement should be finally approved.

The provisions of the Settlement regarding notice and other matters related to the Fairness Hearing are hereby incorporated herein and made part hereof as if fully set forth.

The approved Claim Form is appended to this Order as Attachment “C,” at pp. 34-37.

A handwritten signature in black ink, appearing to read "U.W. Clemon". The signature is fluid and cursive, with the first name "U.W." being more distinct than the last name "Clemon".

U.W. Clemon
United States District Judge

Attachment "A"

**IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF ALABAMA
NORTHEASTERN DIVISION**

LINDA JOHNSON,)	
and the Class She Seeks to)	
Represent,)	
)	
Plaintiffs,)	
v.)	CASE NO.: CV-07-C-00064-NE
)	Honorable U. W. Clemon
)	
STEELCASE INC.,)	
)	
Defendant.)	

SETTLEMENT AGREEMENT

The Plaintiffs and Defendant in this lawsuit, by and through their respective attorneys and Class Counsel, and subject to the Trial Court’s approval, enter into the following Settlement Agreement (“Agreement”).

I. PURPOSE:

Subject to the Trial Court’s approval, this Agreement is made and entered into by and between: the defendant, Steelcase Inc. (“Steelcase”); the Named Plaintiff, Linda Johnson; and the Class Members, for the complete and final settlement of all claims, differences and causes of actions which were raised, or could have been raised by them or any of them, in this Action. Nothing in this Agreement shall constitute an admission on the part of Steelcase as to the merit of any claim asserted in the lawsuit. This Agreement is being entered into for the purposes of complete and final settlement of all claims and to eliminate the cost and burden of further litigation of this Action.

II DEFINITIONS:

For all purposes of this Agreement, the following terms shall have the following meaning:

1. Administrative Costs shall mean the costs of Class Notice and the Claims Administrator’s fees and costs;
2. Agreement shall mean this Settlement Agreement and all of the exhibits attached hereto;

3. Approved Claim shall mean a claim by a class member that strictly complies with the claim filing procedures set forth in the Agreement;

4. Claims Administrator shall mean Administar Services Group, Inc.

5. Class Counsel shall mean and include Robert F. Childs, Jr., Herman N. Johnson, Jr. and Henry F. Sherrod, III.

6. Class Members shall mean and include all black Americans who, between January 5, 2005, to the present, were/are employed by Steelcase Inc. in Production Technician (EEO-7) positions and who were qualified but not selected for vacancies in permanent positions of Quality Specialists and Quality Control Technicians (EEO-5BA), Zone Leaders and Temporary Supervisors (EEO-6BA), and Production Specialists/SPS Level 3 (EEO-6CA). Class members shall further include the heirs, executors, administrators, representatives, agents and assigns of any such person.

7. Expenses of the Validation Process include the reasonable and necessary charges of an expert for the design and validation of a new selection process for Quality Specialists and Quality Control Technicians (EEO-5BA), Zone Leaders and Temporary Supervisors (EEO-6BA) and Production Specialists/SPS Level 3 (EEO-6CA).

8. Final Approval of the Agreement shall mean the date the Trial Court's Approval of the Agreement becomes final and the time for appeal has run.

9. Named Plaintiff shall mean Linda Johnson.

10. The Action shall mean the lawsuit styled Linda Johnson and the Class she Seeks to Represent vs. Steelcase Inc., pending in the United States District Court for the Northern District of Alabama, Northeastern Division, Civil Action No. 05:07-CV-00064-UWC-NE.

11. The Parties shall mean the plaintiffs and defendant in this Action.

12. The Trial Court shall mean the United States District Court for the Northern District of Alabama, Northeastern Division.

13. Steelcase shall mean and include Steelcase Inc. and all of its affiliates, parents, divisions, subsidiaries, successors, predecessors, units, stockholders, assigns, as well as its and their past or present agents, servants, employees, officers, directors, and attorneys.

III. RECITALS:

WHEREAS, on January 9, 2007, the lawsuit was filed;

WHEREAS, on February 5, 2007, Steelcase filed its answer to the lawsuit;

WHEREAS, on February 19, 2008, the First Amended Complaint was filed;

WHEREAS, on March 4, 2008, Steelcase filed its answer to the First Amended Complaint;

WHEREAS, on September 8th and 9th, 2008, a Class Certification Hearing was held in this case;

WHEREAS, on October 6, 2008, a class pursuant to Fed. R. Civ. P. 23(b)(2) was certified by the Court;

WHEREAS, Steelcase denies any liability or wrongdoing;

WHEREAS, the Parties have conducted substantial discovery;

WHEREAS, the Parties have negotiated the settlement of this matter at arms-length, in good faith and with the best interests of the Parties in mind based on a complete knowledge of all the factual and legal issues; and

WHEREAS, the parties have concluded that the continued litigation of the lawsuit will be expensive, time-consuming and burdensome with prospects for success being uncertain for all Parties;

NOW, THEREFORE, in view of these and other factors, the Parties have reached an Agreement as set out herein.

IV NON-MONETARY RELIEF:

1. Steelcase agrees that neither it or its officers, managers or agents will (1) engage in any employment practice pertaining to the Named Plaintiff or the Class Members that violates the terms of this Agreement or (2) retaliate against any employee, as prohibited by 42 U.S.C. § 2000e-3(a), for his/her participation and/or actions in this proceeding. Steelcase will take appropriate disciplinary action, up to and including discharge, against any of its employees who are determined by Steelcase to have engaged in any such actions. However, nothing in this agreement shall prevent Steelcase from exercising appropriate disciplinary action, up to and including discharge, against any of its employees for violation of its policies and procedures.

2. Steelcase shall continue to publish, post, and maintain, at the locations to which notices to employees are currently posted, the EEOC Notice of Rights poster and Steelcase's policies against racial discrimination and harassment. These notices shall advise employees regarding the laws prohibiting racial discrimination and harassment and Steelcase's policies against racial harassment, discrimination and retaliation;

3. Steelcase is committed to a diverse workforce and desires to have qualified African-American persons in its workforce. Steelcase shall implement the following policies, practices, and procedures in a nondiscriminatory manner:

A.A Training Materials for Non-Exempt Employees

Within ninety (90) days after the Final Approval of this Settlement Agreement, Steelcase will ensure that training materials are available for use by all EEO-7 employees interested in career advancement which will allow such employees to gain a broader understanding of various aspects of Steelcase's operations and thereby enhance the ability of such employees to successfully perform Quality Specialist and Quality Control Technician (EEO-5BA), Zone Leader and Temporary Supervisor (EEO-6BA) and Production Specialist/SPS Level 3 (EEO-6CA) positions. These training materials shall be provided on a non-discriminatory basis. The form of these training materials is within the discretion of Steelcase.

A.B Training of Human Resource Personnel

(1). Steelcase will continue to provide training programs for members of its Human Resources Department who have substantive responsibilities related to compliance with fair employment practice laws and/or the application of consistency and objectivity in the selection processes of Steelcase. Each training program will be re-administered periodically, as Steelcase deems necessary.. Periodic training may be in a more abbreviated format than the initial training.

(2). Training for Human Resources Department Staff shall include, but not be limited to: (i) Federal equal employment opportunity laws; (ii) the application of equal employment opportunity laws to typical employment situations; (iii) compliance with this Agreement; (iv) the role and responsibility of the Human Resources Department and staff; and (vi) the handling of EEO complaints, including the prohibition against retaliation.

A.C Training of Managers and Supervisors

(1). All managers and supervisors at Steelcase will continue to receive training on objectivity in the selection process at Steelcase and equal employment opportunity to include the following topics (i) the non-discrimination principles necessary to ensure compliance with this Agreement; (ii) equal employment opportunity; (iii) diversity; (iv) federal, state and Steelcase's prohibitions of work place discrimination, including racial harassment and retaliation; and (v) any other topics that may encourage equal treatment in training, promotions, qualifying and retaining all employees. Such training may be delivered in live "discussion" format, video format, web-based or electronic format, written materials, or any combination of these or other formats.

(2). At Steelcase's discretion, the training described in Paragraph C.(1) may be held in conjunction with other Steelcase business and may be organized in such fashion as Steelcase deems appropriate.

A.D Training of New Employees

Steelcase will continue to include in its orientation sessions for new employees training with respect to valuing diversity in the workplace and the fostering of a work environment free from unlawful racial discrimination or harassment.

A.E Posting of All Positions

(1). Steelcase currently posts some, but not all, positions at its Athens' Plant. In an effort to increase the opportunities for African-Americans to obtain Quality Specialist and Quality Control Technician (EEO-5BA), Zone Leader and Temporary Supervisor (EEO-6BA) and Production Specialist/SPS Level 3 (EEO-6CA) positions, Steelcase agrees that it will commence posting all such positions at its Athens plant;

(2). Steelcase will continue to apprise interested employees of available Quality Specialist and Quality Control Technician (EEO-5BA), Zone Leader and Temporary Supervisor (EEO-6BA) and SPS Level 3 (EEO-6CA) positions through the use of Case TV or other comparable methods of electronic communication. Employees will be responsible for checking the applicable information source to learn of existing vacancies;

(3). Steelcase will post the minimum job requirements for each of its posted jobs;

(4). Steelcase agrees to audit its job posting process to ensure that all job postings are handled consistently with Company policy and this Agreement;

(5). Steelcase will retain for the term of this Agreement any documentation created pursuant to its posting process which shows why each employee who bid for a posted job was or was not selected, including but not limited to, the reasons why each candidate did or did not meet the requirements for the job. None of the foregoing shall limit Steelcase's right to seek outside as well as internal candidates for any position.

A.F Counseling Process

Within ninety (90) days following Final Approval of the Agreement, Steelcase shall establish, and thereafter maintain during the term of the Agreement, a counseling process, administered by its Human Resources Department, so that any employee may call and obtain career development advice aimed at assisting them in progressing to all positions, including management and supervisory positions.

A.G Paper and Pencil Tests.

During the term of this Agreement, Steelcase will not use any paper and pencil test in making selection decisions for Quality Specialist and Quality Control Technician (EEO-5BA), Zone Leader and Temporary Supervisor (EEO-6BA) and Production Specialist/SPS Level 3 (EEO-6CA) positions which has an adverse impact against African-American employees, unless such test is validated in accordance with the Uniform Guidelines On Employee Selection Procedures.

A.H Structured Interview Process

Steelcase will utilize a structured interview process for all selections at its Athens' Plant during the term of the Settlement Agreement. Within ninety (90) days after Final Approval of the Settlement Agreement, Steelcase will provide Plaintiffs' Lead Counsel with a statement from a qualified Industrial/Organizational Psychologist that its structured interview process meets professionally accepted standards which are not inconsistent with governing law or guidelines (it being understood by the Parties that this language does not create an obligation on the part of Steelcase to comply with the Uniform Guidelines' standards or procedures as to the structured interview process).

I. New Selection Process

Steelcase shall, within ninety (90) days after the Final Approval of the Agreement, implement a new selection process at its Athens Facility for Quality Specialist and Quality Control Technician (EEO-5BA), Zone Leader and Temporary Supervisor (EEO-6BA) and Production Specialist/SPS Level 3 (EEO-6CA) positions which will be properly validated in accordance with market standards and the EEOC's Uniform Guidelines on Employee Selection Procedures. Steelcase shall employ qualified experts to implement this new selection process and to provide a report to Class Counsel regarding this new selection procedure. Any modification of this new selection process shall also be validated or shall not alter or amend the process as to destroy validation. The costs of implementing this new selection process shall be borne by Steelcase. It is estimated that the development, implementation, and monitoring of this new selection process will have a value to the Class in excess of \$200,000.

V. ADMINISTRATION OF THE SETTLEMENT AGREEMENT

1. Within fourteen (14) days of the entry of the Preliminary Approval Order, Steelcase will provide to the Claims Administrator an electronic list, in a reasonable format requested by the Claims Administrator, of the name and address of each Class Member in this case as defined in Article II.6. This list will be verified under oath by Steelcase as being a true and correct list of the names and last-known address of all such Class Members. In providing this information, Steelcase shall have no responsibility for determining whether a Class Members' right, if any, to proceeds from this settlement have passed to the Class Members' bankruptcy estate, or to any other receiver, successor or assigns. The Claims Administrator will then mail, by first-class mail, the Notice of Proposed Settlement (hereinafter referred to as the "Notice") (Exhibit "3" attached) and a copy of the Settlement Agreement to each Class Member for whom deliverable addresses have been obtained pursuant to this paragraph.¹ The Notice and Agreement shall be mailed by the Claims Administrator at least thirty (30) days before the date set by the Court for the Fairness Hearing. To receive any monetary relief under this Agreement, Class Members must complete, sign and submit a Claim Form (Exhibit "D" attached hereto). Said Claim Form must be sent via First Class Mail, postage prepaid, to the Claims Administrator and postmarked on or before _____, 2008 [fourteen days prior to the Fairness Hearing]. The failure of a Class Member to fill out all sections of the Claim Form and to timely submit this Claim Form as set forth above will result in the loss of all monetary relief due to said Class Member under this Agreement, unless the Class Member demonstrates that he/she was prevented from completely filing out or timely filing the Claim Form by valid circumstances beyond his/her control. The Claim Form should be mailed to:

Claims Administrator
Administar Services Group, Inc.
P. O. Box 56380
Jacksonville, Florida 32241-6380

2. It is the responsibility of each Class Member to ensure that their Claim Form is completely filled out and timely postmarked. By submitting a Claim Form, the Class Member thereby submits to the jurisdiction of the Court for the purposes of this Action. The Claims Administrator shall review any timely delivered Claim Form to ensure it is properly completed,

¹ If a Notice to a Class Member is returned undeliverable, the Claims Administrator shall attempt to trace the individual by using the Class Member's Social Security number (if available) via on-line/internet search providers. Notice shall then be mailed to the most likely address obtained through such tracing. If a new address cannot be found, the name and last known address of such Class Member shall be provided to Class Counsel and counsel for Steelcase, as well as to the Court at the Fairness Hearing.

signed and attested to. Any Claim Form that is submitted in an untimely fashion or does not satisfy the above criteria may be deemed to be an unapproved claim at the sole and absolute discretion of the Claims Administrator.

3. Any Class Member may object to the settlement embodied in this Agreement. Any such objection must be postmarked on or before January 14, 2009, and sent via First Class Mail, postage prepaid, to the Claims Administrator at the following address:

Claims Administrator
Administar Services Group, Inc.
P. O. Box 56380
Jacksonville, Florida 32241-6380

4. It is the responsibility of each Class Member desiring to object to this Agreement to ensure that their written objection is timely postmarked and sent to the Claims Administrator. All claims of Class Members will be deemed to be conclusively resolved through the procedures and remedies set forth in this Agreement and such persons will be forever barred from pursuing any such claims against Steelcase to the date of the Final Approval of the Agreement. Any Class Member who desires to appear at the Fairness Hearing to assert any objection to the Agreement must sign and deliver a Notice of Intent to Appear at the Fairness Hearing to the Settlement Administrator at the above-referenced address by January 14., 2009.

5. The Claims Administrator shall receive Claim Forms, written objections, notices of intent to appear and other correspondence from Class Members and shall provide copies of such writings to Class Counsel and counsel for Steelcase on a regular and timely basis, including notifying Class Counsel and counsel for Steelcase immediately of written objections to the settlement.

6. The Class Administrator shall have the sole responsibility to evaluate each claim form submitted and determine whether a timely and valid claim has been submitted. The level of monetary recovery to be received by Class Members shall be within the sole discretion of Class Counsel, in conjunction with Plaintiffs' Expert, and Article VI of this Agreement.

7. The Claims Administrator shall provide to Class Counsel and counsel for Steelcase an affidavit which sets forth all steps performed by it regarding notification to Class Members, including expenses incurred, and shall provide supporting documentation, evidence and/or testimony relating thereto to Class Counsel and counsel for Steelcase no later than seven (7) days prior to the date scheduled for the Fairness Hearing.

8. On or before January 19, 2009, the Claims Administrator shall:

A. notify Steelcase counsel and Class Counsel in writing of the names of any Class Members who have objected to the Agreement;

B. file with the Court a sworn statement listing all persons who have objected to the Agreement;

C. provide to Steelcase's counsel and Class Counsel copies of all objections received by it. The originals of all objections shall be retained by the Claims Administrator unless and until such originals are delivered to the Court or to Class Counsel at the conclusion of these proceedings;

D. conventionally file (not e-file) with the Court, copies of all objections and Notices of Intent to Appear at the Fairness Hearing (with the envelope in which such objections and Notices were delivered) received by the Claims Administrator. The original

of all objections shall be retained by the Claims Administrator unless and until such originals are delivered to the Court or to Class Counsel at the conclusion of these proceedings;

E. file with the Court, and provide copies to Steelcase's counsel and Class Counsel, a statement regarding all Claim Forms submitted identifying which claims satisfy the criteria for Approved Claims; and

F. supply Steelcase and Class Counsel with a summary of all payments to be made for Approved Claims, along with appropriate supporting documentation. Steelcase shall make payment of all Approved Claims, less applicable payroll and other taxes within thirty (30) days after Final Approval of this Agreement.

9. Class Counsel and counsel for Steelcase shall attempt to resolve any disputes as to whether a claim is properly approved. If they are unable to do so, then any such disputes shall be submitted to the Court for resolution.

10. The costs and expenses of the Claims Administrator shall be paid by Class Counsel.

VI. CLASS FUND

1. Steelcase agrees to pay up to \$201,700.00, less taxes and withholdings, for all Approved Claims, (hereinafter "Class Fund"). Steelcase will make said payment within thirty (30) days after the Final Approval of the Agreement.

2. All distributions from the Class Fund to Class Members shall be allocated as wages. Steelcase will perform the administrative task of preparing the necessary tax forms with respect

to withholding and employment taxes for all appropriate government entities and shall mail such checks to the class members in compliance with Article V.8.F. above.

3. As a condition precedent to the receipt of any money under the provisions of this Agreement, Class Members must execute a Claim Form, as set forth in Exhibit "1" attached hereto. Further, the Class Member must strictly comply with the claims filing procedures (including time deadlines) set forth in Paragraph V.1.

4. The Class Fund shall be distributed as follows:

A. Each class member is eligible to receive a share of the Class Fund. Eligibility for and the amount of any payment from the Class Fund to Class Members who timely submit a Claim Form will be determined by Class Counsel, with the aid of Plaintiffs' Expert. Such determination shall be in the sole and final discretion of Class Counsel based upon eligibility criteria and the application of factors to include, among others, whether the individual was employed on a permanent basis, whether the individual satisfied the minimum qualifications of the position sought, which positions were sought, when the positions were sought, whether the positions were posted for bid, whether the Class Member was discouraged from seeking positions, length of employment with Steelcase, and positions held at Steelcase. Only those Class Members who are determined by Class Counsel to satisfy the eligibility criteria described above will be entitled to monetary relief from the Class Fund.

5. The Named Plaintiff is not entitled to receive any payment from the Class Fund. It shall be the sole responsibility of each Class Member who seeks a monetary payment in this case to advise the Claims Administrator promptly of any change of address. A Class Member's

failure to keep the Claims Administrator apprized of her/her current address may result in her request for monetary relief being denied.

6. In the event that there is any monetary sum that is not claimed from the Class Fund, Class Counsel will contribute any such remaining monetary sum to Workplace Fairness.

VII. NAMED PLAINTIFF:

1. Steelcase will pay Linda Johnson the following sums within thirty (30) days after Final Approval:

A. Five Thousand and No/100 (\$5,000.00) Dollars for time spent preparing for and giving her deposition, for each time spent in reviewing the records of Steelcase, and for time spent meeting with and talking to Class Counsel to help in the prosecution of the class claims;

B. Five Thousand and No/100 (\$5,000.00) Dollars for the emotional distress suffered in assuming the risks and notoriety related to being the named plaintiff in this class action litigation, including the potential liability for Steelcase's taxable legal costs had Steelcase litigated this action to a conclusion in its favor; and

C. Eighty Thousand and No/100 (\$80,000.00) Dollars for her individual claims of racial discrimination.

2. Payment will be by check made payable to the order of Linda Johnson and delivered in care of Class Counsel. Linda Johnson must deliver to Steelcase in care of its counsel a completed W-9 form and a release in the form as attached hereto as Exhibit 4 before payment will be made. Steelcase will issue a Form 1099 to Linda Johnson covering said payment.

3. Steelcase will send the \$90,000 to be paid to Linda Johnson to Class Counsel within thirty (30) days after Final Approval of the Agreement.

4. Within thirty (30) days after Final Approval of this Agreement, Linda Johnson will be promoted to Cycle Counter on the First Shift.

VIII. CLASS COUNSEL FEES.

1. Within thirty (30) days of the Final Approval of this Agreement, Steelcase shall pay Class Counsel the sum of \$400,800 for its attorney's fees and costs in this Action. The \$400,800.00 awarded to Class Counsel includes \$68,390.00 in expert costs utilized to evaluate Steelcase's former selection process. Steelcase will support the awarding of Class Counsel's fees and expenses by the Court. Such payment will be made by two checks payable to the order of Wiggins, Childs, Quinn & Pantazis, LLC. and Henry F. Sherrod, III, P.C. in the amount of

\$264,100.00 and \$136,700.00, respectively, and delivered to Class Counsel. Class Counsel must provide an appropriately completed W-9 form before payment will be made. Steelcase will issue a Form 1099 to Wiggins, Childs, Quinn & Pantazis, LLC. and Henry F. Sherrod, III, P.C.

2. Within ten (10) business days after the entry of an Order preliminarily approving the Agreement, the \$400,800.00 to be paid to Class Counsel will be placed into an interest-bearing trust account at Servis First Bank, or other mutually agreeable financial institution as referenced in Article VI (1) above. Any interest earned on this money will be go to Class Counsel for the payment of Administrative Costs.

IX. FINAL JUSTMENT AND RELEASE

Upon Final Approval of this Agreement, the following should occur: (a) a Final Judgment and Order shall be entered dismissing this Lawsuit on the merits with prejudice against the named plaintiff, permanently barring and enjoining her from asserting or litigating any and all claims, rights, actions, suits, causes of action, demands, matters and issues of every nature and description (whether class, individual, derivative or otherwise in nature), known or unknown, which have been asserted in the Action, which could have been asserted in the Action, or which arise out of or are in any way related to the subject matter of the Action; (b) Final Judgment and Order shall be entered on the settlement dismissing the Lawsuit on the merits with prejudice against all Class Members, permanently barring and enjoining them from asserting or litigating any and all claims that were asserted in or could have been asserted in the Action; (c) the named Plaintiff will release any and all claims against Steelcase which were asserted in the Action, which could have been asserted in the Action, or which are in any way related to the

subject matter of the Action; and (d) all Class Members will release any and all claims against Steelcase which were asserted in or could have been asserted in the Action.

X. PRELIMINARY APPROVAL

1. Within fourteen (14) business days after the execution of this Agreement, the parties shall submit this Agreement to the Court, together with a Joint Motion requesting that the Court enter an order (the “Preliminary Approval Order”) granting preliminary approval of the Agreement. The Preliminary Approval Order should:

A. Incorporate the terms of this Court’s Class Certification Order indicating that this Action may proceed as a class action pursuant to Rule 23(b)(2) Fed. R. Civ. P. with a settlement class as defined in Article II.6.of this Agreement;

B find that the Named Plaintiff, as class representative, and Wiggins, Childs, Quinn & Pantazis, LLC, and Henry F. Sherrod, III, P. C., as Class Counsel, have fairly and adequately represented and protected the interest of the Class Members;

C find on a preliminary basis that the settlement set forth in this Agreement is fair, adequate and reasonable to the Class Members;

D stay all proceedings in this action, except as may be necessary to implement this Agreement;

E provide for a Fairness Hearing on a date no earlier than forty-five (45) days from the entry of the Preliminary Approval Order to determine the fairness, adequacy and reasonableness of the settlement set forth in this Agreement;

F find that the method of identifying Class Members, as well as the timing, form, content, and method of disseminating of the proposed Notice to the Class Members, as provided for herein, satisfies the requirements of due process and Rule 23 Fed. R. Civ. P.;

G set a deadline, not less than fourteen (14) days prior to the date for the Fairness Hearing, for the submission of any objections to this settlement and the submission of any Notices of Intent to Appear at the Fairness Hearing as provided in Article V; and

H provide that in the event the proposed settlement set forth in this Agreement is not approved by the Court, or for any reason does not become final, then this Agreement shall become null and void, shall be of no further force and effect, and shall not be used or referred to for any purposes whatsoever in this Action, or in any other case or controversy; and that in such event, this Agreement and all negotiations and proceedings related thereto shall be deemed to be without prejudice to the rights of any and all Parties hereto, who shall be restored to their respective litigation positions as of the date immediately preceding this Agreement.

2. A proposed Preliminary Approval Order, which the parties acknowledge satisfy the requirements of Article X, is attached to this Agreement as Exhibit 6. In the event the Court does not enter the Preliminary Approval Order described herein, or decides to do so only with modifications, then this entire Agreement shall become null and void, unless the parties hereto agree in writing, within seven (7) days of the Court's modifications, to proceed with the Agreement, as modified, and so notify the Court.

XI. FAIRNESS HEARING:

1. At the hearing on the fairness, adequacy and reasonableness of the settlement set forth herein, the parties shall request the Court to enter an order (the “Final Order and Judgment”) granting final approval of this Agreement, and enter a judgment thereon dismissing with prejudice this action against Steelcase. In order to satisfy the requirements of this Agreement, the Final Order and Judgment must include provisions which:

A. Certify that this action was properly maintained as a class action pursuant to Rule 23(b)(2) Fed. R. Civ. P., with a class as defined in Article II.6. of this Agreement;

B. find that the named plaintiff and Class Counsel have fairly and adequately represented the interests of the Class Members;

C. find that the method of identifying Class Members, as well as the timing, form, content, and method of disseminating the proposed Notice to the Class Members, satisfies the requirements of both Rule 23 Fed. R. Civ. P., and due process and that the Court has jurisdiction over the class;

D. find that this Agreement is fair, adequate and reasonable to the Class Members and conclude that this Agreement should be approved;

E. order that the named plaintiff, individually and as a class representative, as well as the Class Members, have released Steelcase in accordance with the terms and conditions set forth in Article IX of this Agreement;

F. dismiss on the merits and with prejudice all claims in this action against Steelcase and permanently enjoin Named Plaintiff and Class Members from bringing or prosecuting any claim, counter-claim or action that is released in Article IX of this Agreement;

G. approve the award of attorneys' fees, as well as all reasonable and necessary costs and litigation expenses, to Class Counsel in the amount of \$400,800.00 as set forth in Article VIII;

H. approve the payments set forth in Article VII of this Agreement;

I. approve the payment of Approved Claims, Expenses of the Validation Process and Administrative Costs as set forth in Articles V and VI; and

J. retain jurisdiction over any and all matters and issues relating to the interpretation, administration, implementation, effectuation and enforcement of this Agreement and Final Order and Judgment;

2. An agreed form of the Final Judgment Order approving the class action settlement is attached hereto as Exhibit 7.

3. At or before the Fairness Hearing, Named Plaintiff, Class Counsel, and Steelcase shall present sufficient evidence to support the entry of the Order set forth in Exhibit 7.

4. Named Plaintiff and Class Counsel shall also present such evidence as they deem appropriate or as required by the Court to support any award of attorneys' fees and costs and any payments set forth herein.

5. In the event that the Court does not enter a Final Judgment Order substantially in the form proposed approving the settlement described herein, or decides to do so only with material modifications, then this entire Agreement shall become null and void, unless the parties hereto agree in writing, within seven (7) days of the Court's modifications to proceed with this Agreement, as modified, and so notify the Court.

XII. DOCUMENTS AND RECORDS:

1. Nothing in this Agreement shall change or modify the obligations, duties and responsibilities imposed upon any person by the Trial Court's Protective Order entered in the Action.

XIII. AGREEMENT NOT AN ADMISSION:

This Agreement, whether or not consummated, and any proceedings taken hereunder are not and shall not in any event be construed as or deemed to be an admission or concession by the Parties, or any of them, of the truth of any fact alleged or the validity of any claim or defense asserted in the Lawsuit or of the liability of Steelcase; nor are they a concession or presumption of any wrongdoing on the part of Steelcase. Steelcase has denied and continues to deny all of plaintiffs' allegations of fault or liability and the averments of plaintiffs and any Class Members suffering any damages, monetary or otherwise, by reason of the alleged wrongdoing. Nothing in this Agreement shall be construed as an admission or concession that Steelcase has a history of discriminating against African-Americans in employment.

XIV. MONITORING

1. On September 1, 2009, or such later date as the parties shall agree, Steelcase shall provide the following report to Class Counsel:

A. Selections: All selections into Quality Specialist and Quality Control Technician (EEO-5BA), Zone Leader and Temporary Supervisor (EEO-6BA), and Production Specialist (EEO-6CA) positions during the preceding six month period, including the titles of the positions filled, the locations of the filled positions, the dates the positions were filled, and the

name, race, and prior employment history at Steelcase for each individual awarded each such position. Steelcase shall identify every employee by name, race, prior positions held at Steelcase and length of employment at Steelcase, who received, and any employee who was denied, any such position along with a written statement of all reasons why the employee was selected and the other employees were not selected.

B. Demotions: The names and races of all employees demoted from a Quality Specialist and Quality Control Technician (EEO-5BA), Zone Leader and Temporary Supervisor (EEO-6BA), or Production Specialist/SPS Level 3 (EEO-6CA) position during the preceding six month period, including the title and location of the position into which the demoted employee was placed, and all reasons for the demotion.

C. Discharges: The names and races of all employees discharged from a Quality Specialist and Quality Control Technician (EEO-5BA), Zone Leader and Temporary Supervisor (EEO-6BA), and Production Specialist/SPS Level 3 (EEO-6CA) position during the preceding six month period, including the title and location of the position from which the employee was discharged and all reasons for the discharge.

2. Steelcase shall retain the records from which the reports in this Article are derived for at least ninety (90) days after delivering such report. During the period of their retention, such records will be made available to the Class Counsel upon reasonable request for the inspection of same.

3. Class Counsel, or his designee, shall be provided access to all information reasonably necessary for them to monitor compliance with the terms of this Agreement.

XV. GENERAL TERMS:

1. If at any time, the Trial Court declines or refuses to preliminarily or finally approve the Agreement, then the Agreement is null and void.

2. If the Trial Court declines or refuses to dismiss the Lawsuit with prejudice, with each party to bear its own costs, then the Agreement is null and void.

3. If the Trial Court enters an Order dismissing with prejudice the Lawsuit on the terms and conditions set forth in the Agreement, and said Order is reversed or modified on appeal, then the Agreement is null and void.

4. This Agreement is deemed to be made and executed in the State of Alabama, shall be deemed to be under seal, and shall be deemed to be a contract under the laws of the State of Alabama. This Agreement, for all purposes, including, but not limited to its validity, construction and enforceability, shall be governed by the laws of the State of Alabama and the rights of the Parties hereunder shall be governed in all respect by said laws.

5. The waiver by any party to this Agreement of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any of the Parties to this Agreement.

6. This Agreement may be altered or amended before Court approval only by a subsequent written instrument signed collectively by Class Counsel and counsel for Steelcase. This agreement may be altered or amended after Court approval only by a subsequent written instrument signed collectively by Class Counsel and counsel for Steelcase and approved by the Court.

7. This Agreement shall inure to the benefit of and bind the Parties hereto, their heirs, successors, and assigns.

8. The Parties to this Agreement declare and represent that no threat and no promise, inducement, or agreement not herein set forth has been made to any of them.

9. The Parties agree that this Settlement Agreement and its dissemination and publication will not preclude Steelcase from enforcing its disciplinary policy regarding employee performance and productivity.

XVI RETENTION OF JURISDICTION

This Settlement Agreement will be effective and binding on the Parties for a period of six (6) months or until the new selection process covered in section IV.I is created and implemented, whichever is longer, and the Court shall retain jurisdiction of this case to assure that the terms and/or requirements of this Agreement are properly implemented and maintained. At the conclusion of this period, this Settlement Agreement shall automatically terminate without further proceedings.

EXECUTED THIS 28th DAY OF JANUARY, 2009.

Herman N. Johnson, Jr.
Robert F. Childs
Herman N. Johnson, Jr.
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Attorneys for Defendant,
Steelcase Inc.

Attachment "B"

NOTICE OF PROPOSED SETTLEMENT

TO:

All black Americans who, between January 5, 2005, to the present were/are employed by Steelcase Incorporated in Production Technician (EEO-7) positions and who were qualified but not selected for vacancies in permanent positions of Quality Specialists and Quality Control Technicians (EEO-5BA), Zone Leaders and Temporary Supervisors (EEO-6BA) and Production Specialists (EEO-6CA).

A settlement has been proposed in the case of *Linda Johnson and the Class She Seeks to Represent v. Steelcase Incorporated* in the United States District Court for the Northern District of Alabama, Northeastern Division; Case No. 05:07-CV-00064-UWC-NE before the Honorable U. W. Clemon relating to Steelcase's selection practices at its Plant in Athens, Alabama for the Quality Specialists and Quality Control Technicians (EEO-5BA), Zone Leaders and Temporary Supervisors (EEO-6BA) and Production Specialists (EEO-6CA) positions. Steelcase denies that its selection practices violate the law in any way. A copy of the Settlement Agreement is enclosed for your review regarding the terms of the settlement.

You are a class member in this case whose rights will be affected by the Settlement and who may be entitled to share in the Settlement. To receive money

from the Settlement, you must submit a valid claim form. You do not need to appear in Court. A claim form is enclosed. You must fill out the claim form completely and truthfully, swear under penalty of perjury that the information contained in your claim form is true, and mail the claim form by First Class Mail, postage prepaid, postmarked on or before **January 14, 2009**, to the Claims Administrator: Administar Services Group, Inc., P.O. Box 36380, Jacksonville, Florida 32241-6380.

A public hearing concerning whether the Settlement is fair, reasonable and adequate will be held at **10:00 a.m. on Wednesday, January 28, 2009**, before Judge Clemon at the Federal Courthouse, 400 Wells Street, Decatur, Alabama 35601. You may object in writing to the settlement by mailing via First Class Mail, postage prepaid, such objection to the Claims Administrator. This objection must be postmarked on or before **January 14, 2009**. You also have a right to be heard at the hearing, in person or through a lawyer that you hire and pay. To be heard, you must deliver written notice of your intent to appear and object to the settlement to the Claims Administrator. This notice of intent to appear must be postmarked on or before January 14, 2009. If you do not object to the Settlement, you do not need to come to the Fairness Hearing. You also have the right to hire

(and pay for) your own lawyer to represent you in connection with this Settlement or with this lawsuit in general.

As a Class Member, you will be bound by the Settlement and Final Judgment entered in this case.

If you need more information about the Lawsuit, you may write to Class Counsel: Wiggins, Childs, Quinn & Pantazis, LLC, The Kress Building, 301 19th Street North, Birmingham, Alabama 35203 or Henry F. Sherrod, III, 119 Smith Court Street, P. O. Box 606, Florence, Alabama 35631.

Attachment "C"

IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF ALABAMA
NORTHEASTERN DIVISION

LINDA JOHNSON, on behalf of)
herself and others similarly situated,)

Plaintiff,)

v.)

STEELCASE, INC.,)

Defendant.)

Civil Action Number
5:07-cv-0064-UWC

CLAIM FORM

STATE of _____
COUNTY of _____

1. My name is _____. (Please print)

2. My current address is :

3. My Social Security Number is _____.
(Your Social Security Number will only be used in connection with reporting any
payments to applicable governmental tax authorities).

4. I have been employed at Steelcase, Inc. during the following time(s):

5. From January 5, 2005 to the present, I have applied for the following jobs:

Quality Specialist Once More than once

Quality Control Technician Once More than once

Zone Leader Once More than once

Temporary Supervisor Once More than once

Production Specialist Once More than once

6. a. Have you ever applied for the position of Quality Specialist?

_____ Yes _____ No

b. If your answer is "no," explain why you did not apply.

7. a. Have you ever applied for the position of Quality Control Technician?

_____ Yes _____ No

b. If your answer is "no," explain why you did not apply.

8. Have you ever applied for the position of Zone Leader?

_____ Yes _____ No

b. If your answer is “no,” explain why you did not apply.

9. a. Have you ever applied for a position as Temporary Supervisor?

_____ Yes _____ No

b. If your answer is “no,” explain why you did not apply.

10. a. Have you ever applied for the position of Production Specialist?

_____ Yes _____ No

b. If your answer is “no,” explain why you did not apply.

I swear or affirm under penalty of perjury that the above answers are true and correct to the best of my knowledge, information and belief.

Dated this _____ day of _____, 200_____.

Signature

Your Printed Name

In order to be considered for payment, your Claim Form must be mailed with first class postage to the Claims Administrator at Administar Services Group, Inc., Post Office Box 56380, Jacksonville, Florida 32241-6380; and it must be postmarked not later than January 14, 2009.