

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
FORT MYERS DIVISION

2001 JUL 20 PM 9:17
FILED
U.S. DISTRICT COURT
FORT MYERS, FLORIDA

EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION,

Plaintiff,

and

LINDA REDDITT,

Plaintiff- Intervener,

CIVIL ACTION NO.
2:00 CV135 FTM 29DNF

v.

AVATAR REALTY INC., and
AVATAR PROPERTIES INC., and
AVATAR HOLDINGS INC.

Defendants.

_____ /

CONSENT DECREE

1. This Consent Decree (the "Decree") is made and entered into by and between Plaintiff, the Equal Employment Opportunity Commission (hereinafter referred to as the "Commission" or "EEOC"), Plaintiff-Intervener Linda Redditt (hereinafter "Linda Redditt" or "Plaintiff-Intervener"), and Defendant, Avatar Holdings Inc. (hereinafter referred to as "Avatar Holdings¹"). The Commission, Plaintiff-Intervener, and Avatar Holdings are collectively referred to herein as "the Parties."

¹ It is expressed and understood that this Consent Decree pertains to and is applicable only to Avatar Holdings' operations in the State of Florida.

2. On March 31, 2000, EEOC initiated this action by filing its original Complaint in the United States District Court for the Middle District of Florida, Fort Myers Division, Civil Action No. 2:00 CV135 FTM 29D, based upon a charge filed by Linda Redditt (EEOC Charge No. 15L- 97- 0095). On July 13, 2000, EEOC filed an Amended Complaint naming Avatar Properties Inc., Avatar Realty Inc., and Avatar Holdings Inc. as Defendants. EEOC's Amended Complaint alleges that Avatar Holdings and its subsidiaries violated Title VII of the Civil Rights Act of 1964, as amended, including but not limited to, amendments authorized by the Civil Rights Act of 1991, 42 U.S.C. Section 2000e et seq. ("Title VII") by subjecting a female employee, Linda Redditt, to unlawful sexual harassment in the form of a hostile work environment. The Complaint further alleges that Ms. Redditt was constructively discharged. On September 5, 2000, the Plaintiff-Intervener became a party to the lawsuit also alleging the same violations of Title VII.

3. In the interests of resolving this matter and as a result of having engaged in comprehensive settlement negotiations, the Parties have agreed that this action should be finally resolved by entry of this Decree. This Decree is final and binding upon the Parties, their successors and assigns. The Parties agree that nothing contained in this Consent Decree or otherwise shall constitute or be construed as an admission of any alleged liability or wrong doing by Avatar Holdings Inc.

4. The Parties agree that this Decree resolves all claims arising out of EEOC Charge Number 15L- 97- 0095 and the Complaints filed in this action, and constitutes a complete resolution of all claims under Title VII that were made by the Commission and Plaintiff-Intervener in this action.

5. NOW, THEREFORE, the Court having carefully examined the terms and provisions of this Decree, and based on the pleadings filed by the parties, it is **ORDERED, ADJUDGED AND DECREED THAT:**

JURISDICTION

6. This Court has jurisdiction of the subject matter of this action and over the Parties for the purposes of entering and enforcing this Decree.

GENERAL INJUNCTIVE PROVISIONS

7. Defendant Avatar Holdings, its officers and/or employees, are enjoined from engaging in conduct which violates Title VII of the Civil Rights Act of 1964, as amended, by adversely affecting the terms and conditions of any individual's employment because of the gender of that individual and/or by subjecting an individual to sexual harassment or circumstances which lead to the constructive discharge of an individual due to sexual harassment.

8. Defendant Avatar Holdings, its officers and/or employees, are enjoined from discriminating against any employee who opposes any of Defendant's practices which the employee believes to be a violation of the Title VII; who files a charge of discrimination with the EEOC alleging violation(s) of such statute; who cooperates with the EEOC in the investigation and/or prosecution of any charge of discrimination; or who cooperated in the investigation or prosecution of this case.

SEXUAL HARASSMENT POLICY AND TRAINING

9. Defendant Avatar Holdings has established a written policy against sexual harassment, which is attached as Exhibit A. Defendant Avatar Holdings agrees that all its

employees and managers will have been provided with a complete copy of its policy against sexual harassment within thirty (30) days of the entry of this Decree.

10. In order to further ensure the effective implementation of Defendant Avatar Holdings' anti-discrimination policy, Avatar Holdings will conduct training for all of its managers and supervisory personnel on gender discrimination with specific emphasis on recognizing sexual harassment and the proper procedure to be followed if they become aware of sexual harassment in the workplace or if they receive a complaint of such harassment. Avatar Holdings agrees to provide the EEOC, at least two weeks notice before it conducts its training session(s), with the date(s) and location(s) of the training, the identification of the training materials to be used at the training session, the name of the individual(s) who will be providing the training, and a general description of the category of employees who will be in attendance at the training. Additionally, Avatar Holdings agrees that the EEOC shall, at the EEOC's discretion, be in attendance at each training session(s).

11. Defendant Avatar Holdings agrees that the training described in paragraph 10 shall be conducted within one hundred and eighty (180) days of the entry of this Decree. And, should thereafter take place annually for the duration of this Decree. Avatar Holdings further agrees that the training described in paragraph 10 shall be given to all new managers and supervisors, who did not attend the annual training, within sixty (60) days of being placed in a management or supervisory position.

12. Avatar Holdings agrees that all new employees shall be given a copy of its Policy Against Sexual Harassment; and Avatar Holdings further agrees that new employees

will be advised that any complaints of sexual harassment should be reported in accordance with that policy.

POSTING

13 Avatar Holdings will post the Notice, attached as Exhibit B, no later than July 15, 2001. Said notice shall be posted at Avatar Holdings headquarter's office in Coral Gables, Florida and all satellite administration offices for the duration of this Decree in a conspicuous location accessible to all employees such as an employee bulletin board and/or break/lunch room.

MONITORING

14. Avatar Holdings will retain all employment records relating in any way to any complaint or allegation of sexual harassment for the duration of this Decree and as required under federal law.

15. Avatar Holdings will certify to the EEOC annually throughout the duration of this Decree that it is in compliance with all aspects of this Decree. The first such certification will be due no later than thirty(30) days from the first training provided pursuant to paragraph 10. With each certification Avatar Holdings will further provide the EEOC with the name, address, and phone number of any person who alleges they have been sexually harassed while working for Avatar Holdings during the preceding six month period. Avatar Holdings will also state the actions taken in response to each such allegation and provide any and all documentation associated with such complaint.

MONETARY RELIEF

16. Avatar Holdings agrees to pay a total sum in the amount of \$55,000.00 (fifty-five thousand dollars), within ten (10) calendar days from the Court's execution of this Decree. The amount will be disbursed as follows:

(a) Avatar Holdings shall pay Linda Redditt \$36,500.00 (thirty-six thousand and five hundred dollars) in compensatory damages. Further, Avatar Holdings will issue Ms. Redditt an I.R.S. form 1099 as required by law.

(b) In consideration of the legal representation afforded to Linda Redditt, Avatar Holdings shall pay \$18,500.00 (eighteen thousand and five hundred dollars) in attorney's fees to Mr. Dennis Webb, Esquire.

The payment to Ms. Redditt shall be made by check to Linda Redditt in trust of Dennis Webb, Esq., Law Offices of Webb & Scarmozzino, and forwarded to Mr. Dennis Webb, Esq., Law Offices of Webb & Scarmozzino, 1617 Hendry Street, Third Floor, Fort Myers, Fl 33901, by certified mail with a return receipt requested. The payment to Mr. Webb shall also be made by check and forwarded by certified mail with a receipt return requested to Mr. Webb's business address listed above.

17. Avatar Holdings agrees to simultaneously provide the EEOC with copies of the payments set forth in paragraph 16 above. Said copies shall be forwarded to the attention of Carla Von Greiff, Trial Attorney, at the Tampa Area Office of the EEOC, 501 East Polk Street, Room 1020, Tampa, Florida, 33602.

18. If Avatar Holdings fails to tender the above-mentioned payments within the ten-day period agreed upon, Avatar Holdings shall pay interest on the defaulted payments

at the rate calculated pursuant to 26 U.S.C. Section 6621(b) until the same is paid, and bear any additional costs incurred by the EEOC caused by the non-compliance or delay of the Defendant.

ENFORCEMENT OF DECREE

19. The Commission shall have independent authority to seek the judicial enforcement of any aspect, term or provision of this Decree.

20. The Court will take whatever measures it deems appropriate to effectuate the enforcement of the terms of this Decree.

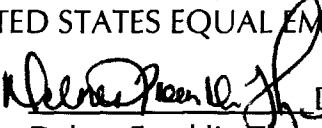
COSTS

21. Avatar Holdings and the EEOC shall bear their own costs and attorneys' fees associated with this litigation.


DURATION OF DECREE

22. This Decree shall remain in effect for three (3) years from the date of the Court's execution of the Decree. During that time, this Court shall retain jurisdiction over this matter and the Parties for purposes of enforcing compliance with the Decree, including such orders as may be required to effectuate its purposes.

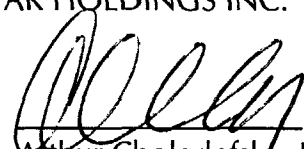
AGREED TO:
FOR THE PLAINTIFF,
UNITED STATES EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

by:  Date: 7/11/01
Delner Franklin-Thomas
Regional Attorney
Miami District Office
United States Equal Employment Opportunity Commission
One Biscayne Tower, Suite 2700
2 South Biscayne Boulevard
Miami, Florida 33131

AGREED TO:
FOR THE PLAINTIFF INTERVENER,
LINDA REDDITT.

By:  Date: 6/26/01
Dennis Webb, Esq.
Webb & Scarmozzino, P.A.
Attorney for Linda Redditt
1617 Hendry Street,
Third Floor,
Fort Myers, Florida 33901

AGREED TO:
FOR THE DEFENDANT,
AVATAR HOLDINGS INC.

By:  Date: 6/25/01
Arthur Cholodofsky, Esq.
Law Offices of Steven Ziegler, P.A.
Attorney for Defendant
Presidential Circle
4000 Hollywood Boulevard
Suite 375 South
Hollywood, Florida 33021

SO ORDERED, ADJUDGED AND DECREED, this _____ day of _____,
2001.

The Honorable John E. Steele
United States District Judge

Copies furnished:

To All Counsel of Record

EXHIBIT "A" AVATAR HOLDINGS POLICY

AVATAR

POLICY & PROCEDURE MANUAL SECTION: SUBJECT:

Page: 1 of 4
Date Issued: 03/8/2001

TOPIC: HARASSMENT FREE WORKPLACE

Avatar Holdings Inc., and its related companies are opposed to and prohibit without qualification, the harassment of anyone on the basis of gender, race, religion, national origin, age, disability, pregnancy and marital status. Sexual or other forms of harassment violate an individual's basic civil rights, undermine the integrity of the workplace, and adversely affect workers and clients whether or not they are direct subjects of harassment. Sexual harassment is a form of discrimination on the basis of sex and is, therefore, prohibited in the workplace by local, state and federal law. It is also unlawful for an employer or co-worker to retaliate against an employee for filing a complaint of sexual or other forms of harassment or for cooperating in an investigation of harassment.

All employees, including but not limited to staff, supervisors, managers, directors and officers are required to comply with this policy and take appropriate measures to ensure that sexual or other forms of harassment do not occur. Disciplinary action at Avatar's discretion up to and including termination, will be taken against any employee who engages in sexual or other forms of harassment that violate this policy.

In addition, every manager and supervisor within Avatar has a duty to provide a work place free from harassment. This duty includes informing and discussing this policy with all employees; ensuring that employees know they are not required to endure sexual or other forms of harassment; that sexual or other forms of harassment will not be allowed or tolerated; that this policy will be enforced; and that charges of harassment will be impartially and immediately investigated. Any manager or supervisor who does not deal with sexual or other forms of harassment complaints consistent with the terms of this policy may be subject to appropriate disciplinary action.

DEFINITION OF SEXUAL HARASSMENT:

Sexual harassment is a form of sex discrimination and means unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature, when:

- a) Submission to such conduct is made explicitly or implicitly a term or condition of employment, or
- b) Submission to or rejection of such conduct by an individual is used as a component of the basis for employment decisions affecting that individual, or
- c) The conduct has the purpose or effect of unreasonably interfering with an individual's work performance or of creating an intimidating, hostile, or offensive work environment or,
- d) Directly prohibited by applicable law.

PROHIBITED CONDUCT:

Sexual harassment can be verbal, physical, auditory, or visual. It can be subtle or overt. Sexual harassment refers to behavior that is not only unwelcome, but which can also be personally offensive, fails to respect the rights of others, lowers morale, interferes with work effectiveness, and/or violates a person's sense of well-being.

Both men and women can be victims of sexual harassment and it can occur in situations where one person has authority (or the appearance of authority) over another, as well as occurring between two persons of equal employment levels. Same sex harassment (where offenders and victim are the same sex) is also prohibited.

Managers, supervisors and employees with the appearance of authority shall not threaten or insinuate, either explicitly or implicitly, that an employee's submission to or rejection of sexual harassment will in any way affect the employee's employment, evaluation, wages, advancement, assigned duties, shifts, or any other condition of employment or career development. Harassment by co-workers is also unlawful and prohibited by applicable federal, state and local laws even though the loss to the victim may not involve the tangible benefits outlined above.

Examples of other forms of prohibited sexual harassment may include, but not be limited to the following:

Verbal: Sexual innuendos, suggestive comments, jokes of a sexual nature, speaking about sexual positions, threats, unwelcome sexual flirtations, persistent requests for dates, degrading words used to describe an individual or, other verbal comments of a sexual nature, and graphic commentaries about an individual's body.

Non-Verbal: Sexually suggestive or offensive objectives or pictures, written comments, suggestive or insulting sounds, leering, whistling, obscene gestures.

Physical: Unwanted physical contact including touching, pinching or brushing the body, coerced sexual intercourse, and assault.

REPORTING AND RESOLUTION OF COMPLAINTS

Avatar through this policy, commits itself to quick and effective actions to ensure that sexual or other forms of harassment does not occur or persist. However, the fulfillment of that commitment will in large part depend on the willingness of employees to report prohibited behavior. A timely response to sexual or other forms of harassment is essential to protect victims from further unwelcome behavior.

It also ensures that the person responsible for the objectionable behavior understands its impact on others. A timely report provides the best opportunity for the employer to expeditiously and effectively address the matter.

Therefore, all employees must report any incidences of sexual or other forms of harassment, witnessed, known of or experienced.

Any employee who believes that they or any other employee has been the subject of harassment must report the alleged act(s) as soon as possible to any one of the following:

- The immediate supervisor
- Any departmental management staff
- The local Human Resources Representative
- The local Project/Resort Manager or Division Vice-President
- Any member of the Corporate Human Resources Department
- An attorney in the Legal Department
- Any Corporate (Avatar Holdings Inc.) officer

All complaints of harassment received by supervisors, managers, directors, project and resort managers or officers must be referred immediately, both orally and in writing, to the Corporate Human Resources Department and to an attorney in the Legal Department.

Any employee found to intimidate, harass, or interfere with the filing of a complaint or the investigation of a complaint or who intentionally files a false complaint of harassment will be subject to appropriate discipline, up to and including immediate termination, at Avatar's sole and absolute discretion. All complaints will be handled on a confidential basis where appropriate and possible.

TRAINING

New Hires

All new hires must be provided with a copy of the Harassment Free Workplace Policy and Procedure at the date of hire. In addition, all new hires must participate in Harassment Free Workplace training within 120 days of hire and annually thereafter.

Managerial/ Supervisory Employees (including but not limited to department heads, superintendents, senior management team)

All managerial/supervisory employees must be trained on their responsibilities and expectations in addressing sexual or other forms of harassment in the workplace with 120 days of date of hire or promotion and annually thereafter.

New managerial/supervisory employees, who did not participate in the annual training program, must receive training with 120 days of such change in position.

The Avatar Harassment Free Workplace Policy must be included in all new hire packages. The Acknowledgement Sheet must be completed and a copy sent to the Corporate Human Resources for new hires and training program participants.

All Harassment Free Workplace training materials must be approved by the Corporate Human Resources before presentation to employees.

If any conflict exists between this policy and any applicable federal, state or local laws, the latter shall control.

THIS POLICY SUPERSEDES ALL PREVIOUS SEXUAL HARASSMENT POLICIES

AVATAR HARASSMENT FREE WORKPLACE

ACKNOWLEDGEMENT SHEET

I hereby acknowledge the following regarding Avatar's Harassment Free Workplace information: Please check the appropriate line.

I received a copy of Avatar's Harassment Free Workplace Policy and Procedure information.

On _____ I participated in a training program addressing Avatar's Harassment Free Workplace.

I acknowledge that I was hired/promoted to a managerial or supervisory position on _____ and have received Avatar's Harassment Free Workplace Policy and Procedure and participated in the training program addressing Avatar's Harassment Free Workplace.

I further acknowledge that by signing below I am aware of and understand the contents of Avatar's Harassment Free Workplace Policy and shall be held responsible for its content.

Name (Please Print)

Location (Please Print)

Signature

Date

Human Resources Representative (Print Name)

Signature

Date

EXHIBIT "B" NOTICE

**NOTICE TO ALL EMPLOYEES
POSTED PURSUANT TO A CONSENT DECREE BETWEEN THE
UNITED STATES EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
AND AVATAR HOLDINGS INC.**

This notice is being posted pursuant to a Consent Decree entered by the Court in Equal Employment Opportunity Commission v. Avatar Realty Inc., Avatar Properties Inc., and Avatar Holdings Inc. Civil Action No. 2:00 CV135 FTM 29D. Avatar Holdings Inc. has agreed that it will not discriminate against employees in violation of Title VII of the Civil Rights Act of 1964 ("Title VII"). Title VII protects individuals from employment discrimination because of their race, religion, color, sex (including sexual harassment and pregnancy) and/or national origin. Title VII also protects individuals from retaliation for having complained of an unlawful employment practice. Avatar Holdings Inc. will not condone discrimination of any kind as set forth in federal laws, including, but not limited to, sexual harassment.

Furthermore, Avatar Holdings Inc. assures its employees that it supports Title VII and will not take any action against an individual because he/she has exercised his/her rights under the law to oppose discriminatory acts or to file charges with the EEOC.

Appropriate corrective action, up to and including termination, shall be taken against any employee (including management personnel) found to violate the policies regarding discrimination, based upon the circumstances involved.

This notice shall remain posted for three (3) years from the date signed. Employees or applicants for employment who have questions about their rights under Title VII or any other federal anti-discrimination law may telephone the Miami District Office of the Equal Employment Opportunity Commission at 1-800-669-4000.

Signed this ____ day of _____, 2001.

Dennis J. Getman, Esquire
Executive Vice-President/General Counsel
Avatar Holdings Inc.