

THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

EQUAL EMPLOYMENT OPPORTUNITY)
COMMISSION,)
)
Plaintiff,)
)
v.)
)
R&R Ventures d/b/a Taco Bell)
)
Defendant.)

BY _____ DEPUTY
Civil Action No. S-99-877

FILED ENTERED
LOGGED RECEIVED

MAY 14 2002

AT BALTIMORE
CLERK U.S. DISTRICT COURT
DISTRICT OF MARYLAND

JY

DEPUTY

CONSENT DECREE

On March 30, 1999, Plaintiff, Equal Employment Opportunity Commission (hereinafter "Plaintiff" or "the Commission"), filed this action against Defendant, R&R Ventures d/b/a Taco Bell (hereinafter "Defendant" or "R&R Ventures"). The action was filed under Title VII of the Civil Rights Act of 1964, and Title I of the Civil Rights Act of 1991, to correct unlawful employment practices on the basis of sex and to provide appropriate relief to Shelby Scott ("Scott"), Brandyn Potter ("Potter") and other similarly situated female employees who were subjected to sexual harassment and a sexually hostile work environment at their employer, R&R Ventures by Edwin ("Eddie") Wheeler, General Manager. The EEOC also alleged that Defendant was responsible for the constructive discharge of the aforementioned former employees.

Both the EEOC and Defendant desire to resolve this action and all claims raised by the EEOC's Complaint without the time and expenditure of contested litigation. This Decree shall not constitute an adjudication or finding on the merits of this case. This Decree shall not constitute an

admission by the Defendant of liability or wrongdoing. Moreover, the Decree does not constitute a disavowal by the EEOC of the allegations in the Complaint, which the Commission maintains, following its investigation, were factually and legally warranted. The parties also desire to express a plan to be embodied in this Decree which will promote and effectuate the purposes of Title VII.

The Court has examined this Decree and finds that it is reasonable and just and in accordance with the Federal Rules of Civil Procedure and Title VII. Therefore, upon due consideration of the record herein and being fully advised of the promises, it is hereby ORDERED, ADJUDGED, and DECREED:

1. This Decree constitutes a full discharge and satisfaction of any and all claims which have been alleged in the Complaint filed in this Title VII action by the EEOC based on the EEOC's determinations of discrimination for the charges filed by Shelby Scott and Brandyn Potter Cooper (EEOC administrative charge numbers 120-97-0498 and 120-98-0929).

2. The parties agree and the Court finds that this Court has jurisdiction of the subject matter of this action and of the parties, that venue is proper, and that all administrative prerequisites have been met. No party shall contest the validity of this Decree, or the jurisdiction of the United States District Court for the District of Maryland to enforce this Decree and its terms.

3. Nothing in this Decree shall be construed to preclude the EEOC from investigating or instituting legal action on the basis of any like or related claims not raised in the subject Complaint, nor does anything in this Decree preclude Shelby Scott, Brandyn Potter Cooper, Michelle Wright or the EEOC from filing charges against the Defendant in the future.

Breach Provision

4. If either party to this Decree believes that the other party has breached a material provision of this Decree, it shall so notify the party, in writing, of the alleged breach. Upon receipt of written notice, a party shall have fifteen (15) days to either correct the alleged breach, and so inform the other party, or deny the alleged breach, in writing;

- A. If the parties remain in dispute they shall attempt in good faith to resolve their dispute;
- B. If the parties can not in good faith resolve their dispute, the party alleging a breach may file with the Court a motion to correct and remedy the breach;
and
- C. Each party shall bear its own costs, expenses and attorney's fees incurred in connection with such action.
- D. Jurisdiction to resolve any dispute arising under this Decree resides in the United States District Court for the District of Maryland.

Injunctive Relief

5. Defendant and its managers, officers, agents, successors, and assigns, are enjoined not to discriminate against any individual because of the individual's sex, subject women to differential treatment regarding the terms and conditions of employment, engage in sexual harassment toward any employee, or engage in retaliation against any individual for asserting her or his rights under Title VII. Defendant and its agents further agree not to retaliate against any individual who has participated in this matter in some way, given testimony in this matter or asserted

her or his rights under Title VII, including, but not limited to, Shelby Scott, Brandyn Potter Cooper and Michelle Wright.

Monetary Relief

6. In settlement of this dispute, Defendant shall pay a total of \$60,000 (Sixty Thousand Dollars) as monetary relief in this action to benefit Shelby Scott, Brandyn Potter Cooper and Michelle Wright, in amounts designated by the Commission in the payment schedule to be provided to Defendant within five days of the entry of this Decree.

Defendant shall take no withholdings and is not required to make any employer contributions, except that it must issue a 1099 for the payment stating the amount of payment made to each recipient.

7. Defendant shall make the first payment of \$40,000 within 14 (fourteen) days after receiving notice of the Court's entry of this Consent Decree, by delivering certified checks in the amounts to be set forth by the Commission, c/o Tracy Hudson Spicer, Supervisory Trial Attorney, EEOC's Baltimore District Office, 10 South Howard Street, 3rd Floor, Baltimore, Maryland 21201.

8. Defendant shall make the remaining payment of \$20,000 in three equal monthly installments by delivering certified checks in the amounts to be set forth by the Commission, c/o Tracy Hudson Spicer, Supervisory Trial Attorney, EEOC's Baltimore District Office, 10 South Howard Street, 3rd Floor, Baltimore, Maryland 21201. Should Defendant fail to make any payment within the time period set forth in this Decree, Defendant shall pay liquidated damages in the amount of double the overdue payment, plus any accrued interest at the current IRS rate, compounded quarterly, from the date of this agreement.

Posting Of Notice

9. Upon the Court’s entry of this Consent Decree, Defendant shall immediately post in conspicuous places at its restaurants in Maryland a copy of a remedial notice, printed on its letterhead and signed by its President or other high ranking official, including all places where notices to employees are customarily posted, and maintain for a period of two (2) years from the date of posting, copies of the Notice attached hereto as Exhibit 1 and made a part hereof. Said Notice shall be signed by the appropriate Defendant official with the date of actual posting shown thereon. Should any Notice become defaced, marred or otherwise made unreadable, Defendant will ensure that a new readable copy of that Notice is posted in the same manner heretofore specified.

Written Sexual Harassment Policy

10. Defendant shall revise its policy on sexual harassment to contain: an anti-harassment policy and detailed complaint procedure that includes; a clear explanation of prohibited conduct, designation of a contact person: phone number and name of appropriate official for the registration of victims' complaints, assurance that employees who make complaints of harassment or provide information related to such complaints will be protected against retaliation; a clearly described complaint process that provides accessible avenues of complaint; assurance that the employer will protect the confidentiality of harassment complaints to the extent possible, and a complaint process that provides a prompt, thorough, and impartial investigation, and assurance that the Defendant will take immediate and appropriate corrective action when it determines that harassment has occurred. This policy, once revised and approved as discussed below, will be distributed to all of Defendant’s employees and management staff, and shall be included in any relevant policy or employee manuals

kept by Defendant's business. The policy will also be posted in a conspicuous and accessible place for all employees and printed in a font that is easily legible (at least 12 point font). This revised policy will be submitted to counsel of record for her approval within 14 (fourteen) days after receiving notice of the Court's entry of this Consent Decree.

EEOC will then notify Defendant within 10 (ten) days, as to whether such policy is acceptable. In the event that the proposed policy is not acceptable to the EEOC, the parties will confer in good faith and attempt to reach an agreement no later than 5 days after receiving the EEOC's objection. In the event the parties are unable to reach an agreement they shall submit their dispute to a neutral and mutually agreeable third party for mediation before pursuing any remedies with the Court. Defendant agrees that should this dispute be referred to a third party for mediation as described above, Defendant shall bear all costs, if any, related thereto.

Training

11. All Defendant's management and full-time employees shall be required to attend an intensive training program of at least one hour or more for management employees and one hour for hourly employees, regarding equal employment opportunity rights and responsibilities, with a focus on sexual harassment and gender discrimination. Management employees will receive training on the implementation of the harassment policy and procedure yearly; all new management employees shall receive this training within 20 (twenty) days of hire or promotion - preferably during initial orientation. Twenty (20) days after receiving notice of the Court's entry of this Consent Decree, Defendant shall submit a draft curriculum and materials to be distributed at such training to the EEOC. EEOC will then notify Defendant within 10 (ten) days as to whether its proposal is

acceptable. In the event that the proposed course is not acceptable to the EEOC, the parties will confer in good faith and attempt to reach an agreement no later than 5 days after receiving the EEOC's objection. In the event the parties are unable to reach an agreement they shall submit their dispute to a neutral and mutually agreeable third party for mediation before pursuing any remedies with the Court. Defendant agrees that should this dispute be referred to a third party for mediation as described above, Defendant shall bear all costs, if any, related thereto. A certificate or other proof of course completion by all employees of this training shall be provided to the EEOC during the term of this Decree.

References

12. Defendant, if asked to provide a reference check for any of the Charging Parties or class member, will provide only the dates of employment and the position held. All requests for a reference shall be directed to Robert Carlucci, or any successors in that position.

Reporting Requirements

13. Within six (6) months of the date of this Decree, and continuing every 6 months during the term of this Decree, Defendant will report in writing to the EEOC attorney of record, Tracy Hudson Spicer, Supervisory Trial Attorney, Equal Employment Opportunity Commission, Baltimore District Office, 10 South Howard Street, 3rd Floor, Baltimore, Maryland, 21201, concerning the implementation of this Decree.

The report will include but not be limited to the following information:

- (a) Certification of compliance with the training provisions set forth above in paragraph 11, with supporting documentation as set forth in that

paragraph.

(b) A copy of the Notice to Employees posted in accordance with paragraph 9 along with a certification that the Notices are posted in accordance with the terms set forth above.

(c) Copies of any formal or informal complaints of sexual harassment made against Defendant and a detailed explanation of Defendant's actions taken in response to such complaints including any investigatory and corrective measures taken.

(d) Copies of any revisions to R&R Ventures sexual harassment policy and a detailed explanation for the basis for the change.

EEOC May Review Compliance With Decree

14. Defendant agrees that the EEOC, on its own initiative, may review compliance with this Decree. As part of such review, the EEOC may require written reports concerning compliance, inspect Defendant's premises, interview witnesses, and examine and copy documents.

Length of Decree

15. This Decree shall remain in full force and effect for two (2) years subsequent to the date of its execution. If Defendant has failed to meet the established terms at the end of two years, the duration of the Decree may be extended.

16. Both the EEOC and the Defendant shall bear their own costs, expenses, and attorney's fees incurred in connection with this action.

17. This Court shall retain jurisdiction over this matter until the parties have complied

fully with the terms and conditions of the Decree. Therefore, this case is removed from the docket of this Court with the right of either party to petition to have it reinstated.


The undersigned counsel of record in the above-captioned action hereby consent, on behalf of their respective clients, to the entry of the foregoing Consent Decree.

FOR PLAINTIFF:

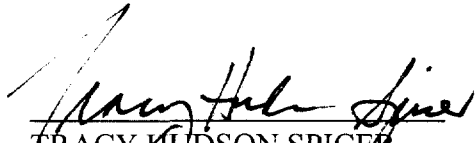
GWENDOLYN YOUNG REAMS
Associate General Counsel


GERALD S. KIEL
Regional Attorney

FOR DEFENDANT:

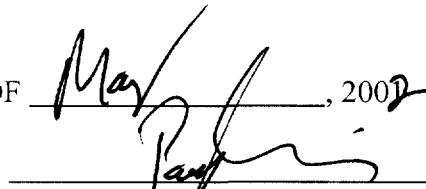

PAUL J. WEBER
Hyatt, Peters & Weber, LLP
1919 West Street
Annapolis, Maryland 21401
(410) 266-0626

Counsel for Defendant R&R
VENTURES


TRACY HUDSON SPICER
Supervisory Trial Attorney
10 S. Howard Street, 3rd Fl.
Baltimore, MD 21201
(410) 962-4623

Counsel for Plaintiff Equal Employment
Opportunity Commission

SO ORDERED THIS 13th DAY OF May, 2002


United States District Court Judge

PAUL W. GRIMM
UNITED STATES MAGISTRATE JUDGE

Exhibit 1

NOTICE TO EMPLOYEES

This Notice is being posted pursuant to settlement of a suit filed by the United States Equal Employment Opportunity Commission (hereinafter EEOC) against R&R Ventures, Inc.

Sexual harassment is a form of sex discrimination under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000e *et. seq.* Sexual Harassment may be defined as unwanted sexual advances or demands experienced in an employment relationship. The unwanted behavior may include, but is not limited to, verbal abuse and humiliation, leers, indecent suggestions, physical touching and sexual assault.

Examples of sexual harassment prohibited by R&R Venture's policy include, but are not limited to:

Offensive or unwelcome touching or other physical contact, unwelcome flirtation, lewd written or spoken words, sexual jokes or graphic depictions of a sexual nature via photographs, pictures, posters, cartoons or email and offensive or sexual suggestive gestures.

Harassment on the basis of sex is a violation of Title VII. Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when:

- (1) submission to such conduct is made either explicitly or implicitly a condition of an individual's employment,
- (2) submission or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or
- (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

An employee may have a claim of sexual harassment where his or her advancement or job security depends on giving in to sexual advances to a supervisor or co-worker or when unwelcome sexual advances, request for sexual favors, or the physical or verbal conduct of a sexual nature by a supervisor or co-worker creates a hostile working environment.

R&R Ventures strictly forbids any employee from engaging in any of the above described conduct. The Company will conduct a prompt, speedy and thorough investigation of any complaint and will take appropriate disciplinary measures against the offending party. All complaints of sexual harassment and any information developed during the course of the investigation of these complaints will be kept as confidential as reasonably possible, unless administrative charges or litigation is filed.

We will enforce a policy on sexual harassment to prevent sexual harassment in the workplace. If a employee is found to have engaged in sexual harassment, that employee will be subject to disciplinary measures appropriate to the severity of the offense, up to and including discharge. Individuals affected by sexual harassment will be made whole for losses suffered as a result thereof

Any employee who feels she or he is the victim of sexual harassment should report the harassment to his or her supervisor. In the event that the employee's supervisor is the party committing the sexual harassment, the employee should report the harassment to the next level supervisor, to any available supervisor or to Robert Carlucci. Additionally, anyone who observes or learns of conduct that violates R&R Ventures sexual harassment policy should report it immediately to any available supervisor or directly to . Any supervisor who does not take prompt and appropriate action to respond to a complaint of sexual harassment will be subject to disciplinary measures.

You also have the right to file a charge with the Equal Employment Opportunity Commission, Baltimore District Office, 10 S. Howard Street, 3rd Floor, Baltimore, MD 21201, 410-962-3933.

We will not discriminate or retaliate in any manner against any person because of opposition to any practice declared unlawful under Title VII or because of the filing of a charge, the giving of testimony or assistance, or the participation in any investigation, proceeding, or hearing under Title VII.

R&R Ventures will ensure that supervisory employees and all other employees abide by the requirements of the company's sexual harassment policy and commit that sexual harassment will not be condoned.

A copy of this Notice will be posted in a conspicuous place where employee notices are ordinarily placed and will be replaced if it becomes defaced, marred or otherwise made unreadable.

Date:

By:

(Representative) (Title)

Date Posted: