

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

FILED
CHARLOTTE, N.C.
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U.S. DISTRICT COURT
W. DIST. OF N.C.

U.S. EQUAL EMPLOYMENT)
OPPORTUNITY COMMISSION,)

Plaintiff,)

v.)

Civil Action No. 3:02CV361-H

MEDIA PLAY, INC., and)
THE MUSICLAND GROUP INC.)
d/b/a MEDIA PLAY,)

Defendants.)

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into by Plaintiff, **Equal Employment Opportunity Commission (“EEOC”)**, and Defendants, **Media Play, Inc., and The Musicland Group, Inc.** (collectively “Media Play”).

Whereas, Plaintiff filed the this action pursuant to Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e, as amended, seeking relief on behalf of Sara Eastwood and other similarly situated female employees; and, whereas bona fide disputes and controversies exist between the parties both as to liability and the amount thereof, if any; and, whereas the parties desire to resolve this action without the burden, expense, and delay of contested litigation.

Without limiting the generality of the foregoing, the parties agree as follows:

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1. In consideration of the payments described herein to be made by Media Play, and for other good and valuable consideration, receipt of which is hereby acknowledged, EEOC agrees to release Media Play from all claims, demands, and causes of action that have been asserted by EEOC against Media Play in Civil Action No. 3:02CV361-H. EEOC shall also request that the Court enter an order dismissing this Civil Action No. 3:02CV361-H with prejudice pursuant to Rule 41(a)(2) of the Federal Rules of Civil Procedure, subject to the condition that the Court may reopen this matter at the request of either party hereto for purposes of enforcement of this Agreement.

2. EEOC does hereby acknowledge and promise that, although there is included in the foregoing the full, complete and final settlement and satisfaction of all causes of action, claims, demands of every nature that are asserted in Civil Action No. 3:02CV361-H, neither those facts or anything concerning this settlement shall in any manner be deemed, or be used as evidence of, an admission, finding, or indication for any purpose whatsoever that Media Play has at any time or in any respect violated the law or discriminated against any person contrary to the law or the rights of any person.

3. The parties hereto shall bear their own costs, expenses, and attorneys' fees incurred in this action.

4. Media Play shall make the following payments: two thousand-five hundred dollars (\$2,500.00) to Sara Eastwood; two thousand-five hundred dollars (\$2,500.00) to Terri Kelley; and two thousand-five hundred dollars (\$2,500.00) to Cynthia Moore. These payments shall be made by Media Play within ten days of the Court's entry of the Order of Dismissal of this Civil Action. Copies of the checks shall be mailed to Mindy Weinstein at EEOC within ten days after the payments have been mailed to Eastwood, Kelley, and Moore.

5. Media Play will provide a neutral reference for Sara Eastwood, Terri Kelley, and Cynthia Moore.

6. Media Play shall remove from the personnel files of Sara Eastwood, Terri Kelley, or Cynthia Moore, any documents referring to the facts and circumstances that led to Eastwood's filing of Charge No. 140A11074 with EEOC, or any related events that occurred thereafter.

7. Media Play shall post, at its South Boulevard store in Charlotte, North Carolina, the Notice attached hereto as "Exhibit A."

8. Media Play shall provide, within six (6) months of the execution of this Agreement, training to supervisory employees at its five stores located in the Charlotte-Mecklenburg region of North Carolina, regarding the following subjects: Sexual Harassment prohibited by Title VII of the Civil Rights Act of 1964, as amended; and Media Play's policy regarding sexual harassment.

9. Media Play shall also provide, within twelve (12) months of the execution of this Agreement, the same training referenced in Paragraph 8, above, to any newly hired supervisory employees at said five North Carolina stores, who did not participate in the training provided pursuant to the provisions of Paragraph 8, above.

10. Within ten (10) days after the training referenced in Paragraphs 8 and 9 is conducted, Media Play shall provide certification to EEOC that the training was conducted, as well as a list of the names of those persons who received the training.

11. This is the entire Agreement between Media Play and EEOC. Neither party has made any promises to the other party other than those contained in this Agreement.

This the 14 day of July, 2003.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

GWENDOLYN YOUNG REAMS

Associate General Counsel

1801 L Street, N.W.

Washington, D.C. 20507

By:  _____

MINDY E. WEINSTEIN

Regional Attorney

129 West Trade Street, Suite 400

Charlotte, NC 28202

By:  _____

KIRK J. ANGEL

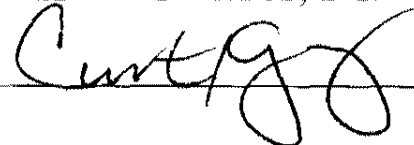
Trial Attorney

129 West Trade Street, Suite 400

Charlotte, NC 28202

MEDIA PLAY, INC. and

THE MUSICLAND GROUP, INC.

By:  _____

NOTICE TO EMPLOYEES

Federal law prohibits discrimination against any employee or applicant for employment because of the individual's sex, race, color, religion, national origin, disability or age (40 and over) with respect to hiring, promotion, discipline, firing, compensation, or other terms, conditions or privileges of employment. In barring sex discrimination, Federal law prohibits sexual harassment. Sexual harassment includes subjecting employees to sexual comments or conduct that culminates in a tangible job action (such as discharge) or creates a hostile and offensive working environment. Federal law also prohibits retaliation against any employee or applicant for employment because the individual has opposed discriminatory employment practices.

Media Play, Inc. ("Media Play") support and will comply with such federal law in all respects and will not take action against employees because they have exercised their rights under the law. Specifically, Media Play will not discriminate against any employee because of his or her sex.

Media Play has adopted an equal employment opportunity policy and will ensure that all management, supervisors, and other employees abide by the requirements of that policy.

If you believe that you have been discriminated against based on your sex or sexually harassed, you should report the discriminatory conduct promptly to Media Play.

Date

for Media Play, Inc.

EXHIBIT A