

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION

HOLLIE LEONARD, ELMER PARKER,)	
individually and on behalf of all others)	
similarly situated, and PAMELA)	
WARD,)	
)	
Plaintiffs,)	Case No. 3-04-0072
)	Judge Nixon
v.)	Judge Griffin
)	
SOUTHTEC, LLC, and L & W,)	
ENGINEERING CO.,)	
)	
Defendants.)	

CONSENT DECREE AND STIPULATED CLASS SETTLEMENT AGREEMENT

I. INTRODUCTION

This CONSENT DECREE AND STIPULATED CLASS SETTLEMENT AGREEMENT (hereinafter “the Consent Decree,” “the Decree,” “the Settlement,” or “the Settlement Agreement”) is made and entered into by and among Plaintiffs Hollie Leonard, Elmer Parker, and Pamela Ward, acting on behalf of themselves individually and Hollie Leonard acting on behalf of the class (as defined below) as class representative, and as represented by their counsel, Jerry Gonzalez, Attorney at Law, and David Sanford, of the firm Sanford, Wittels & Heisler, LLP; Plaintiffs Elmer Parker and Pamela Ward, as represented by her counsel Jerry Gonzalez and David Sanford; and by Defendants Southtec, LLC and L&W, Engineering Co. (collectively “Defendants”), by and through their attorneys, Keith Frazier and Jonathan Harris, both of the firm Ogletree, Deakins, Nash, Smoak and Stewart. The Parties stipulate and represent that they have the power and authority to execute and deliver this Consent Decree and to perform its

obligations hereunder. The provisions of this Consent Decree fully and finally resolve in every respect any and all legal actions, Complaints and/or Charges of Discrimination filed by and/or submitted by Named Plaintiffs, Hollie Leonard, Elmer Parker, and Pamela Ward and finally resolve in every respect claims or potential claims of the members of the Settlement Class, as set forth below.

II. PURPOSES OF THE CONSENT DECREE

The parties have entered into this Consent Decree for the following purposes:

- A. To resolve all disputes covered by this Consent Decree in such a way as to avoid further expensive and protracted litigation.
- B. To further Southtec, LLC and L&W, Engineering Co.'s commitment to equal employment for African-American and Hispanic individuals.
- C. To increase the understanding and awareness of African-Americans and Hispanics working at Southtec, LLC and L&W, Engineering Co. concerning internal complaint procedures for handling complaints alleging race discrimination.
- D. To create an expedited procedure for distributing a monetary settlement to eligible members of the Settlement Class, and for implementing equitable relief pursuant to the terms of this Decree.
- E. To provide finality to the resolution of all claims and defenses asserted in the Alleged Class Action and the Charges.
- F. To provide a mechanism for class certification by agreement under Federal Rules of Civil Procedure 23(a) and 23(b)(2).

III. DEFINITIONS

The following terms, when used in the Decree, in addition to the terms defined elsewhere in the Decree, shall have the following meanings:

- A. “Approval Date” means the date upon which the Court signs this Decree, after having determined that it is fair, adequate, and reasonable to the Class as a whole, after: (i) notice to the Class; (ii) an opportunity to submit timely objections to the Decree; (iii) appropriate discovery of the specifics of any such timely objections; and (iv) a hearing on the fairness of the settlement.
- B. “Best Efforts” means implementing a plan reasonably designed to comply with the specified objectives to which the best efforts are directed.
- C. “Settlement Class” is defined in Section VII of this Decree.
- D. “Class Counsel” means attorney Jerry Gonzalez and Sanford, Wittels & Heisler, LLP.
- E. “Class Representative” means Hollie Leonard.
- F. “Court” means the United States District Court for the Middle District of Tennessee.
- G. “Final” means that an order is no longer subject to reversal, modification or amendment. For the purposes hereof an order shall become “Final” upon the expiration of any time for appeal or review of such order, or, if any appeal, motion for re-argument or reconsideration is timely filed and not dismissed, after such appeals or motions are decided without causing a material change in the order, or after such order is upheld on appeal and is no longer subject to review upon appeal or review by writ of certiorari.

- H. “Final Approval Date” is the date upon which Final Approval of this Decree is attained.
- I. “Race and National Origin Discrimination” or “Discriminating on the basis of Race and National Origin” means unlawful discrimination against employees on the basis of their race and/or color, or national origin including but not limited to, retaliation against an employee because he or she has opposed practices he or she believes in good faith constitute unlawful discrimination on the basis of race and/or color and or national origin, or has participated in processes designed to obtain relief for alleged unlawful discrimination on the basis of race and/or color, and/or national origin. In addition, for all purposes of this Decree, “Race and National Origin Discrimination” and “Discriminating on the basis of Race and National Origin” shall also include: (1) racial or national origin harassment; (2) retaliation for opposing or complaining about alleged racial or national origin harassment; (3) retaliation for participating in a process designed to obtain relief for alleged racial or national origin harassment.
- J. “Liability Period” means the period between the Commencement Date for class members and the Preliminary Approval Date.
- K. “Preliminary Approval Date” means the date upon which the Court entered an Order preliminarily approving this Decree, pending notice, setting an opportunity to submit objections to the Decree, and scheduling a fairness hearing thereon. That date is _____, 2007.

- L. “Term of this Consent Decree” is the period from the Final Approval Date until the expiration of the Decree pursuant to Section VI of this Decree.
- M. “Commencement Date” shall mean the date that commences the statute of limitation period for Settlement Class members.
- N. “Individually Identified Recipients” of monetary relief are those members of the Settlement Class, including the Class Representatives.
- O. “Class Certification” shall mean certification under Federal Rules of Civil Procedure 23(a) and 23(b)(2).
- P. “Released Parties” shall mean the Defendants in this Lawsuit, their owners, stockholders, agents, directors, officers, employees, insurers, representatives, attorneys, divisions, subsidiaries, parent companies, affiliates (and agents, directors, officers, employees, representatives and attorneys of such divisions, subsidiaries, parent companies and affiliates), and their predecessors, successors, heirs, executors, administrators, and assigns, whomsoever, and all persons acting by, through, under or in concert with any of them, or any of them.
- Q. “Settlement Consideration,” “Settlement Fund” or “Settlement Amount” means the sum of nine-hundred thousand dollars (\$900,000) to be paid by the Defendants, paid in consideration and exchange for the settlement and discharge of all of the released claims by the individual Plaintiffs and the members of the Settlement Class against the Released Parties.

IV. LITIGATION BACKGROUND

Plaintiffs filed this action for alleged violations of Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 1981, the Tennessee Human Rights Act, and Tennessee's "Whistle-blowing" statute, as codified at Tenn. Code Ann. § 50-1-304. Plaintiffs asserted that a class of African-American and Hispanic individuals who applied for employment between January 1, 2002, to the present at Defendants' facility in Lebanon, Tennessee, but who were not hired, were discriminated against due to their race or national origin.

Plaintiffs sought to certify a class encompassing such individuals, pursuant to Fed. R. Civ. P. 23(b)(2). Plaintiffs further sought to certify pursuant to that rule a class encompassing "all former, current, and future Hispanic and African-American employees, temporary or permanent, and job applicants who were either subjected to a discriminatory and racially and ethnically hostile work environment or were denied employment because of their race or national origin," and further encompassing individuals who were discriminated against with regards to promotions or salary increases.

On September 8, 2005, the District Court granted Plaintiffs' motion for class certification, certifying a class under Fed. R. Civ. P. 23(a) and 23(b)(2). (*See* Docket No. 46). On January 31, 2006, the Sixth Circuit Court of Appeals granted Defendants' petition under Fed. R. Civ. P. 23(f), vacating the District Court's order granting class certification and remanding the action to the District Court for further consideration of whether the putative class was maintainable in light of *Reeb v. Ohio Dep't of Rehabilitation and Correction*, 423 F.3d 639 (6th Cir. 2006)..

The Parties have agreed to a settlement of this action in its entirety, including without limitation each of the Plaintiffs' individual claims, and the claims of the putative class sought to be certified by the Plaintiffs, including a putative class encompassing all African-American and Hispanic individuals who applied to be employed at Defendants' Lebanon, Tennessee, facility from January 1, 2002, through the present but who were not hired. As indicated by the signature of the Class counsel, the signature of the Individual Plaintiffs, the signature of Class Representative Hollie Leonard, and the signature of counsel for Defendants at the end of this document, Named Plaintiffs and Defendants have consented to the entry of this decree on behalf of the Parties and the members of the Settlement Class.

V. JURISDICTION

The court has jurisdiction over the Parties and the subject matter of this action. The Complaint asserts claims that, if proven, would authorize the Court to grant the equitable and compensatory relief set forth in this Consent Decree. Venue is proper in the U.S. District Court for the Middle District of Tennessee. The court shall retain jurisdiction over this action during the duration of the Decree solely for the purpose of entering any orders authorized hereunder which may be necessary to implement the relief provided herein.

VI. EFFECTIVE DATES AND DURATION OF CONSENT DECREE

- A. Unless provided otherwise, the equitable provisions in this Decree are effective upon the Final Approval Date, although Defendants have expressed its intent to implement many of the items of equitable relief provided herein as promptly as reasonably possible, notwithstanding that the approval of this

Decree may still be pending. The Parties further note that many of the items of equitable relief provided herein have already been implemented at Southtec's facility in Lebanon, Tennessee.

- B. Except as otherwise provided herein, the provisions of this Decree and the agreements contained herein shall remain in effect for three years following the Final Approval Date. Unless earlier terminated by the Court for good cause shown by Defendants, or extended pursuant to Section IX(C)(2), this Decree shall expire without further action by the parties at midnight on the third anniversary of the Final Approval Date.
- C. For a period of three years following the entry of this Consent Decree, Plaintiff Leonard shall be entitled to seek injunctive relief from the Court to compel compliance with the terms of this Consent Decree.

VII. SETTLEMENT CLASS

- A. For purposes of the monetary relief provided in this Decree, the Settlement Class consists of all African-American and Hispanic individuals who applied to be employed at Southtec's Lebanon, Tennessee facility from January 1, 2002, through the present, but who were not hired or re-hired.
- B. For purposes of the equitable and declaratory relief provided for under this Decree, the Settlement Class consists of all African-American and Hispanic individuals who have been employed at Southtec's Lebanon, Tennessee facility at any time, for any length of time, between the Commencement Date and the expiration of this Decree.

- C. The settlement class for purposes of monetary relief closes on the Preliminary Approval Date.
- D. In the event that Final Approval of this Decree is not attained, nothing herein shall be deemed to waive any of Defendants' objections and defenses, including, but not limited to, objections to class certification, and neither this Decree nor the Court's preliminary or provisionally final approval hereof shall be admissible in any court regarding the propriety of class certification, regarding the substantive merit of the claims in this Lawsuit, or regarding any other issue or subject whatsoever.

VIII. RELEASE OF CLAIMS

A. Scope of Judicial Release

1. In consideration of the actions undertaken and/or to be undertaken by Defendants under the terms of this Consent Decree, including the monetary consideration to be paid to the individual Plaintiffs and the members of the Settlement Class, and including the equitable relief set forth herein, the Plaintiffs (individually and jointly) and the members of the Settlement Class hereby release and forever discharge Defendants, their owners, stockholders, agents, directors, officers, employees, insurers, representatives, attorneys, divisions, subsidiaries, parent companies, affiliates (and agents, directors, officers, employees, representatives and attorneys of such divisions, subsidiaries, parent companies and affiliates), and their predecessors, successors, heirs, executors, administrators, and assigns, whomsoever, and all persons acting by, through, under or in concert with any of them, or any of them (i.e., the "Released Parties"), of and

from any and all charges, complaints, grievances, claims, actions, causes of action, suits, liabilities, obligations, promises, agreements, demands, controversies, rights, damages, court costs, debts, losses, expenses (including attorneys' fees and costs actually incurred), and compensation whatsoever, whether statutory, contractual or common law, known or unknown, which Plaintiffs and/or the Settlement Class now have or which may hereafter accrue on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen, injuries and damage and the consequences thereof resulting or which may result from any acts or inactions or torts or wrongdoing committed by Released Parties through the latest date on which this Consent Decree is signed, including, but not limited to, any claim arising under Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 1981, and the Tennessee Human Rights Act, Tennessee's "Whistle-blowing" statute, as codified at Tenn. Code Ann. § 50-1-304, any other employment statute or law, and any claim that was or could have been brought in this litigation.

2. The Parties also shall file a joint notice indicating that the matter has been settled and requesting that the matter be dismissed, with prejudice, subject to the Court retaining jurisdiction only for enforcement purposes.

B. No Bar to Future Claims

Nothing in this Decree shall be construed to bar any claims of members of the Settlement Class, the Class Representatives or any of the other Individually Identified Recipients of monetary relief based on or arising out of events occurring after the Preliminary Approval Date.

IX. MISCELLANEOUS PROVISIONS

A. Calculation of Time

In computing any period of time prescribed or allowed by this Decree, unless otherwise stated, such computation or calculation shall be made consistent with the Federal Rule of Civil Procedure 6(a) as it exists at the time at issue.

B. No Admission of Liability

This Settlement Agreement, whether or not consummated, and any proceedings taken pursuant to it:

(1) shall not be offered or received against Defendants as evidence of, or construed as, or deemed to be evidence of, any presumption, concession, or admission by Defendants with respect to the truth of any fact alleged by Plaintiffs or the validity of any claim that had been or could have been asserted in the Lawsuit or in any litigation or of any liability, negligence, fault, or wrongdoing of Defendants;

(2) shall not be offered or received against Defendants as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by Defendants, or against any of the Plaintiffs or members of the Settlement Class as evidence of the lack of merit in the claims of any of the Plaintiffs or members of the Settlement Class;

(3) shall not be offered or received against Defendants or against the Plaintiffs or members of the Settlement Class as evidence of a presumption, concession or admission with respect to any liability, negligence, fault or

wrongdoing, or in any way referred to for any other reason as against any of the parties to this Settlement Agreement, in any other civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Settlement Agreement; provided, however, that if this Settlement Agreement is approved by the courts, Defendants and/or the Release Parties may refer to it to effectuate the liability protection granted it hereunder;

(4) shall not be construed against Defendants or any of the Plaintiffs or members of the Settlement Class as an admission or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; and

(5) shall not be construed as, or received in evidence as, an admission, concession or presumption against any of the Plaintiffs or members of the Settlement Class that any of their claims are without merit or that damages recoverable under the complaints would not have exceeded or would have exceeded the settlement amounts.

C. Modification and Severability of the Consent Decree

1. Whenever possible, each provision and term of this Decree shall be interpreted in such a manner as to be valid and enforceable; provided, however, that in the event that after Final Approval hereof any provision or term of this Decree should be determined to be or rendered unenforceable on collateral review, all other provisions and terms of this Decree and the application thereof to all persons and circumstances shall remain unaffected to the extent permitted by law.

2. Class Counsel and Defendants may jointly agree to modify the Decree, as may be necessary to fully effectuate its purposes while allowing Defendants to appropriately adapt their operations to changing circumstances. Any such agreement by the Parties must be in writing. In the event of such modifications, Class Counsel and Defendants shall notify the Court, but formal Court approval of such modifications is not required.

D. Duty to Support and Defend the Decree

The Class Representatives, Class Counsel, and Defendants each agree to abide by all of the terms of this Decree in good faith and to support it fully, and shall use their respected Best Efforts to defend this Decree from any legal challenge, whether by appeal, collateral attack or otherwise.

Plaintiffs' Counsel and Defendants' Counsel agree to cooperate fully with one another in seeking Court approval of the Preliminary Approval Order, the entry of the Settlement Agreement, to promptly agree upon and execute all such other documentation as may be reasonably required to obtain Final Approval by the Court of the Settlement.

E. Attorneys' fees

All attorneys' fees to be awarded to the Class Counsel shall be awarded from the Settlement Consideration. The portion of the Settlement Consideration designated to pay all such past and future fees shall by agreement consist of \$315,000. Costs and expenses shall be additional and withdrawn by Class Counsel from the Settlement Consideration. The Defendants' only payment to the Plaintiffs, the Settlement Class and/or Class Counsel shall be the \$900,000 Settlement Consideration. The Defendants

shall not be required to make any other payment at any time for fees, costs and expenses, or any other matter whatsoever. The \$315,000 in attorneys' fees can be disbursed from the settlement Claim Fund, to be established by the Fund Administrator, only after all of the following occur: (1) the Court conducts a settlement fairness hearing and rules upon any issues raised at that hearing, (2) the time for class members to appeal the Court's rulings on issues contained in the Consent Decree and Class Settlement Agreement and/or issues raised at the settlement fairness hearing has expired, and none of the Class Members have filed any appeals, and Final Approval has occurred.

The Settlement Consideration covers fees, costs and expenses including, but not limited to those relating to (1) the administration of the claims process, and distribution of the Settlement Consideration proceeds to plaintiffs and settlement class members and related matters and the administration of the Settlement Consideration and distributions to payees; (2) all attorneys' fees, costs and expenses incurred or to be incurred by class counsel or by other counsel or on behalf of individual plaintiffs or settlement class members for any purpose in connection with the case, including but not limited to, those relating to (a) finalization of the Decree, (b) obtaining approval of the Decree by the Court and in any related appeal proceedings or defense of the Decree, (c) monitoring of the Decree or its implementation, and (d) resolution of unresolved Decree issues.

G. Termination Rights

Defendants' Counsel shall have the right to terminate the Settlement Agreement by providing written notice of their election to do so to all parties hereto within thirty (30) days of: (a) the Court's declining to enter the Preliminary Approval Order in any material respect; (b) the Court's refusal to approve this Settlement Agreement or any

material part of it; (c) the Court's declining to enter an Order and Final Judgment, effectuating Final Approval of this Consent Decree and Stipulated Class Settlement Agreement; (d) the date upon which an Order and Final Judgment is modified or reversed in any material respect by the Circuit Court of Appeals or the Supreme Court, (e) in the event that the Court enters an order and judgment in form other than that provided herein, the date upon which that order and judgment is modified or reversed in any material respect by the Circuit Court of Appeals or the Supreme Court, or (f) in the event that more than 30 Class Members take action to not be bound to the terms of this Settlement Agreement, including the waiver, release and discharge of Settled Claims set forth herein.

In the event the Court allows any class member to "opt out" of the Settlement Class (which the parties in good faith believe class members cannot do, because the Court certified this class pursuant to Fed. R. Civ. P. 23(b)(2), the Parties are presently stipulating that a class should be certified pursuant to Rule 23(b)(2), and Rule 23(b)(2) does not contain an opt-out provision), the Settlement Consideration shall be reduced by \$1,000 per such individual.

In the event that the Settlement Agreement is terminated or fails to become effective for any reason, the Parties agree that the Parties and all other Class Members shall return to the positions they occupied as of September 27, 2006, (i.e., the date of the mediation in this action before attorney Hunter Hughes in Atlanta, Georgia) and that, pursuant to Fed. R. Evid. 408, nothing herein or the Consent Decree shall be admissible as evidence in any future proceeding.

H. Final and Whole Agreement

The parties to this Settlement Agreement intend the Settlement to be a final and complete resolution of all disputes asserted or which could be asserted by the Plaintiffs, the members of the Settlement Class, any other claimants and Plaintiffs' Attorneys against the Released Parties with respect to the Settled Claims. The parties agree that the amount paid and the other terms of the Settlement were negotiated at arm's length in good faith by the parties, and reflect a settlement that was reached voluntarily after consultation with experienced legal counsel.

The Settlement Agreement and its exhibits/appendixes constitute the entire agreement among the parties hereto concerning the Settlement, and no representations, warranties, or inducements have been made by any party hereto concerning this Settlement Agreement and its exhibits other than those contained and memorialized in such documents.

This Settlement Agreement shall be binding upon, and inure to the benefit of, the successors, heirs, administrators and assigns of the Parties hereto.

I. Confidentiality

The Plaintiffs and the Class Members agree that, except as is necessary in connection with the settlement proceedings and the fairness hearing, the Plaintiffs and the Class Members will not disclose the amount of any payment they receive in connection with this Settlement Agreement to any persons except: (a) their attorneys; (b) their immediate family members; (c) any federal, state and local taxing authorities; or (d) agents responsible for preparation of tax returns. The Plaintiffs and the Class Members further agree that they will instruct any individuals to whom they make such

disclosure to maintain the confidentiality of the terms of this Settlement Agreement.

X. GENERAL EQUITABLE PROVISIONS

A. Hiring Decisions

1. The Defendants agree that they will not make hiring decisions, in whole or in part, on the basis of race or national origin at Southtec's facility in Lebanon, Tennessee.

2. With regard to job applicants who submit applications for employment to Southtec's facility in Lebanon, Tennessee, to the extent the Defendants obtain from job applicants demographic information concerning race or national origin in the form of EEO "tear off" forms for use in EEO compliance, the Defendants agree that such information will be torn off from applications and kept separately from an applicant's application for employment. By "kept separately", it is intended that any part of the application that contains race or national or ethnic origin information shall be kept physically separate from the application itself such that no person can easily make reference to one while viewing the other.

3. Defendants will take reasonable steps to ensure that managers responsible for making hiring decisions at Southtec's Lebanon, Tennessee, facility do not look at EEO tear-off information when making interview or hiring decisions. Additionally, to the extent Defendants maintain other information concerning the racial or national origin demographics of applicants for EEO compliance purposes, such as spreadsheets listing the names and races or national origins of applicants, Defendants will take reasonable steps to ensure that managers responsible for making interviewing or hiring decisions at

Southtec's Lebanon, Tennessee, facility do not look at such information when making interviewing or hiring decisions.

B. Training

1. Defendants will provide training to their managerial and supervisory employees at Southtec's Lebanon, Tennessee, facility, concerning the Defendants' policies prohibiting discrimination and harassment based upon race and national origin.

2. The training of personnel provided for in this Section shall be commenced within one hundred eighty (180) days after the Effective Date, and shall be completed by the first anniversary of the Effective Date. All employees hired, promoted, or transferred into positions subject to the training requirements of this Section after the Effective Date shall complete their training within the period provided for above or within ninety (90) days after they assume such positions, whichever is later.

3. The training shall include at least the following subjects, and any other subjects included in such training shall specifically incorporate EEO/diversity goals and fair employment practices considerations into their presentation in the training:

a. The prohibition of discrimination and harassment on the basis of race, national origin and ethnicity in the workplace.

b. The prohibition and avoidance of retaliation and harassment on the basis of race, national origin and ethnicity including the protection required to be afforded to individuals who bring a discrimination complaint or participate in its investigation or resolution; the nature of and unacceptability of actions constituting prohibited harassment; the consequences of engaging in such retaliation or harassment, including

mandatory discipline up to and including termination; and the remedies required to be made available to persons found to be victims of such retaliation or harassment.

4. The training provided pursuant to this Section shall last for a reasonable period that is designed and intended to cover in reasonable detail each of the subjects set forth in Paragraph X-B-3 above.

5. Defendants periodically shall assess and evaluate the effectiveness of its training programs and the designers and presenters of the training, in light of the purposes and other substantive provisions of this Agreement. Defendants shall make such adjustments or modifications of, or additions to its selections of consultants or trainers, and the training programs themselves, as are reasonably deemed by Defendants necessary and appropriate to effectuate those purposes and other substantive provisions.

6. Defendants shall maintain records of attendants at the training provided for in this Section, including the name and job titles of attendees and the date(s) and subject(s) of training provided to them, during the term of this Agreement.

C. Recordkeeping

During the Term of this Agreement, Defendants shall preserve and maintain the documents specifically set forth in this Consent Decree pertaining to the administration of this Agreement and the policies and practices provided for it. For the purposes of this provision, “document” shall include either a hard copy or an electronic copy. The recordkeeping requirements provided for in this subsection shall apply to the Southtec, Lebanon, Tennessee facility.

D. Complaint Hotline

1. Defendants will utilize a discrimination or harassment “hotline,” whereby employees at Southtec’s Lebanon, Tennessee facility who feel they have been subjected to unlawful discrimination or harassment can anonymously report that activity.

2. Defendants will publicize in conspicuous locations throughout the Lebanon, Tennessee facility the number of the hotline, the purpose of the hotline, and the option to remain anonymous.

3. The Parties recognize that as of the date of this Consent Decree, the Defendants already have a hotline in place. This hotline is at a toll-free number, and employees can call this number any day of the week, 24 hours a day. Employees can leave a detailed message with this hotline, expressing their concern. Employees can choose to not leave their name or number when calling this hotline, if they wish to remain anonymous. Immediately after such a message is left with the hotline, the President of L&W Engineering, Co., and an L&W Engineering Human Resources officer are immediately notified via e-mail of the hotline message, so that the concern expressed in that hotline message can be investigated and addressed.

The Parties agree that this or a substantially similar hotline procedure will remain in place throughout the duration of this Consent Decree.

4. Logs of calls made to the hotline, investigatory steps taken as a result of such calls, and actions made pursuant to investigations shall be recorded in a manner consistent with X(C) above.

E. Informal Dispute Resolution

1. Informal Dispute Resolution

a. Initiation

If class counsel or Defendants have good reason to believe that a legitimate dispute exists as to the interpretation, application, or enforcement of any provision of this Agreement, the initiating party shall promptly give written notice to the other party, including: (a) reference to all specific provisions of the Agreement that are involved; (b) a statement of the issue; (c) a statement of the remedial action sought by the initiating party; and (d) a brief statement of the specific facts, circumstances any other arguments supporting the position of the initiating party.

b. Response

Within ten (10) calendar days after receiving such notice, the non-initiating party shall respond in writing to the statement of facts and arguments set forth in the notice and shall provide its written position, including the facts and arguments upon which it relies in support of its position.

c. Parties' Discussions

Class Counsel and representatives of Defendants shall undertake good-faith negotiations, which should include a meeting or meetings by telephone or in person and the exchange of relevant documents and/or other information, to attempt to resolve the issue in dispute or alleged noncompliance.

3. Mediation

a. Initiation

Both Class Counsel and Defendants agree to attempt mediation of any disputes not resolved through the Informal Dispute Resolution procedure above, and any such mediation shall be exhausted before either party resorts to Arbitration. Either party's counsel may invoke such mediation, and the other party shall participate in mediation appropriate in duration to the nature and complexity of the matter in dispute. The parties shall cooperate in scheduling and expediting any such mediation in the interest of efficiency, economy, and resolution, by any appropriate means such as conducting the mediation by telephone where feasible and appropriate.

b. Selection of Mediator

The parties shall cooperate to select a mutually acceptable mediator, who shall be an attorney or retired judge who is knowledgeable in the areas of employment discrimination law, personnel policies, and contract interpretation, without delay when a dispute requiring mediation arise.

c. Mediation Procedure and Duration

The parties shall make Best Efforts to conclude any mediation initiated under this Section within thirty (30) days after the initiating party gives notice invoking mediation. In order to do this, and to conduct the mediation efficiently and economically, the parties and the Mediator shall use informal mediation procedures to the greatest extent possible. Unless the parties agree to extend the period for mediation, any dispute not resolved within forty-five (45) days after one party gives notice invoking mediation shall be considered to have failed to resolve the dispute between the parties.

4. Binding Arbitration

a. Prerequisites to Arbitration

Prior to seeking Arbitration, a party wishing to invoke arbitration must first follow the procedures in subsections (1) and (2) above for informal dispute resolution and mediation of the specific matter to be submitted to arbitration. A matter not submitted to such prior procedures or pursued to impasse in those procedures shall not be submitted to or heard by any Arbitrator under this provision.

b. Initiation

Upon the conditions set out in subsection (a) above, and within (30) days after the end of any mediation proceeding on the disputed matter, either Class Counsel or Defendants may request final and binding arbitration before a single arbitrator who shall to the extent practicable in the circumstances, and without incurring undue delay or expense, apply the Commercial Arbitration Rules of the American Arbitration Association (“AAA”) subject to the specific provisions set out below. However, the Arbitrator need not be appointed by, and the arbitration need not be administered by, the AAA. Failure to submit such a dispute to arbitration within thirty (30) days of the end of mediation shall operate as a waiver of the issue(s) raised at mediation and acceptance of the status quo as of the end of mediation.

c. Selection of Arbitrator

The parties shall cooperate to select a mutually acceptable arbitrator, who shall be an attorney or retired judge who is knowledgeable in the areas of employment discrimination law, personnel policies, and contract interpretation, without delay when a dispute requiring arbitration arise.

d. Arbitration Procedures and Duration

The parties may present written and oral argument to the arbitrator, as well as documents and the testimony of witnesses if deemed necessary and permitted by the Arbitrator. The Arbitrator shall have the power to require any party to produce such documents and information prior to or at the arbitration hearing as the arbitrator may believe are necessary to determine fairly the disputed issue. The Arbitrator and the parties shall use Best Efforts to resolve the dispute within ninety (90) days after its submission to arbitration, or the appointment of the arbitrator, whichever is later.

e. Arbitration Costs

Class Counsel and Defendants shall each be responsible for one-half of the Arbitrator's fees and costs.

f. Award Final and Enforceable

In his or her award, the arbitrator may interpret the Agreement and decide whether Defendant is in material non-compliance with the Agreement. The Arbitrator's decision shall be final and binding. In the event the Arbitrator finds material non-compliance with the Agreement, the Arbitrator may order Defendants to comply with the provision or provisions of the Settlement Agreement, by their own terms, with which there is found to be non-compliance. The Arbitrator may not add to, subtract from, amend or alter the Agreement, may not order Defendants to perform any act not provided for in this Agreement. The Arbitrator may **not** award monetary damages. Any decision or award which exceeds the Arbitrator's authority as stated herein shall be null and void. The party prevailing in arbitration may bring a court action to enforce compliance with the Arbitrator's decision. In the event of such action, the party resisting the arbitration

award may defend, by *inter alia*, showing that the Arbitrator acted outside the scope of his or her authority, or added to, subtracted from, or altered the Agreement. The prevailing party in such an action shall recover its court costs. A court that enters an order enforcing an arbitration award shall further award to the prevailing party its litigation costs including attorney's fees.

g. Conclusion of Dispute Resolution Procedure Outside Term of Agreement

In the event that there is an ongoing dispute between the parties subject to the Dispute Resolution Procedure provided for in this Section at the Termination of the Agreement, the party that submitted that dispute pursuant to the Dispute Resolution Procedure may continue to invoke the procedures provides for in this Section, and the opposing party shall comply with such Procedures, notwithstanding the expiration of the term of this Agreement before the dispute is fully resolved. Any party prevailing in such a Dispute Resolution Procedure, including mediation, arbitration, or a judicial enforcement action, is entitled to the rights and remedies resulting from prevailing on the disputed issues, as provided for in this Section, notwithstanding the expiration of the Term of the Agreement.

XI. MONETARY AWARDS AND CREDITED DECREE EXPENSES

A. Monetary Awards to the Individual Plaintiffs and Class Members

1. After the Final Approval Date, Defendants agree to pay to Class Counsel, for deposit into trust, the sum of **\$900,000** (the "Settlement Consideration") to distribute

in monetary awards to Class Members, the Individual Plaintiffs, for attorney fees, and other costs of administration, as approved by the Court.

2. Out of the Settlement Consideration, Class Counsel shall distribute to Hollie Leonard, individually and as class representative, Pam Ward, individually, and Elmer Parker, individually, the following amounts, as approved by the Court: \$70,000 to Hollie Leonard; \$70,000 to Pam Ward; and \$10,000 to Elmer Parker.

3. Class Counsel shall establish an interest bearing account (hereinafter “the Claims Fund”) for the Settlement Consideration and shall deposit such amount into the account for the benefit of the Individual Plaintiffs, the members of the Settlement Class and additional Claimants qualified for monetary relief or as approved by the Court. Any interest on the account shall become part of the Claims Fund. Plaintiffs shall appoint a Fund Administrator, who shall administer the Claims Fund and make payments from the Claims Fund in accordance with the terms of this Consent Decree and at the instruction of Class Counsel.

4. Plaintiffs shall pay all costs associated with distributing and administering the Claims Fund and all costs shall be deducted from the Claims Fund.

5. As Class Representative Hollie Leonard, Individual Plaintiff Elmer Parker, and Individual Plaintiff Pamela Ward are all Individual Plaintiffs in this lawsuit and signatories to this Consent Decree and Class Settlement Agreement, they will not receive the Notice of Settlement and Class Member Verification Form under the procedure described below.

6. Within ten days after Preliminary Approval, Plaintiffs will send all members of the Settlement Class a Notice of Settlement in the form attached as **Appendix I**, together with a Class Member Verification Form attached as **Appendix II**.

Within ten days of the mailing of the Individual Notice, Plaintiffs' Counsel also shall publish the Publication Notice attached as **Appendix III**, in the *Tennessean* and such other news publications as the Court directs. Ten days after the first publication of the Publication Notice in the *Tennessean*, Plaintiffs' Counsel will publish the Publication Notice for a second time in the *Tennessean*. One of these two publications shall be in the Sunday edition of the *Tennessean*. Class Counsel shall also publish the Publication Notice in a local newspaper connected either to Wilson County, Tennessee, or Lebanon, Tennessee.

The Class Member Verification Form sent to the Settlement Class members will explicitly advise them of their responsibility to fully respond to each question in the Class Member Verification Form and to supply all of the requested information before the expiration of the deadlines set forth herein, and to keep Class Counsel advised of any change in name, address, or telephone number in order to preserve any rights they may have under the Decree. The deadline for returning the Class Member Verification Form will be prominently displayed at the top of the Form. All Class Member Verification Forms submitted must be postmarked by the **90th day** from the date of entry of the Preliminary Approval of this Decree.

The purpose of sending a Class Member Verification Form to the individuals whom the Parties believe to be members of the Settlement Class and requiring such individuals to provide certain information to Plaintiffs' counsel is as follows – while the

Parties have some contact information for members of the Settlement Class, individuals' residences or other contact information can be transitory. The Parties wish to ensure that those individuals who receive money pursuant to this Consent Decree are in fact members of the Settlement Class – i.e., individuals who actually applied to be employed at Southtec's Lebanon, Tennessee facility between January 1, 2002 and the present but who were not hired or rehired. The Parties agree that the procedure described herein is a fair and reasonable method of ensuring that monies are distributed only to those individuals who are actually members of the Settlement Class.

The process of submitting Class Member Verification Forms and requiring information to be provided to Plaintiffs' Counsel, as described below, does not affect or alter the preclusive effect of this Consent Decree and Settlement Agreement. Through this Consent Decree and Class Settlement Agreement, the Plaintiffs', the Defendants, the members of the Settlement Class, and counsel for the Parties and the Class are in agreement that this Consent Decree and Class Settlement Agreement fully and forever resolves, discharges and releases any of the Released Claims (as defined above) that the Plaintiffs and any member of the Settlement Class (as defined above) may have against any of the Release Parties (as defined above).

7. The Notice of Settlement and Class Member Verification Form shall be sent to all members of the Settlement Class at their last known address by regular First Class US mail.

During discovery in the Instant Action, the Defendants provided to Plaintiffs a log of applicants. Those logs contain the names of African-American and Hispanic

individuals who applied to be employed at Southtec, and those logs include those individuals' telephone numbers, as reported by applicants to Southtec.

To the extent Defendants have a last known mailing address for such individuals, Defendants shall provide such information to Class Counsel. To the extent there is not a last known mailing address for certain members of the Settlement Class, or in the event that a Notice of Settlement to a class member mailed to a last known address is returned to Class Counsel or the Fund Administrator as non-deliverable, the Fund Administrator shall call the telephone number for such individuals, as previously provided in the applicant logs. The Fund Administrator shall inform such individuals that the Parties believe that they are members of the Settlement Class and ask such individuals for their mailing address, so that the Notice of Settlement and Class Member Verification Form can be sent to those individuals.

The Fund Administrator and Class Counsel shall also take all other steps directed by the Court to provide notice to members of the Settlement Class that they are members of that class, that there is a settlement in these proceedings, and to provide them notice of the matters set forth in this Consent Decree.

8. Each member of the Settlement Class will be offered an opportunity to submit a completed Class Member Verification Form to Class Counsel. Any member of the Settlement Class must submit to Class Counsel a completed Claim Form within **ninety (90) days** of the date of entry of the Preliminary Approval of this Decree, together with all relevant information the member of the Settlement Class wishes to submit with his/her claim. Class Counsel may request additional information, as Class Counsel may deem reasonably necessary to confirm that an individual is in fact a member of the

Settlement Class. If a member of the Settlement Class fails to provide Class Counsel with a completed Class Member Verification Form and all relevant information the individual wishes to submit with his/her Class Member Verification Form by the deadline stated in this Decree, the Class Member Verification Form will be deemed untimely.

9. Class counsel will review the Class Member Verification Forms and other relevant information timely received by Class Counsel in order to make a determination of the distribution of the Claims Fund. Class Counsel shall divide the Claims Fund among the members of the Settlement Class in a form that is approved by the Court as fair and reasonable.

10. Class Counsel will notify Defendants in writing of the number of members of the Settlement Class who provided completed Class Member Verification forms and the amounts of money to be distributed to such individuals. Class Counsel will also furnish Defendants with any updated information which has been received by Class Counsel from a member of the Settlement Class regarding the member's name, address, or telephone number. Within **thirty (30) days** of Final Approval, the Fund Administrator will issue and send checks to the members of the Settlement Class who provided completed Class Member Verification Forms in the amounts directed by Class Counsel, together with a notice to the class member that the check must be cashed within 120 days of the date of the check, or the check will be void..

11. If class member has not cashed a check within 90 days after the date of the check, the check will be voided.

12. On June 1, 2007, the Fund Administrator will advise Class Counsel in writing of the amount of any funds remaining in the Claims Fund account, including any

funds which remain because checks were not cashed, funds which could not be distributed after diligent efforts to locate a member of the Settlement Class, and interest that has accrued. Class Counsel shall then issue a check for the remaining balance in the Claims Fund account to an organization chosen by Class Counsel that promotes equal employment opportunities for minorities and qualifies for Section 501(c)(3) status under the Internal Revenue Code. Class Counsel shall issue a check to such organization by July 1, 2007. Class Counsel will advise Defense Counsel of the organization chosen and the amount given to that organization. The Claims Fund account may then be closed.

13. Class Counsel will issue Form 1099 to all members of the Settlement Class who have received funds from the Claims Fund.

B. Allocation of Monetary Awards

1. All distributions of individual monetary awards to the Settlement Class members who are entitled to receive awards under this Decree shall be allocated entirely as compensatory damages, which is warranted by the facts and the law. The Parties note that the Plaintiffs sought and received class certification pursuant to Fed. R. Civ. P. 23(b)(2).

2. Any individual entitled to monetary relief under this Agreement shall be solely responsible for the payment of any and all taxes on the aforesaid amounts paid under this Consent Decree, and shall make no claim against Defendants for payment of any such taxes, or any interest or penalties. In the event the Internal Revenue Service, or any other taxing entity, including, but not limited to, the State of Tennessee or any other court or tribunal of competent jurisdiction, ultimately determines that the foregoing payments, or any portion thereof, constitute wages or other remuneration for which any

taxes are due and owing, the individuals entitled to monetary relief shall be solely responsible for the payment of such taxes, and shall make no claim against Defendants for payment of any such taxes. The validity of this Consent Decree shall not be affected in any way by tax liability individuals may have with respect to these payments.

s/ Keith D. Frazier

Keith D. Frazier (BPR #12413)
Jonathan O. Harris (BPR # 21508)
**OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.**
424 Church Street, Suite 800
Nashville, Tennessee 37219
(615) 254-1900
(615) 254-1908 (*Facsimile*)

Attorneys for Defendants

s/ Jerry Gonzalez

Jerry Gonzalez, Esq.
LAW OFFICES OF JERRY GONZALEZ
102 Hartmann Drive, Suite G-157
Lebanon TN 37087
(615) 360-6060
(615) 360-3333 (*Facsimile*)

s/ David Sanford

David W. Sanford
SANFORD, WITTELS & HEISLER, LLP
2121 K Street NW, Suite 700
Washington DC 20037
(202) 942-9124
(202) 628-8189 (*Facsimile*)

Attorneys for Plaintiffs

Elmer Parker Signature Page to Consent Decree and Class Settlement Agreement

Elmer Parker
Individually

Date

Pamela Ward Signature Page to Consent Decree and Class Settlement Agreement

Pamela Ward
Individually

Date

4548478.1

filed in writing with the clerk by mail postmarked before _____ or mailed to Class Counsel

David Sanford
Sanford, Wittels & Heisler, LLP
1666 Connecticut Ave., NW
Suite 310
Washington D.C. 20073
(202) 742-7780

Jerry Gonzalez
102 Hartmann Dr., Suite G-157
Lebanon, TN 37090
(615) 360-6060

Attendance at the hearing is not necessary; however, class members wishing to be heard orally in opposition to the proposed settlement should indicate in their written objection their intention to appear at the hearing.

Class members who support the proposed settlement do not need to appear at the hearing or take any other action to indicate their approval.

YOU CAN GO TO A HEARING You can attend the settlement fairness hearing and ask to speak to the Court about the fairness of settlement

QUESTIONS? CALL Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the individual Plaintiffs and the Settlement Class.

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QUESTIONS? CALL Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the individual Plaintiffs and the Settlement Class.

BASIC INFORMATION

1. Why did I get this notice package?

It is the Parties' understanding that between January 1, 2002, to the present, you applied for employment at Southtec's facility in Lebanon, Tennessee, but were not hired by that facility. It is also the parties' understanding that you are either African-American or Hispanic.

The Court has directed the sending of this Notice because you have a right to know about a proposed Settlement of a class action lawsuit and about all of your options before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after objections and appeals, if any, are resolved, the Settlement Administrator will make the payments that the Settlement allows.

This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the Middle District of Tennessee and the case is known as *Hollie Leonard, Elmer Parker and Pamela Ward, v. Southtec, LLC, and L&W Engineering Co.*, Case No. 3-04-0072. The people who sued are called Plaintiffs, and the entities that the Plaintiffs sued are called Defendants.

2. How do I get more information?

You can call Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the individual Plaintiffs and for the Settlement Class. You can also go online at www.jglaw.net/southtec-class.

3. What is this lawsuit about?

In the Class Action Complaint filed by the Plaintiffs, Plaintiffs allege that Defendants violated Title VII of the Civil Rights Act of 1964, the Tennessee Human Rights Act, 42 U.S.C. § 1981, Tennessee's "Whistle-blowing" statute, and other laws. The Plaintiffs asserted that there was a class of African-Americans and Hispanics who applied for employment at Southtec's facility in Lebanon, Tennessee who were not hired because of their race or national origin. The Defendants answered the Complaint's allegations and denied, among other things, that they had failed to hire any person for any illegal reason.

4. Why is this a class action?

In a class action, one or more persons called Class Representatives sue on behalf of people who have similar claims. In this Lawsuit, Plaintiffs filed this case as a class action, because they believed there was a group of individuals who had been harmed by the Defendants in a manner similar to the alleged harm they suffered.

The Defendants dispute Plaintiffs' claims and further dispute that the class proposed by the Plaintiffs meets the requirements for class certification under the federal laws and rules concerning class actions. However, the Parties have agreed to settle claims in this Lawsuit on a class-wide basis. In a class action, one court resolves the issues for all Class Members.

QUESTIONS? CALL Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the individual Plaintiffs and the Settlement Class.

5. Why is there a Settlement?

The Court has not decided in favor of Plaintiffs or Defendants. Instead, both sides agreed to a Settlement. By agreeing to a Settlement, parties avoid the costs and risks of a trial, and the Class will get compensation for their losses. The Class Representatives and their attorneys believe that the Settlement is best for all Class Members.

6. How do I know if I am part of the Settlement?

The Court has conditionally approved the Settlement Agreement in this action, which provides that the Settlement Class consists of all African-American and Hispanic individuals who applied to be employed at Southtec's Lebanon, Tennessee, facility from January 1, 2002, through the present, but who were not hired or re-hired. If you feel you fall within this defined class, you should contact class counsel.

7. I'm still not sure if I'm included.

If you are still not sure whether you are included, you can ask for free help. Please call Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the Individual Plaintiffs and the Settlement Class.

8. Can I exclude myself from the Settlement?

No. In some class actions, class members have the opportunity to exclude themselves from the Class. This is sometimes referred to as "opting out" of the Class or Settlement. However, in this type of class action (i.e., a class certified under Fed. R. Civ. P. 23(b)(2)), opt-ing out is not available and all class members will be bound by the settlement if it is approved by the court, including the terms of that settlement in which members of the Settlement Class release their claims against the Defendants.. Please call Class Counsel, if you have any questions about this and specifically if you have any questions about what type of class this is and why you can not opt-out of this type of class.

The court will hold a hearing in Courtroom ___, 801 Broadway, Nashville, Tennessee, at 9:00 a.m. on _____, to determine whether, as recommended by Class Counsel, the class representative, and Defendants, it should approve the proposed settlement. Objections to the proposed settlement by class members will be considered by the Court, but only if such objections are filed in writing with the clerk by mail postmarked before _____ or mailed to Class Counsel

Jerry Gonzalez
Jerry Gonzalez, P.C.
102 Hartmann Dr.
Suite G-157
Lebanon, TN 37087
615-360-6060

or

David Sanford
Sanford, Wittels & Heisler, LLP
2121 K St., N.W.
Suite 700
Washington, D.C. 20037
(202) 942-9124

Attendance at the hearing is not necessary; however, class members wishing to be heard orally in opposition to the proposed settlement should indicate in their written objection their intention to appear at the hearing.

Class members who support the proposed settlement do not need to appear at the hearing or take any other action to

QUESTIONS? CALL Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the individual Plaintiffs and the Settlement Class.

indicate their approval. Written notification can also be provided to the Court at the following address:

Clerk of the Court
United States District Court for the Middle District of Tennessee,
801 Broadway Street
Nashville, Tennessee, 37203
Re: Leonard, et al., v. Southtec, et al., Case No. 3-04-0072

THE SETTLEMENT BENEFITS – WHAT YOU GET

9. What does the Settlement provide?

Defendants have agreed to pay nine-hundred thousand dollars (\$900,000) in cash, to resolve this Lawsuit in its entirety, including the claims of the Individual Plaintiffs and including the claims of the Settlement Class. The payment is called the Settlement Fund. The following things will be excluded from the Settlement Fund: (a) payments to the three Individual Plaintiffs, Hollie Leonard, Elmer Parker and Pamela Campbell, and (b) certain fees and expenses, including those incurred by Plaintiffs' Counsel and (c) certain fees and expenses incurred administering the Settlement Fund and its distribution. The remaining amount is called the Net Settlement Fund. On behalf of the Class, Plaintiffs' Counsel intends to distribute the remaining amount to the Class Members and/or to a non-profit entity as approved by the Court.

In exchange, the Individual Plaintiffs and the members of the Settlement Class are hereby releasing and forever waiving any and all claims they now have or have ever had against the Defendants or any of their related entities. Any claims you may have against the Defendants will be barred by this settlement. For a further explanation of the claims that are being waived, you should contact Class Counsel or view a copy of the Consent Decree and Stipulated Class Settlement Agreement, which is being made available on the website of Class Counsel at www.jglaw.net/Southtecclass.

10. How much will my payment be?

If you qualify as a member of the class, the payment will depend on how many people file claims and how much there is in the Net Settlement Fund after attorney fees, costs, and payments to the named plaintiffs. The ultimate amount distributed to class members that submit verification forms will be determined by the Court in such an amount it deems to be fair and reasonable.

HOW YOU GET A PAYMENT

11. How can I get my payment?

A "Class Member Verification Form" has been provided to you with this Notice. To receive your payment, complete that form and return it to the Class Counsel at the address set forth in this Notice. Otherwise, contact class counsel and request a claim form or go to www.jglaw.net/southtec-class and fill out a claim form there and submit the form to class counsel by _____. Once the court gives final approval and hears any possible objections to the settlement, payments will be sent to class members that properly submitted class member verification forms.

12. When will I get my payment?

The Court will hold a hearing on _____, to decide whether to approve the Settlement. If the Court approves the Settlement, appeals may follow. It is always uncertain whether these appeals can

QUESTIONS? CALL Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the individual Plaintiffs and the Settlement Class.

be resolved, and resolving them can take time, perhaps more than a year. Please be patient.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

Jerry Gonzalez at (615) 360-6060 and David Sanford at (202) 942-9124 represent the three Individual Plaintiffs and the members of the Settlement Class. These lawyers are called Class Counsel. You will not be charged for these lawyers. These lawyers will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

14. How will the lawyers be paid?

Class Counsel will ask the Court for \$315,000 in attorney fees from the Settlement Fund in addition to expenses of litigation, class notice, plan administration costs and settlement administration. The Court may award less than this amount.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

15. What does it mean to object?

Objecting is simply telling the Court that you do not like something about the Settlement. It will not have any bearing on your right to Settlement proceeds.

16. How do I tell the Court that I don't like the Settlement?

You can object to the Settlement if you dislike any part of it. You can give reasons why you think the Court should not approve it, including any disagreement you may have with: (1) the amount you are to receive, (2) the claims you and all class members are waiving and releasing under this settlement, or (3) the amounts the Individual Plaintiffs or their attorneys are receiving. The Court will consider your views. To object, you must send a letter saying that you object to the Settlement in *Leonard, et al., v. Southtec, et al.*, Case No. 3-04-0072. Be sure to include your name, address, telephone number, your signature, and the reasons you object to the Settlement. You must identify in your written objection the names of any witness you may call to testify, and any exhibits you intend to introduce into evidence at the Fairness Hearing. **Mail the objection to each of the different addresses below postmarked no later than _____.** **You must mail your objection by this date. If you fail to do so, the Court may not consider your objection.**

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Clerk of Court United States District Court Middle District of Tennessee 801 Broadway Nashville, TN.	Jerry Gonzalez, Esq. 102 Hartmann Drive, Suite G-157 Lebanon TN 37087 Lebanon TN 37087	Keith D. Frazier Jonathon O. Harris Ogletree, Deakins, Nash, Smoak, & Stewart, PC. Fifth Third Center

QUESTIONS? CALL Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the individual Plaintiffs and the Settlement Class.

David W. Sanford
2121 K Street NW, Suite 700
Washington DC 20037

Suite 800
424 Church Street
Nashville, TN 37219

ALL PAPERS SUBMITTED MUST INCLUDE THE CASE NUMBER 3-04-0072.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you are not required to do so.

17. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Fairness Hearing at ____m. on _____, 2007, at the United States District Court for the Middle District of Tennessee, United States District Courthouse, 801 Broadway, Nashville, Tennessee. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court will also decide what amount of Class Counsel fees and expenses will be paid from the Settlement Fund, and what amounts if any should be paid to the Class Representative and Individual Plaintiffs. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

18. Do I have to go to the Fairness Hearing?

No. Plaintiffs' Counsel will answer questions the Court may have. You are however welcome to go at your own expense. If you send an objection, you do not have to go to Court to talk about it. As long as your objection is postmarked by _____, the Court will consider it. You also may pay your own lawyer to attend, but it is not necessary.

19. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that you wish to be heard orally with respect to the approval of the Settlement, the amounts you may be entitled to receive (see question 11 above), the request for attorney fees and expenses, or the request for amounts to be paid to the Class Representatives. Your letter must bear the caption "Notice of Intention to Appear in *Leonard, et al., v. Southtec, et al.*, Case No. 3-04-0072". Be sure to include your name, address, telephone number, and your signature. Your letter must be postmarked no later than _____, and sent to the Clerk of the Court, Class Counsel, and Defense Counsel, at the addresses indicated above in question 16.

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you are a member of the Settlement Class, you are entitled to money under the terms of the parties Consent Decree and Stipulated Class Settlement Agreement. However, in order to receive a payment, you need to complete a Class Member Verification Form and send it to Class Counsel. The purpose of having Class Members complete Class Member Verification Forms is so that Class Counsel can ensure that only those individuals who are actually members of the Settlement Class receive payments pursuant to this

QUESTIONS? CALL Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the individual Plaintiffs and the Settlement Class.

settlement. If you do nothing, you will not receive your payment, so it is important that you complete the Class Member Verification Form and mail it to Class Counsel. Again, if you have any questions at all about this settlement or the procedure for submitting a Class Member Verification Form, call Class Counsel at the numbers listed in this Notice.

GETTING MORE INFORMATION

21. Are there more details about the Settlement?

This notice summarized the proposed Settlement. More details are in the Parties' Settlement Agreement. You can get a copy of the Settlement Agreement by calling Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the Individual Plaintiffs and the Settlement Class.

DATE: _____, 200_

QUESTIONS? CALL Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the individual Plaintiffs and the Settlement Class.

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

<p>HOLLIE LEONARD, ELMER PARKER, individually and on behalf of all others similarly situated, and PAMELA WARD, Plaintiffs</p> <p style="text-align: center;">vs</p> <p>SOUTHTEC, LLC, and L & W ENGINEERING CO. Defendants</p>	<p>Case No. 3:04-0072 Hon. Nixon/Griffin</p> <p style="text-align: center;">JURY DEMAND</p>
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CLASS MEMBER VERIFICATION FORM

I, _____, do hereby verify that I am a member of the class as defined in this case. I have reviewed the Consent Decree which defines the class and claim that I fall within the class of individuals that are entitled to make a claim. I offer the following information in support of my claim:

Name	
Current address	
Date on which I applied for employment at Southtec	
If I was employed at Southtec during the relevant time period, dates of employment	
Address at time of employment application or actual employment	
Current telephone number	
Social Security Number or Tax Payer Identification No. (for purpose of issuing 1099 and for verifying identity with employment records at Southtec)	
Date of Birth	

I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, 2007.

(signature)

UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF TENNESSEE
SUMMARY NOTICE OF CLASS ACTION SETTLEMENT

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION

HOLLIE LEONARD, ELMER PARKER,) individually and on behalf of all others) similarly situated, and PAMELA) WARD, Plaintiffs,) v.) SOUTHTEC, LLC, and L & W,) ENGINEERING CO., Defendants.)	Case No. 3-04-0072 Judge Nixon Judge Griffin
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TO ALL MEMBERS OF THE FOLLOWING CLASS:

All African-American and Hispanic individuals who applied to be employed at Southtec, LLC's Lebanon, Tennessee facility from January 1, 2002, through the present, but who were not hired or re-hired.

**PLEASE READ THIS NOTICE CAREFULLY.
A FEDERAL COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION.**

A Settlement has been proposed in class action lawsuits brought by Plaintiffs on behalf of all African-American and Hispanic individuals who applied to be employed at Southtec's Lebanon, Tennessee, facility from January 1, 2002, through the present, but who were not hired or re-hired. The Settlement will provide \$900,000 in cash, to fully resolve the Lawsuit, including the claims of the three Individual Plaintiffs in this Lawsuit and including the claims of the Settlement Class. African-Americans and Hispanics who applied to be employed at Southtec between January 1, 2002, and the present but who were not hired may be entitled to a share of the Settlement. The United States District Court for the Middle District of Tennessee authorized this Notice. The Court will have a hearing to decide whether to approve the Settlement, so that the benefits may be paid.

WHO IS INCLUDED?

All African-American and Hispanic individuals who applied to be employed at Southtec's Lebanon, Tennessee, facility from January 1, 2002, through the present, but who were not hired or re-hired.

WHAT IS THIS ABOUT?

The lawsuit claimed that the Defendants violated Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 1981, the Tennessee Human Rights Act and Tennessee's "Whistle-blowing" laws by not hiring certain individuals who applied to be employed at Southtec's Lebanon, Tennessee facility from January 1, 2002, to the present. Defendants deny that they made any hiring decision based on any applicant's race or national origin. The Court did not decide which side was right, but both sides agreed to the Settlement to ensure a resolution, avoid the cost and risk of litigation, and to provide benefits to Class members.

WHAT DOES THE SETTLEMENT PROVIDE?

L&W Engineering Co., and Southtec LLC agreed to create a fund of \$900,000 to be divided among the three individual Plaintiffs and all Class members. The fees of Plaintiffs' attorneys shall be withdrawn from this \$900,000 fund, in an amount approved by the

QUESTIONS? CALL Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the individual Plaintiffs and the Settlement Class, or visit the website: www.jglaw.net/Southtecclass.

Court. A copy of the Settlement Agreement, available at the website identified below, describes all of the details about the proposed Settlement.

HOW DO YOU RECEIVE A PAYMENT ?

If you are a Class Member, you are entitled to a share of the Settlement amount according to the Agreement. To receive your payment, you must notify class counsel with your name, address, and telephone number and fill out a Class Member Verification Form, which will be sent to you. Alternatively, you can go to the website www.jglaw.net/Southtecclass and fill out a Class Member Verification Form there.

CAN I OPT-OUT OF THE SETTLEMENT?

No. In some class actions, class members have the opportunity to exclude themselves from the Class. This is sometimes referred to as "opting out" of the Class or Settlement. However, in this class action, opt-ing out is not available and all class members will be bound by the settlement – including its waiver and release of claims – if it is approved by the court. The court will hold a hearing in Courtroom _____, 801 Broadway, Nashville, Tennessee, at 9:00 a.m. on _____, to determine whether, as recommended by Class Counsel, the class representative, and Defendants, it should approve the proposed settlement. Objections to the proposed settlement by class members will be considered by the Court, but only if such objections are filed in writing with the clerk by mail postmarked before _____ or mailed to Class Counsel

Jerry Gonzalez
Jerry Gonzalez, P.C.
102 Hartmann Dr.
Suite G-157
Lebanon, TN 37087
615-360-6060

or

David Sanford
Sanford, Wittels & Heisler, LLP
2121 K St., N.W.
Suite 700
Washington, D.C. 20037
(202) 942-9124

Attendance at the hearing is not necessary; however, class members wishing to be heard orally in opposition to the proposed settlement should indicate in their written objection their intention to appear at the hearing.

Class members who support the proposed settlement do not need to appear at the hearing or take any other action to indicate their approval. Written notification can also be provided to the Court at the following address:

Clerk of the Court
United States District Court for the Middle District of Tennessee,
801 Broadway Street
Nashville, Tennessee, 37203
Re: Leonard, et al., v. Southtec, et al., Case No. 3-04-0072

REMINDER AS TO TIME LIMITS

If you wish to object to the proposed settlement, file your written objection with the clerk of the court or with Plaintiff's counsel by mail postmarked on or before _____, 2007. Include any request to be heard orally at the hearing.

QUESTIONS? CALL Jerry Gonzalez at (615) 360-6060 or David Sanford at (202) 942-9124, both of whom are attorneys for the individual Plaintiffs and the Settlement Class, or visit the website: www.jglaw.net/Southtecclass.