

personnel, in violation of Section 703(a) of Title VII.

Rebecca Kellar has intervened in this lawsuit. In her Complaint In Intervention, she alleges that Select created a hostile work environment by sexually harassing her and wrongfully discharging her in retaliation for reporting unlawful sexual harassment.

The EEOC, Kellar and Select wish to settle this Action, without the risks, uncertainties and expenses of continued litigation, under the terms in the Decree.

IT IS ORDERED, ADJUDGED AND DECREED as follows:

1. This Court has jurisdiction of the subject matter of this action and the parties, venue is proper, and all administrative prerequisites to the EEOC's filing of this action have been met. The Complaint and the Complaint In Intervention state claims on behalf of Hayes, Kellar, and a class of similarly situated females, which, if proved, would authorize this Court to grant relief against Select, pursuant to Title VII.

2. Select denies that it discriminated against or engaged in any unlawful employment practices against Hayes, Kellar, and/or a class of similarly situated females, as alleged in the Complaint and the Complaint In Intervention. This Decree is not an admission by Select, which has denied liability.

3. This Decree is entered in full and complete settlement of all claims contained in this lawsuit. EEOC expressly reserves its right to process and litigate any other charges (other than EEOC Charge No. 360 A1 1388 filed by Hayes, and EEOC Charge No. 360 A1 1329 filed by Kellar) against Select, which may now be pending or may in the future be filed against Select.

SCOPE OF CONSENT DECREE

4. The duration of this Decree shall be three (3) years from the date of its filing with the

Court. This Court shall retain jurisdiction of this action during the period of this Decree and may enter further orders or modifications as may be appropriate. Should any disputes under this Decree remain unresolved after this three-year period, the term of the Decree shall be automatically extended, and the Court will retain jurisdiction of this matter to enforce the Consent Decree, until such time as all disputes have been resolved.

INJUNCTIVE PROVISIONS

5. **Sex Discrimination.** Select is hereby enjoined from:

- (a) Discriminating against and/or harassing any employee on the basis of sex, female, including but not limited to sexual harassment, in violation of Title VII;
- (b) Engaging in or being a party to any action, policy or practice that has the effect of harassing or intimidating any employee on the basis of sex; and
- (c) Creating, facilitating or permitting the existence of a work environment that is hostile to any employee through acts such as physical/verbal abuse and derogatory comments, on the basis of sex.

6. **Sexual Harassment Policy.** Within ninety (90) days from the entry of this Decree, Select will adopt an anti-sexual harassment policy and ensure that it meets the following criteria:

- (a) States that it: (i) prohibits discrimination against any employee on the basis of sex, female, in violation of Title VII; (ii) prohibits any act, policy or practice that has the effect of harassing or intimidating any employee on the basis of sex, female, in violation of Title VII; and, (iii) prohibits any act, policy or practice that has the effect of creating, facilitating or permitting the existence of a work environment that is hostile to any employee through acts such as physical/verbal abuse and derogatory comments based on sex, female,

in violation of Title VII;

- (b) Defines and provides examples of sexual harassment;
- (c) Provides for prompt investigation of sexual harassment complaints and for prompt action, which is appropriate and effective, to remedy the discrimination;
- (d) Provides that upon the conclusion of Select's investigation, the results of the investigation and the remedial actions taken or proposed will be promptly communicated in writing to the complaining party;
- (e) Provides for substantial and progressive discipline for violating Select's sexual harassment policy up to and including discharge;
- (f) Requires that all employees report incidents of sexual harassment to the person(s) identified by Select as the person(s) charged with the responsibility for investigating discrimination complaints;
- (g) Provides that the sexual harassment policy and complaint procedures be drafted in plain and simple English; and
- (h) Imposes a duty on all officers, managers, and supervisory personnel to actively monitor all work areas to ensure compliance with the company's sexual harassment policy.

7. During the term of this Consent Decree, Select shall provide all employees hired after the entry of this Decree with a copy of Select's policies and complaint procedures concerning sexual harassment.

MONETARY RELIEF

8. Select agrees to pay a total sum of \$5,000.00 to Maria Hayes according to the following terms: At the time of the execution of the Consent Decree, and upon Select's receipt of

a signed release from Maria Elia Hayes, Select shall tender to D.Wade Hayden a check payable to Maria Hayes in the total sum of \$5,000.00 dated January 31, 2004. D. Wade Hayden, counsel for Defendant, shall hold the check in trust until January 31, 2004, when he will tender the check to Maria Hayes, who resides at 5414 Diamondback Trail, San Antonio, Texas 78222.

9. At the time of the execution of the Consent Decree, and upon Select's receipt of a signed release from Rebecca Kellar, Select shall pay at total sum of \$11,500.00 to Ms. Kellar according to the following terms: Select will make a payment of \$1,000.00 to Ms. Kellar on or before February 11, 2004. Select will additionally pay to Ms. Kellar a sum of \$10,500.00 payable in twenty-four (24) equal monthly installments beginning March 1, 2004. An agreed judgment will be provided in favor of Ms. Kellar as against Select Pre-Owned Homes, Ltd., and SPOH, LLC in the amount of \$50,000.00 as security for these payments. Payments to Ms. Kellar shall be made by check made payable to "Rebecca Kellar and her Attorney, Christopher J. McKinney," and mailed directly to Christopher J. McKinney, The Law Offices of McKINNEY & WEBSTER, 9311 San Pedro, Suite 700, San Antonio, Texas 78216.

10. A copy of all the settlement checks, and any accompanying transmittal documents shall be forwarded by fax to (210) 281-7669, to the attention of Robert B. Harwin, Regional Attorney, San Antonio District Office, United States Equal Employment Opportunity Commission, 5410 Fredricksburg Road, Suite 200, San Antonio, Texas 78229.

TRAINING

11. Within ninety (90) days from the entry of this Consent Decree, Select will provide two (2) hours of training to all officers, managers, and supervisory personnel of Select according to the following terms on the subject of the employment provisions of Title VII, including sex based discrimination, hostile work environment, and sexual harassment.

12. Within ten (10) days after the completion of the training session, Select shall certify

to EEOC, in writing, that the required training has taken place and that required personnel attended.

Such certification shall include:

- (a) The date, location and duration of the training; and
- (b) A copy of the registry of attendance which shall include the name and position or title of each person in attendance.

POSTING REQUIREMENT

13. Within ten (10) business days after entry of this Decree, Select shall post copies of the Notice attached as **Exhibit "A"** to this Decree at its facilities in all conspicuous locations easily accessible to and commonly frequented by employees. The Notice shall remain posted for the duration of this Decree. Select shall ensure that the Notice is not altered, defaced or covered by any other material. Select shall certify to the EEOC in writing within ten (10) business days after entry of the Decree that the Notice has been properly posted. Select shall permit a representative of EEOC to enter Select's premises for purposes of verifying compliance with this Paragraph at any time during normal business hours.

RECORD KEEPING

14. During the term of this Decree, Select shall maintain records (including name, sex, age, social security number, address and telephone number) of each person who complains, either orally or in writing, of sexual harassment or hostile work environment. Additionally, Select shall maintain records of the investigation and resolution of each complaint.

15. During the term of this Decree, Select shall provide to the EEOC, at Select's expense, copies of complaints and documents relating to complaints filed or made pursuant to Paragraphs 5 and 6, investigations, findings, and remedial actions undertaken by Select pursuant to Paragraphs 5, 6, and 14.

16. Nothing contained in this Decree shall be construed to limit any obligation Select

may otherwise have to maintain records under Title VII or any other law or regulation.

MISCELLANEOUS PROVISIONS

17. Select shall bear the costs it incurs in administering and implementing the provisions of this Decree.

18. Except as provided herein, the parties to this Decree shall bear their own costs and attorney's fees. Furthermore, the parties agree that pursuant to Section 706(k) of Title VII, 42 U.S.C. § 2000e-5(k), there is no "prevailing party" in this action or proceeding.

19. The terms of this Decree are and shall be binding upon the present and future officers of Select in their representative capacity and upon the successors and assigns of Select.

20. When this Consent Decree requires the submission by Select of documents or other materials to EEOC, such documents or other materials shall be mailed to Robert B. Harwin, Regional Attorney, 5410 Fredericksburg Road, Suite 200, San Antonio, Texas 78229. The Clerk shall furnish a copy hereof to each attorney of record.

SO ORDERED AND ENTERED this 4th day of February, 2004.



HONORABLE XAVIER RODRIGUEZ
UNITED STATES DISTRICT JUDGE

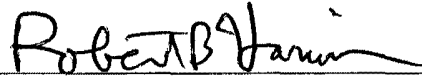
Respectfully Submitted,

ERIC S. DREIBAND
General Counsel

JAMES L. LEE
Deputy General Counsel

GWENDOLYN YOUNG REAMS
Associate General Counsel

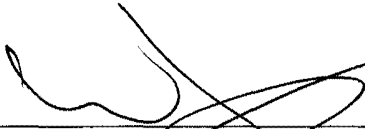




ROBERT B. HARWIN
Regional Attorney
District of Columbia Bar No. 076083



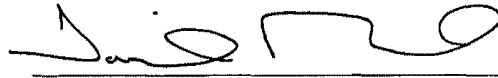
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Texas State Bar No. 19708300



D. WADE HAYDEN
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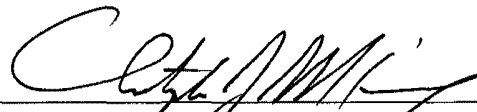
ATTORNEY FOR DEFENDANT



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ATTORNEYS FOR PLAINTIFF



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ATTORNEY FOR PLAINTIFF-INTERVENOR

EXHIBIT A
NOTICE AS REQUIRED UNDER TITLE VII OF
THE CIVIL RIGHTS ACT OF 1964

1. This NOTICE to all employees of Select Pre-Owned Homes, Inc. d/b/a Castle Housing is being posted as part of an agreement between Select Pre-Owned Homes, Inc. d/b/a Castle Housing and the U.S. Equal Employment Opportunity Commission.
2. Federal law requires that there be no discrimination against any employee or applicant for employment because of that person's race, color, religion, sex, national origin, or age with respect to hiring, compensation, promotion, discharge, or other terms, conditions or privileges of employment.
3. Select Pre-Owned Homes, Inc. d/b/a Castle Housing strongly supports and will comply with such Federal law in all aspects and it will not take any action against employees because they have exercised their rights under the law by filing charges with the U.S. Equal Employment Opportunity Commission.
4. If you believe you are being discriminated against in any term or condition of your employment because of your race, religion, color, national origin, sex, or disability, or that you are being subjected to harassment because of your sex or because of having engaged in Title VII-protected activity, you are encouraged to seek assistance from supervisory personnel, or from the U.S. Equal Employment Opportunity Commission, 5410 Fredericksburg Road, Suite 200, San Antonio, Texas 78229-3555, (210) 281-7600 or 1-800-669-4000.
5. No retaliatory action may be taken against you for seeking assistance, filing a charge, or communicating with the U.S. Equal Employment Opportunity Commission. Basing employment actions on the gender of an employee may also constitute a violation of Title VII of the Civil Rights Act of 1964, as amended, and any such conduct is a violation of company policy. Any employee found to be in violation of this company policy will be subject to written reprimand, suspension, and/or discharge.
6. This NOTICE will remain posted until January 31, 2007, by direction of the U.S. Equal Employment Opportunity Commission.