I.

THE LITIGATION

In this action by Plaintiff, United States Equal Employment Opportunity Commission (the "Commission" or "EEOC"), the Commission alleged that Defendant, EZ Buy EZ Sell Recycler ("Defendant") violated Title VII of the Civil Rights of 1964, as amended, by subjecting its employees, Alexis Rhone, Gina Escobar and Alicia Mares to a hostile work environment, and subjecting Alexis Rhone to retaliation for her having engaged in protected activity, all in violation of the Title VII of the Civil Rights Act of 1964, as amended. The Commission sought relief against Defendant to correct these alleged violations and prevent future violations.

As a result of their having engaged in settlement negotiations, the Commission and Defendant have resolved their differences and have agreed that this action should be finally resolved by entry of this Consent Decree.

II.

FINDINGS

Having examined the terms and provisions of this Consent Decree and based on the pleadings, record and stipulations of the parties, the Court finds the following:

- A. The Court has jurisdiction of the subject matter of this action and of the parties;
- B. The terms and provisions of this Consent Decree are adequate, fair, reasonable, equitable and just.
- C. This Consent Decree conforms with the Federal Rules of Civil

 Procedure and Title VII, and is not in derogation of the rights and
 privileges of any person. The entry of this Consent Decree will

further the objectives of Title VII and will be in the best interest of Defendant, the Commission, and Rhone, Escobar and Mares.

NOW, THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED THAT:

III.

EFFECT OF DECREE

This Consent Decree resolves all issues and claims between the EEOC and Defendant arising out of the Complaint filed by the EEOC alleging unlawful employment practices by Defendant against Ms. Rhone, Ms. Escobar and Ms. Mares in violation of Title VII of the Civil Rights Act of 1964, as amended. This Consent Decree shall be binding and final as to the EEOC and Defendant.

This Consent Decree does not constitute an adjudication by this Court on the merits of the allegations of the EEOC's Complaint. Neither the agreement to enter into this Consent Decree nor any provisions hereof constitute an admission by either party concerning any violation of Title VII or affirmative defenses.

This Decree in no way effects the EEOC's rights to process charges against Defendant not otherwise covered by this Consent Decree in accordance with standard EEOC procedures and to commence civil action on any such charges.

IV.

MONETARY RELIEF

In consideration for releases given by Alexis Rhone, Gina Escobar and Alicia Mares, which included claims arising out of the above-captioned lawsuit and EEOC Charge Nos. 340A200760, 340A200761 and 340A200441 (which releases were negotiated entirely between Alexis Rhone, Gina Escobar and

Alicia Mares's attorneys and Defendant and which the EEOC had no role in), Defendant has paid them the aggregate amount of \$380,000. This amount included all attorneys' fees and costs incurred by Alexis Rhone, Gina Escobar and Alicia Mares for the private attorneys who represented them and who negotiated on their behalf.

V.

INJUNCTION

Defendant and its officers, agents, employees, successors and assigns, and all of those in active concert or participation with them, or any of them, are enjoined from engaging in any employment practice which contributes to the creation of a hostile working environment; and retaliating against any individual for opposing discrimination or harassment, or for participating in an investigation of discrimination or harassment, in accordance with the terms of Title VII.

VI.

POSTING OF NOTICE

Defendant shall conspicuously post a copy of the Notice attached as Exhibit A at its South Bay and Los Angeles offices. The Notice shall remain posted during the term of this Consent Decree. Defendant shall certify to the EEOC within ten (10) business days of the entry of this Consent Decree that the Notice has been properly posted.

VII.

TRAINING PROGRAM

On an annual basis for the term of this Consent Decree, Defendant shall conduct training of managers, supervisors and employees regarding its Anti-Harassment Policy and the laws, rules and regulations concerning the prohibitions on harassment and retaliation, with specific and practical emphasis

on applying such legal	requirements	within	Defendant's	business	environment
					12.
The training shall:					14

- A. specify the kinds of verbal or written statements or graphic depictions which are prohibited in the workplace;
- B. specify that violation of the policy will result in discipline, up to and including termination;
- C. explain the process for filing a complaint of harassment, which process shall allow for complaints to be initiated verbally, although it may require that the substance of the complaints be later reduced to writing;
- D. require that any employee in a supervisory position who receives a complaint of harassment, whether formal or informal, written or verbal, report such complaint to an HR professional within two (2) business days; and
- E. require that a summary of the allegations of any complaint of harassment, and the results of the investigation into said complaint, be permanently maintained in the personnel file of the person(s) accused of engaging in the complained-of harassing conduct.

The manager/supervisor training shall also instruct managers/supervisors on (1) how to recognize complaints of harassment/discrimination; (2) their responsibility to promptly inform the human resources department of such complaints; and (3) the prohibition against retaliation.

Designation of the person(s) or entity providing the trainings shall be communicated to the EEOC in writing, within thirty (30) days of execution of the Consent Decree, as follows: Defendant shall submit the name and credentials of the proposed trainer(s) to the EEOC's Los Angeles District Office Regional Attorney for approval. If the EEOC does not approve the proposed

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trainer(s) it shall notify Defendant within five (5) days. Defendant shall then submit the name(s) of alternative trainer(s) within ten (10) days. If the EEOC does not approve these proposed trainers, the EEOC shall within ten (10) days submit to Defendant a list of three (3) proposed alternative trainers. If Defendant does not agree to one of the three (3) proposed alternative trainers, then the parties shall seek the Court's assistance in selecting trainer(s) or otherwise attempt to agree on a trainer.

Within sixty (60) days of the completion of each annual training cycle under this Consent Decree, Defendant shall submit to the EEOC sign-in sheets reflecting all those who attended the above-described training as well as a list of all employees employed by Defendant during that training cycle.

VIII.

RECORD KEEPING AND REPORTING

Defendant shall maintain all records concerning its implementation of this Consent Decree for a period of five (5) years. Defendant shall maintain records for a period of five (5) years of any complaints it receives of sexual harassment and/or retaliation for complaining of sexual harassment, its investigation of such complaints, and any response or action taken in the event there is a finding of sexual harassment or retaliation for complaining of sexual harassment.

Beginning six (6) months after entry of this Consent Decree and every six (6) months thereafter for the duration of the Consent Decree, Defendant shall furnish EEOC with reports reflecting information detailed in the records described above, including a summary of the complaint if verbal, a copy of any written complaint, and any non-privileged notes from the investigation into the complaint. In the event that an attorney attends an investigation interview, Defendant shall ensure that a non-attorney note taker is present and those notes, but not the attorney's notes shall be produced in the report. Defendant's last

report will be submitted to EEOC two (2) weeks prior to the date on which the Consent Decree is to expire. Any report materials provided pursuant to this Consent Decree shall not be disclosed to any third party by EEOC.

For the term of the Consent Decree and upon five (5) business days notice to Defendant, if EEOC believes that Defendant is not in compliance with the terms of this Consent Decree, EEOC shall have access to Defendant's facilities to review and copy any relevant non-privileged documents located at its facility and Defendant shall require supervisory personnel employed by Defendant whom EEOC requests to interview to cooperate with EEOC and to be interviewed and shall encourage non-supervisory personnel within its employ whom EEOC requests to interview to cooperate with and be interviewed by EEOC for the purpose of determining Defendant's compliance with the terms of this Consent Decree. Defendant shall provide a privilege log to EEOC for any relevant documents withheld from EEOC pursuant to an assertion by Defendant that the documents contain privileged information. In the event EEOC deems it necessary to review any of the documents designated as privileged by Defendant, the EEOC shall so seek an Order from the Court.

IX.

COMPLIANCE AND DISPUTE RESOLUTION

In the event that the Commission believes that Defendant has failed to comply with any provision of this Consent Decree, the Commission shall notify Defendant in writing of such belief and afford Defendant a reasonable period of not less than ten (10) business days to remedy the alleged non-compliance.

If Defendant disagrees that it has failed to comply with the provision of this Consent Decree, it shall notify EEOC in writing within ten (10) business days and the Commission may then apply to this Court for appropriate relief, including but not limited to a resolution of the dispute, a determination of

whether Defendant is in compliance and, if not, an appropriate order to enforce the provisions of this Consent Decree. If the Commission brings a matter before the Court, the opposing party shall be provided with appropriate notice under the Local Rules of the Court and the Federal Rules of Civil Procedure.

X.

DURATION OF DECREE AND RETENTION OF JURISDICTION

All provisions of this Consent Decree shall be in effect for a period of two (2) years.

For the duration of this Consent Decree, this Court shall retain jurisdiction for the purpose of enforcing the provisions of this Consent Decree.

XI.

COSTS OF ADMINISTRATION AND IMPLEMENTATION OF CONSENT DECREE

Defendant shall bear all costs associated with its administration and implementation of this Consent Decree.

XII.

COURT COSTS AND ATTORNEYS' FEES

Defendant and the Commission shall each bear its court costs and attorneys' fees.

XIII.

MISCELLANEOUS PROVISIONS

When this Consent Decree requires the submission by Defendant of reports, notices of other materials to the Commission, such materials shall be mailed by certified mail to: Regional Attorney, U.S., Equal Employment Opportunity Commission, Los Angeles District Office, 255 East Temple Street, 4th Floor, Los Angeles, California 90012.

Defendant shall provide any potential successor with a copy of this Consent Decree within a reasonable time of not less than thirty (30) days prior to the execution of any document providing for acquisition or assumption of control of Defendant, or any other material change in corporate structure, and shall simultaneously inform the EEOC of same. During the term of this Consent Decree, Defendant and its successor shall assure that each of its officers, managers and supervisors is aware of any term related to his/her job duties. This Consent Decree shall be binding upon and enforceable against Defendant and its respective successors and assigns.

A signature transmitted by facsimile shall have the same force and effect as a signature penned in ink.

Date: November \ 2003 EQUAL EMPLOYMENT OPPORTUNITY 14 15 B₩ 16 17 Attorneys for Plaintiff EEOC 18 Date: November 19, 2003 SEYFARTH SHAW 19 Marie H. O'Hara 20 Attorneys for Defendant EZ BUY EZ SELL RECYCLER CORP. 21 22

IT IS SO ORDERED

District Court Judge NORA M. MANELLA United States District Court

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