

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
ENTERED

JUN 22 2000

EQUAL EMPLOYMENT OPPORTUNITY)
COMMISSION,)
Plaintiff,)

v.)

C.C. CREATIONS, a division of BRAZOS)
SPORTSWEAR, INC. and/or BRAZOS)
SPORTSWEAR, L.L.C.,)
Defendant.)

Michael N. Milby, Clerk of Court


Civil Action No. H-99-3114

FINAL JUDGMENT ORDER ENTERING SETTLEMENT AGREEMENT

On this day came on to be heard the parties' Joint Motion to Reinstate Proceedings for the Purpose of Entering Settlement Agreement. After reviewing the Settlement Agreement, the Court finds that all issues in the Complaint have been disposed of, that the parties are in agreement, and that the Settlement Agreement should be entered.

It is therefore ordered that the Settlement Agreement is hereby entered and that this cause is dismissed on the merits .

Signed this 20th day of June, 2000.



LEE H. ROSENTHAL
UNITED STATES DISTRICT JUDGE

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

**EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION,**
Plaintiff,

v.

**C.C. CREATIONS, a division of BRAZOS
SPORTSWEAR, INC. and/or BRAZOS
SPORTSWEAR, L.L.C.,
Defendant.**

Civil Action No. H-99-3114

SETTLEMENT AGREEMENT

The parties to this Settlement Agreement are the Plaintiff, United States Equal Employment Opportunity Commission ("EEOC"), and Defendant, C.C. Creations, formerly a division of Brazos Sportswear, Inc. and/or Brazos Sportswear, L.L.C. ("Brazos"). This Settlement Agreement resolves the above-referenced Civil Action No. H-99-3114. The EEOC initiated the above-referenced lawsuit under Title VII of the Civil Rights Act of 1964, as amended 42 U.S.C. §2000e, *et seq.* ("Title VII"), and Title I of the Civil Rights Act of 1991, 42 U.S.C. §1981a. The Complaint was filed to correct alleged unlawful employment practices on the bases of sex and retaliation, and to provide appropriate relief to Hein T. Covington, Maria A. Garcia, Ginger L. Shugart, and a class of other similarly situated females, who were allegedly adversely affected by such practices. The EEOC alleged that the women were sexually harassed and/or retaliated against for complaining of and/or refusing to permit the harassing conduct.

The EEOC and Brazos wish to settle this action, without the necessity of further litigation, pursuant to the terms delineated in this Agreement, as follows:

1. The EEOC and Brazos acknowledge that Brazos is currently the debtor-in-possession in a jointly administered Chapter 11 case captioned, *In re: Brazos Sportswear, Inc., et al.*; Case Nos. 99-142 through 99-145 (PJW) pending in the United States Bankruptcy Court for the District of Delaware. Brazos represents that substantially all of its assets have been liquidated and that it does not currently engage in any business, nor will it engage in business in the future.

2. This Agreement resolves all issues raised in EEOC's complaint in this case. EEOC waives further litigation of all issues raised in the above-referenced complaint. EEOC expressly reserves its right, however, to process and litigate any other charges which may now be pending or may in the future be filed against Brazos.

3. In full and final settlement of this dispute, Defendant Brazos hereby agrees to pay to each Class Member the sum set out below. Checks for such settlement sums shall be made jointly payable to Class Member and her counsel, Alan Cease, and shall be mailed to Class Member c/o her counsel at 4655 Sweetwater Blvd., Suite 300, Sugar Land, Texas 77479.

- | | | |
|----|-------------------|-------------------|
| a. | Hein T. Covington | <u>\$2,000.00</u> |
| b. | Maria A. Garcia | <u>\$2,000.00</u> |
| c. | Ginger L. Shugart | <u>\$2,000.00</u> |

Copies of the settlement checks be forwarded to the EEOC to the attention of Robert B. Harwin, Regional Attorney, 5410 Fredricksburg Road, Suite 200, San Antonio, Texas 78229 within thirty (30) days of the filing of this Settlement Agreement with the Court.

4. On May 8, 2000, the U.S. Bankruptcy Court for the District of Delaware approved the terms of this Settlement Agreement. See Exhibit A Order Under Fed. Rules of Bankruptcy Procedure 9019a Approving Settlement Agreements.

5. The terms of this Settlement Decree shall be binding upon the EEOC and, upon Bankruptcy Court approval, Defendant C.C. Creations, its agents, officers, employees, servants, successors, and assigns, as to the issues resolved herein.

6. Each party shall bear its own costs, including attorney's fees, incurred in this action.

C. GREGORY STEWART
General Counsel Designate

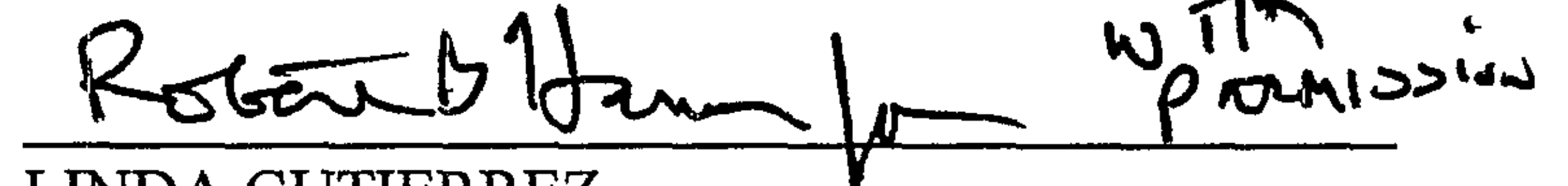
GWENDOLYN YOUNG REAMS
Associate General Counsel



ROBERT B. HARWIN

Regional Attorney

D.C. State Bar No. 076083

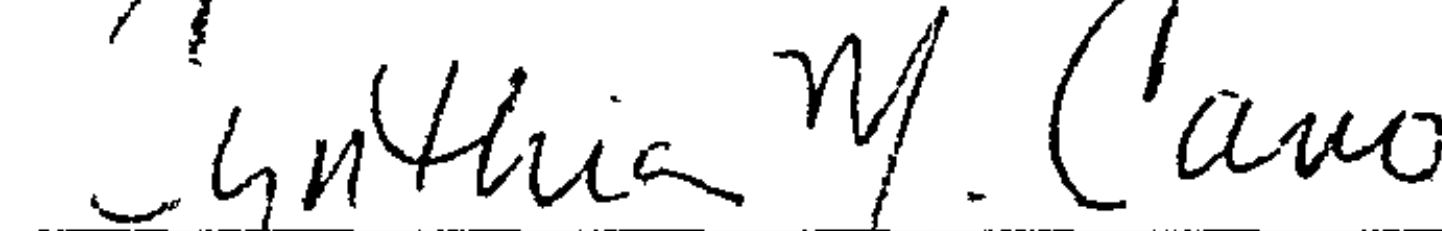


LINDA GUTIERREZ

Supervisory Trial Attorney

Texas State Bar No. 08642750

Southern District No. 14464



CYNTHIA M. CANO

Trial Attorney and Attorney in Charge

Texas State Bar No. 00790420

Southern District No. 23969

EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION

San Antonio District Office

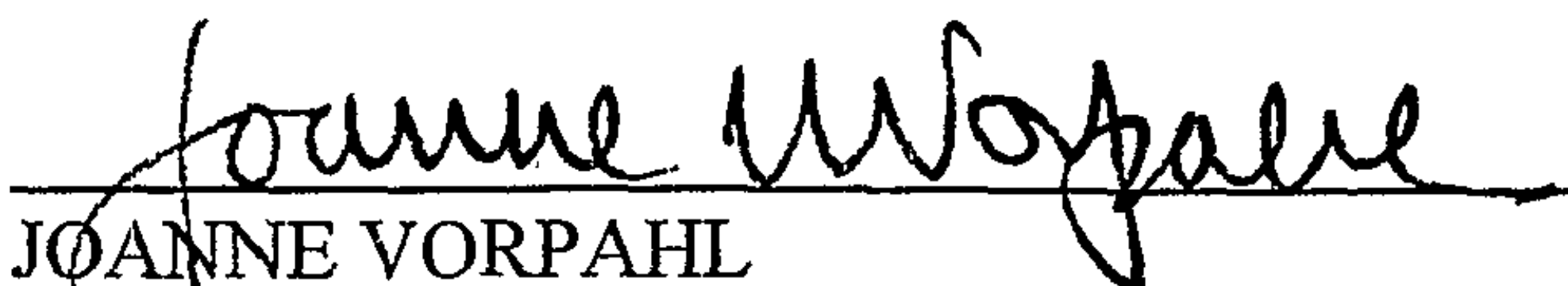
5410 Fredericksburg Road, Suite 200

San Antonio, Texas 78229-3555

(210) 281-7619

(210) 281-7669 (Fax)

ATTORNEYS FOR PLAINTIFF



JOANNE VORPAHL

Attorney in Charge

State Bar No. 20619950

Southern District No. 777

PORTER & HEDGES, L.L.P.

700 Louisiana, Suite 3500

Houston, Texas 77002-2764

(713) 226-0600

(713) 228-1331 (Fax)

ATTORNEY FOR DEFENDANT

EXHIBIT A

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

- - - - -X

In re : Chapter 11
BRAZOS SPORTSWEAR, INC., et al., : Case Nos. 99-142 (PJW)
Debtors. : through 99-145 (PJW)
: (Jointly Administered)

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ORDER UNDER FED. R. BANKR. P. 9019(a)
APPROVING SETTLEMENT AGREEMENTS

This matter having come before the Court on the motion, dated March 24, 2000 (the "Motion"),¹ of Brazos Sportswear, Inc., Brazos Sportswear, L.L.C., Brazos Embroidery, Inc., and MSI, Inc. f/k/a Morning Sun, Inc., debtors and debtors-in-possession (collectively, the "Debtors"), for an order under Fed. R. Bankr. P. 9019(a) approving certain settlement agreements between the Debtors, the EEOC, and Hein T. Covington, Maria A. Garcia and Ginger L. Shugart (the "EEOC Settlement Agreement" and "Claimant Settlement Agreement" respectively, and together, the "Settlement Agreements," copies of which are annexed hereto as Exhibits A and B); and it appearing that the relief

¹ Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Motion.

requested in the Motion is in the best interests of the Debtors, their estates, their creditors and other parties in interest; and it appearing further that notice of the Motion was good and sufficient under the particular circumstances and that no other or further notice need be given; and upon the record of these cases; and after due deliberation thereon; and good cause appearing therefor; it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is granted and the Debtors' entry into the Settlement Agreements is approved.
2. The Debtors are authorized and empowered to take such actions and execute and deliver such documents as may be reasonably necessary to enter into and effectuate the terms of the Settlement Agreements and this Order.
3. This Court shall retain jurisdiction to hear and resolve any disputes arising from or related to the Motion, the Settlement Agreements, and this Order.

Dated: Wilmington, Delaware
May 8, 2000


Honorable Peter J. Walsh
Chief United States Bankruptcy Judge