

**UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA**

<b>EQUAL EMPLOYMENT OPPORTUNITY COMMISSION,</b>	)	
	)	
<b>Plaintiff,</b>	)	
	)	
<b>and</b>	)	
<b>MARION SHAUB,</b>	)	<b>CIVIL ACTION NO. 1:CV-</b>
	)	<b>02-1194</b>
<b>Intervenor,</b>	)	<b>Hon. Yvette Kane</b>
	)	<b>ELECTRONICALLY</b>
<b>v.</b>	)	<b>FILED</b>
	)	
<b>FEDERAL EXPRESS CORPORATION,</b>	)	
<b>Defendant.</b>	)	

**CONSENT DECREE**

**INTRODUCTION**

This Consent Decree is entered into by Plaintiff United States Equal Employment Opportunity Commission ("EEOC" or "the Commission") and Federal Express Corporation.

On February 26, 2002, the Commission filed this action to enforce the provisions of 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 Commission alleged that Marion Shaub, who was employed as a tractor-trailer driver at Defendant's Middletown, Pennsylvania location, was subjected to a hostile work environment based on her gender and was constructively discharged from her employment. Marion Shaub intervened in this action on April 5, 2002, adding a retaliation claim under Title VII and state law claims. Federal Express denied the allegations. A jury trial was conducted before

Honorable Yvette Kane and on February 24, 2004, the jury entered a verdict awarding damages for EEOC and Intervenor Shaub. On February 26, 2004, the court entered judgment in accordance with the jury verdict and modified it on January 18, 2005. Federal Express filed a timely Notice of Appeal.

On March 9, 2004, the Commission filed a Motion for Equitable Relief, which was opposed by Defendant Federal Express. In order to resolve the issues regarding injunctive relief raised in this Motion, the Commission and Defendant now enter into this Consent Decree.

**CONSENT DECREE**

This Decree is final and binding between the Commission and Defendant as to all issues raised in the Commission's Motion for Equitable Relief filed in this action. In resolution of this Motion, the Commission and Defendant hereby agree as follows:

1. This Decree is entered into in compromise to avoid the expense and inconvenience of continued post-trial litigation on the Commission's Motion.

2. The Commission is the agency of the United States government authorized by Congress to investigate allegations of unlawful employment discrimination based upon gender, to bring civil actions based upon these allegations of unlawful practices, and to seek relief for individuals affected by such practices.

3. Pursuant to Title VII, the parties acknowledge the jurisdiction of the United States District Court for the Middle District of Pennsylvania over the subject matter and parties to this case.

4. Although Defendant disputes the underlying claims, the jury verdict, and the orders of the court, the parties agree that this Decree is entered into only to resolve the

EEOC's Motion for Equitable Relief and Defendant's agreement to this Decree is not an admission of liability, and cannot be used as an admission of liability by the Commission.

**TRAINING**

5. Defendant will provide training to all employees (management and non-management) who conduct investigations into allegations of employment discrimination and retaliation made by employees in the Allentown and Middletown, Pennsylvania locations of Defendant. This training will include how to conduct prompt and effective investigations into allegations or complaints of employment discrimination and how to recognize allegations of sex discrimination, sexual harassment, and retaliation made by employees. It will include discussion of the substantive laws and principles of employment discrimination and retaliation, when appropriate. The training will also discuss methods of discipline in harassment, discrimination and retaliation cases. This training will take place within six months of the filing of this Consent Decree and will be a full eight-hour day of training.

6. Defendant agrees to provide three training sessions to all employees and managers in its Allentown and Middletown, Pennsylvania locations in sex discrimination, sexual harassment, and retaliation. This training will also be provided to any temporary workers employed at the time. These sessions will take place in five-month intervals and will be conducted by the Defendant. The training will emphasize what constitutes unlawful harassment, sex discrimination, and retaliation in the work place and how to keep the company free from any such forms of discrimination. Defendant shall provide the first training within thirty (30) calendar days of the entry of this Consent Decree.

7. The training sessions described in Paragraph Numbers 5 and 6 will be

conducted by a Human Resources Manager or Human Resources Managing Director from Defendant's national headquarters. Federal Express will notify EEOC of the Manager or Managing Director who will provide each training by sending a curriculum vitae or biographical sketch to EEOC for its review at least fourteen (14) days prior the training session the Manager or Managing Director will conduct.

8. For the training sessions referenced in Paragraph Numbers 5 and 6, Federal Express will use the training materials that have been submitted to and approved by the Commission in March 2005.

9. Defendant shall certify to the Commission in writing within five (5) business days after the training sessions required by Paragraphs 5 and 6, that each training has taken place and that the required employees have attended. This certification shall include: (i) the date, location and duration of the session; (ii) a copy of the registry of attendance, including the name and position of each employee/manager who attended, and (iii) a listing of all current employees, including temporary employees, on the date of the training.

#### **DISSEMINATION OF STATEMENT**

10. Within fourteen (14) business days of the entry of this Consent Decree, Defendant shall mail to each employee and manager in the Allentown and Middletown locations, a statement which announces that Defendant takes its legal obligation to provide its employees with a working atmosphere which is free from discrimination, harassment, and retaliation with the utmost seriousness. This announcement will clarify the reporting procedures for sexual harassment, sex discrimination and retaliation complaints and strongly state that employees who report these claims will be protected from acts of retaliation by co-workers, supervisors or managers. The statement will also clarify that

Defendant has a responsibility to investigate verbal as well as written complaints of sex discrimination, sexual harassment and retaliation and will inform all recipients that Defendant will take action against anyone who retaliates against an employee for reporting discrimination, harassment or retaliation. The statement will clarify that Defendant has a zero tolerance policy for these violations and offenders will be disciplined. The statement will contain a signature line for the recipient to sign and return to Defendant within five (5) days. Within fourteen (14) business days of the mailing of this statement, Defendant will provide the Commission with a list of the persons to whom it was mailed, a list of those who returned the signed document, and a list of all current employees, supervisors and managers. This statement is attached to this Decree as Exhibit A.

**POSTING OF NOTICE**

11. Exhibit A will be posted at Defendant's Middletown, Pennsylvania and Allentown, Pennsylvania facilities on the bulletin boards where notices are usually and customarily posted for the benefit of all employees. Exhibit A must be posted where it can be seen by tractor trailer drivers for Defendant. Exhibit A will remain posted for a period of two years. Defendant shall replace Exhibit A with legible copies, if it is defaced, removed, or marred in any way. Within ten (10) business days of the postings of Exhibit A, Defendant will inform the Commission of the date and location of the postings.

**REPORTING**

12. Defendant agrees that, as soon as the Consent Decree is entered, every five months during the eighteen-month duration of the Decree, it will provide a written report to the Commission listing all employee complaints from its Allentown or Middletown, Pennsylvania locations (whether verbal or written) of sex discrimination, sexual harassment

or retaliation (protected activities involving sex discrimination or sexual harassment) that were received by a manager, a member of human resources, or through the on-line GFT/EEO process during the preceding five months. Defendant will also provide copies of the complaints to the Commission.

**POLICY ON COORDINATED INVESTIGATIONS**

13. One Human Resources Manager will be designated by Defendant to oversee and coordinate the investigations of any sex discrimination, sexual harassment or retaliation complaints or reports that are made by employees in the Allentown or Middletown locations. This manager will receive the training referenced in Paragraph No. 5.

**DISPUTE RESOLUTION**

14. In the event of any dispute or question between the Plaintiff and Defendant as to the interpretation or implementation of this Decree, the parties shall attempt to resolve such question informally within thirty (30) days. If the parties are unable to resolve their differences, the issue shall be submitted to the Court for final decision.

**MISCELLANEOUS**

15. The parties agree that the Court shall retain jurisdiction over this Decree until for a period of eighteen months after the filing of the Decree in order to enforce its provisions, should this become necessary.

16. This Decree shall be filed in the United States District Court for the Middle District of Pennsylvania.

17. EEOC and Defendant shall bear their own costs and attorney's fees.

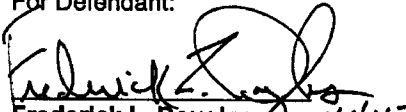
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General Counsel


**James L. Lee**  
Deputy General Counsel


**Gwendolyn Young Reams**  
Associate General Counsel

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**APPROVED AND SO ORDERED:**

  
U.S.D.J.

Date: 4/25/05

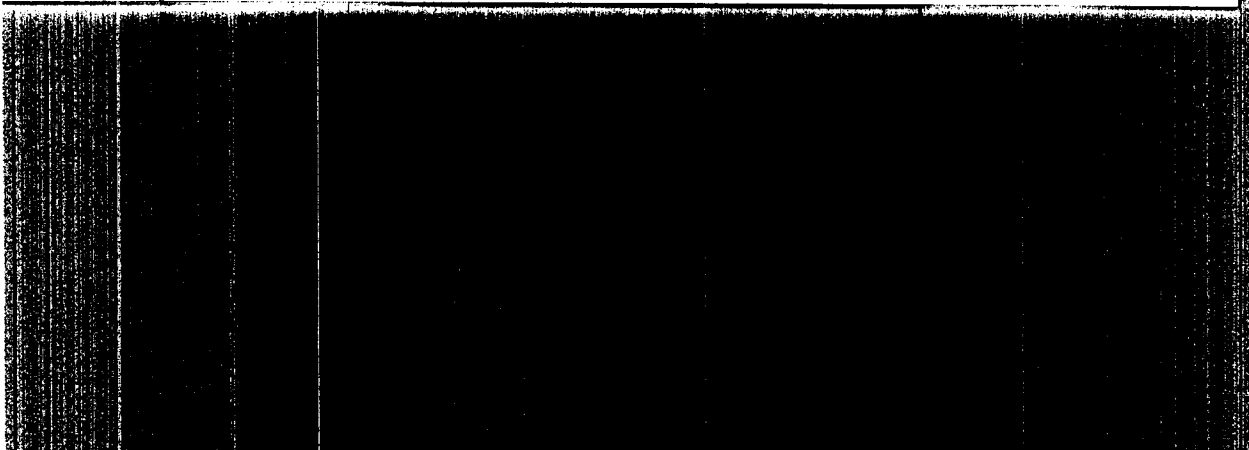




EXHIBIT A

NOTICE

Title VII of the Civil Rights Act of 1964 mandates that FEDERAL EXPRESS CORPORATION (FEDERAL EXPRESS) provide its employees with a working atmosphere that is free from sexual discrimination, sexual harassment, and retaliation against employees who engage in protected activity such as reporting sexual harassment or discrimination, filing a charge, or participating in an investigation of discrimination claims or charges.

Title VII prohibits discrimination against employees and applicants for employment based upon their race, color, sex, religion, or national origin. Title VII further prohibits retaliation against employees or applicants who avail themselves of their rights under Title VII by engaging in protected activities, such as filing a charge of discrimination or testifying or participating in an EEOC investigation. THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC) is the federal agency which investigates charges of discrimination and, if necessary, brings lawsuits in the federal district courts to enforce Title VII.

FEDERAL EXPRESS fully supports and will comply with Title VII in all respects. As part of this obligation under Title VII, FEDERAL EXPRESS has a zero tolerance policy for actions or statements reflective of discrimination, bias, or retaliation and a zero tolerance policy for sexual harassment. FEDERAL EXPRESS recognizes its obligation to thoroughly investigate allegations of sexual harassment, and to take prompt effective remedial measures when warranted. Furthermore, in accordance with Title VII, FEDERAL EXPRESS will not take any action against any employee or applicant for employment because he or she has exercised any right under Title VII, including the filing of a charge of discrimination or the reporting of harassment.

**If you believe that you have been subjected to sexual harassment, sex discrimination, or retaliation, contact your manager, anyone in the human resources department, or file a GFT/EEO complaint on line with Federal Express. Federal Express will investigate verbal as well as written complaints or reports of sexual harassment, sex discrimination or retaliation made to any of these individuals.**

This Notice will be posted at FEDERAL EXPRESS' facilities in Middletown and Allentown, Pennsylvania, for two years on all bulletin boards where announcements are normally posted for the benefit of employees. This Notice demonstrates that FEDERAL EXPRESS has a continued interest in maintaining a workplace free of discrimination and harassment.

**THIS NOTICE MUST NOT BE DEFACED OR REMOVED AND MUST REMAIN POSTED FOR THREE YEARS FROM THE DATE SET FORTH BELOW.**

\_\_\_\_\_  
EQUAL EMPLOYMENT OPPORTUNITY  
COMMISSION

FEDERAL EXPRESS

Date Posted: \_\_\_\_\_, 2005

