

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
WESTERN DIVISION

DEMETRIC BELL, MARILYN BERRY,  
CATHERINE BROWN, KIMBERLY  
BUCHANAN, GILBERTO GONZALEZ,  
TIMMY LINK, EDDIE MANNING, JR.,  
KIM NACHAMPASSACK, DUANE  
PARKS, BRENDA RILEY, DARNEL  
ROYAL, ROBIN SALLIS, VELMA  
SANDERS, BARBARA SMITH, TONY  
TRIPLETT and JANET WILKINS,  
individually and on behalf of similarly  
situated persons,

Plaintiffs,

v.

WOODWARD GOVERNOR COMPANY,

Defendant.

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UNITED STATES EQUAL EMPLOYMENT  
OPPORTUNITY COMMISSION,

Plaintiff,

v.

WOODWARD GOVERNOR COMPANY,

Defendant.

**FILED**

OCT 05 2006

MICHAEL W. DOBBINS, CLERK  
UNITED STATES DISTRICT COURT

Case No. 03 C 50190  
Class Action

**CONSOLIDATED**

Case No. 06 C 50178

Judge Philip Reinhard

Magistrate Judge  
P. Michael Mahoney

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**CONSENT DECREE**

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## I. INTRODUCTION

This Consent Decree is made and entered into by and among the plaintiffs and plaintiff class in Bell, et al. v. Woodward Governor Company, the United States Equal Employment Opportunity Commission (“EEOC” or “the Commission”), and Woodward Governor Company (“Defendant” “Woodward” or “the Company”) (collectively referred to herein as “the Parties”) for the purpose of fully and finally resolving the litigation covered hereby.

### The Bell Litigation

A. On May 8, 2003, Plaintiffs filed a class action complaint, captioned Bell, et al. v. Woodward Governor Co., under 42 U.S.C. §1981 and Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e et seq. (“Title VII”). The complaint was filed on behalf of a putative class of minority employees and alleged race, color and national origin discrimination against current and former minority (African-American, Hispanic and Asian) employees with respect to job assignment, promotion, compensation and terms and conditions of employment at Woodward’s Rockford and Rockton facilities. The complaint also alleged discrimination and retaliation in connection with the termination of plaintiff Kimberly Buchanan.

B. Subsequently, Plaintiffs filed both an Amended and a Second Amended Class Action Complaint. The Second Amended Complaint added a claim on behalf of two individual female employees alleging a pattern and practice of discrimination based on gender in compensation under both Title VII and the Equal Pay Act (“EPA”), 29 U.S.C. § 206 et seq.

C. The Company categorically denies that it has engaged in a policy or pattern and practice of race or gender discrimination against any employee, whether collectively or individually, and maintains that its employees have had equal employment opportunity with respect to job assignment, compensation, promotion, and all other terms and conditions of employment.

D. Plaintiffs served their First Interrogatories and First Document Requests on September 11, 2003. Defendant responded on October 13, 2003 and served Supplemental Responses to Interrogatories on November 25, 2003 and October 25, 2004. Defendant served its First Interrogatories on September 11, 2003 and First Contention Interrogatories to Plaintiffs on January 24, 2004, who responded on February 23, 2004. Individual class members filed supplemental responses on September 30, 2004, October 5, 2004, and November 12, 15, 16, and 23, 2004. Defendant served its First Document Request on September 12, 2003 and Plaintiffs responded on October 14, 2003. Plaintiffs served additional Interrogatories on November 20, 2003 and Defendants responded on December 24, 2003. Plaintiffs served their Second Interrogatories on March 3, 2004 and additional Interrogatory Requests on November 1, 2004, November 4, 2004, December 27, 2004, and December 28, 2004. Defendant responded to Plaintiffs' March 3, 2004 Interrogatories on April 2, 2004 and Plaintiffs' November 1, 2004 Interrogatory on December 3, 2004 (with an additional supplemental response on March 28, 2005). Defendant served additional Interrogatories on December 31, 2004.

E. In addition to written discovery, the parties also took several depositions. Before January 3, 2005, Plaintiffs took thirteen (13) corporate representative (30(b)(6)) depositions and fourteen (14) other depositions. Defendants took twenty-eight (28) depositions.

F. On January 3, 2005, the Court entered its Order on Plaintiffs' Motion for Class Certification, certifying two classes under Federal Rule of Civil Procedure 23(b)(2) and (3): "a compensation class of all African-American, Hispanic and Asian employees employed by defendant during the applicable limitations period and advancement class consisting of all African-American, Hispanic and Asian employees passed over for unposted promotions during the applicable limitations period." In the same Order, the Court certified Plaintiffs Bell, Berry, Buchanan,

Gonzalez, Link and Triplett as class representatives. On February 10, 2005, notice went out to the classes as certified, with the opportunity to opt-out by a date certain.

G. Since class certification, Plaintiffs served additional Interrogatory Requests on March 18, 2005; May 2, 2005; May 20, 2005; August 11, 2005; October 31, 2005; and December 1, 2005. Plaintiffs also served Requests for Admissions on October 31, 2005 and December 1, 2005. Defendant responded to Plaintiffs' additional Interrogatories on July 11, 2005; August 23, 2005; October 7, 2005; December 5, 2005; December 12, 2005; and March 16, 2006. Defendant responded to Plaintiffs' additional document requests on October 7, 2005 and December 5, 2005. Defendant responded to Plaintiffs' Requests for Admissions on December 5, 2005; December 30, 2005; February 28, 2006; and March 16, 2006. Plaintiffs responded to Defendant's December 31, 2004 Interrogatories on June 27, 2005; September 29, 2005; and December 29, 2005. Defendant served global Interrogatories on October 3, 2005 and additional Interrogatories on December 2, 2005. Defendant served a global document request on October 3, 2005 and additional document requests on October 31, 2005 and December 2, 2005. Plaintiffs responded to Defendant's Interrogatories on November 18, 2005 and January 6, 2006. Plaintiffs responded to Defendant's document requests on November 18, 2005; November 30, 2005; and January 6, 2006.

H. After January 3, 2005, the parties engaged in an additional one hundred twelve (112) depositions. These included one corporate representative (30(b)(6)) deposition, fifty-nine (59) depositions taken by Plaintiffs, and fifty-two (52) depositions taken by Defendant.

#### **The EEOC Litigation**

I. Between February 12, 2003 and August 13, 2004, the EEOC received charges of discrimination from the Charging Parties alleging discrimination against women and minorities with respect to job assignment, compensation, promotion and other terms and conditions of employment

at the Rockford and Rockton facilities. On or about December 15, 2005 and on October 3, 2006, the EEOC issued Letters of Determination on the charges, finding probable cause that the Charging Parties were discriminated against on the basis of race, national origin, and gender. The EEOC's investigation involved and included interviews, analysis of hard copy documents and statistical compilations.

J. On October 4, 2006 the EEOC filed a Complaint against Woodward alleging that the Company violated Title VII and/or the EPA by: (a) engaging in pattern and practice of discrimination against minorities with regard to compensation, promotion and training; (b) engaging in a pattern and practice of discrimination against female employees with regard to compensation, promotion and training; and (c) failing to maintain records in violation of Title VII. The EEOC's case and the Bell case have been consolidated by agreement of the parties and Order of the Court.

K. The Company categorically denies that it has engaged in a policy or pattern and practice of discrimination against any minorities or women, whether collectively or individually, and maintains that its minority and female employees have had equal employment opportunity with respect to job assignment, compensation, promotion, training and all other terms and conditions of employment.

#### **Mediation of the Bell and EEOC Litigation**

L. The Plaintiffs have vigorously prosecuted this case, and the Company has vigorously contested it. The parties have taken sufficient discovery to assess reliably the relative merits of the claims and defenses.

M. Upon consent of the parties, the Court referred the action to mediation and stayed all pending deadlines. Beginning on April 13, 2006, and on several dates subsequently, all parties conducted mediation discussions, with Hunter Hughes as the Mediator. During the mediation, the

parties consented to additional discovery, as well as the exchange of expert information. Under the supervision of the Mediator, these negotiations have been conducted at arms-length and without collusion. The mediation discussions culminated in this Decree.

## **II. JURISDICTION**

A. The Court has jurisdiction over the parties and subject matter of the Bell litigation and the EEOC Litigation. The parties have already sought consolidation of the Bell action and the EEOC action before Judge Reinhard for purposes of review and approval of this Decree. The claims asserted in the Complaints, if proven, would authorize the Court to grant the equitable and monetary relief set forth in this Decree. Venue is proper in this District. The Court shall maintain jurisdiction of this action for the duration of the Decree solely for the purpose of entering all orders authorized hereunder which may be necessary to implement relief provided herein.

B. This Decree resolves all claims arising out of Charge Numbers 210-2003-01906, 210-2003-01910, 210-2003-03088, 210-2003-03089, 210-2003-03090, 210-2003-03091, 210-2003-03092, 210-2003-03093, 210-2003-03094, 210-2003-03095 (Amended), 210-2003-03096, 210-2003-03097, 210-2003-03098, 210-2003-03100, 210-2003-03101, 210-2003-03102, 210-2003-03103, 210-2003-03104, 210-2003-03105, 210-2003-03106 (Amended), 210-2003-03107, 210-2003-03108, 210-2003-03109, 210-2003-03110, 210-2003-03111, 210-2003-03112, 210-2003-33860, 210-2003-34290, 210-2004-00614, 210-2004-01647, 210-2004-06783, 210-2004-06784, 210-2004-06785, and the claims alleged in the Complaints filed in the Bell Action and the EEOC Action. This Decree constitutes a complete resolution of all claims of discrimination against minorities arising from conduct occurring from May 8, 1999 through the Preliminary Approval Date with respect to compensation, advancement, training, and other terms and conditions of employment under Title VII and 42 U.S.C. § 1981 that were alleged or could have been alleged in the

Complaints. This Decree also constitutes a complete resolution of all claims of employment discrimination against women with respect to compensation, advancement, training and other terms and conditions of employment under Title VII and the EPA arising from conduct occurring from June 26, 2002 through the Preliminary Approval Date that were alleged or could have been alleged in the Complaints. This Decree also resolves all claims asserted by plaintiff Kimberly Buchanan in connection with her termination, as well as all other claims relating to Ms. Buchanan that could have been alleged in the Complaints.

### **III. DEFINITIONS**

1. “African-American” means all persons having origins in any of the black racial groups of Africa.

2. “Approval Date” means the date upon which the Court signs this Decree, after determining that it is fair, adequate and reasonable to the Class(es) as a whole, after (i) notice; (ii) an opportunity to opt-out of the Minority Settlement Class with respect to the monetary relief; (iii) an opportunity to submit timely objections to the Decree; (iv) appropriate discovery of the specifics of any such timely objections, and (v) a hearing on the fairness of the settlement.

3. “Asian” means all persons having origins in any of the original peoples of the Asian Continent, Far East, Southeast Asia, the Indian Subcontinent, and/or the Pacific Islands. This area includes, but is not limited to, China, India, Japan, Korea, the Philippine Islands, and Samoa.

4. “Bell Action” means Bell, et al. v. Woodward Governor Company, N.D. Illinois, W.D., No. 03 C 50190.

5. “Bell Plaintiffs” or “Plaintiffs” means Demetric Bell, Marilyn Berry, Catherine Brown, Kimberly Buchanan, Gilberto Gonzalez, Timmy Link, Eddie Manning, Jr., Kim

Nachampassack, Duane Parks, Brenda Riley, Darnel Royal, Robin Sallis, Velma Sanders, Barbara Smith, Tony Triplett and Janet Wilkins in the Bell Action.

6. "Charging Party" means all Class Representatives, Plaintiffs and Van D. Avant, Jr., Larry M. Bates, D. Todd Christopher, Noreen Edmondson, Hershey Ellis, Gregory A. Ford, Antwan Hodges, Tonya Kahly, Detroy Marshall, Sally McCabe, Joyce Polk, Pang Sati, Jose L. Vargas, Ruth Virgen, Dorothy Wallace, and Lecie Wright.

7. "Class Counsel" for the "Minority Class" means: Jennifer Soule, James Bradtke, and Kelly Lambert of Soule, Bradtke & Lambert; Robert Allison of Robert D. Allison & Associates; and Peter Earle of the Law Offices of Peter G. Earle. In addition, Stephen Seliger of Law Offices of Stephen G. Seliger and Joshua Karsh of Hughes, Socol, Piers, Resnick & Dym are counsel of record in the Bell litigation.

8. "Class Representatives" for the "Minority Class" means Bell, Berry, Buchanan, Gonzalez, Link, and Triplett.

9. "Settlement Class," "Minority Class," and "Gender Class" each mean those persons described in Section IV, below.

10. "Court" means the United States District Court for the Northern District of Illinois, Western Division.

11. "EEOC Civil Action" means EEOC v. Woodward Governor Company, No. 06 C 50178.

12. "Eligible Claimants" means Eligible Minority Claimants and Eligible Female Claimants.

13. “Eligible Female Claimants” means female employees and former employees of the Company who worked at the Rockford or Rockton facilities at any time on or after June 26, 2002 through the Preliminary Approval Date, whose claim forms are timely received by EEOC.

14. “Eligible Minority Claimants” means all African-American, Asian and/or Hispanic employees or former employees of the Company who worked at the Rockford or Rockton facilities at any time on or after May 8, 1999 through the Preliminary Approval Date, whose claim forms are timely received by EEOC.

15. “Final Approval” means the signing of this Decree on the Approval Date by the Court and either: (a) the expiration of the time for filing of a direct appeal from the Court’s approval of the Decree without the filing of a notice of appeal, or (b) if a timely direct appeal is filed, the final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Decree.

16. “Final Approval Date” is the date upon which Final Approval of this Decree is attained, as set forth in Paragraph 15 above.

17. “Gender Settlement Fund” means the amounts to be paid by Woodward under this Decree to the Gender Class.

18. “Hispanic” means all persons of Mexican, Puerto Rican, Cuban, Central American, South American or other Spanish culture or origin, regardless of race.

19. “Lead Counsel” for the “Minority Class” means Jennifer Soule at Soule, Bradtke & Lambert, 155 North Michigan Avenue, Suite 500, Chicago, Illinois 60601.

20. “Liability Period” means:

- a. for the Minority Class, the period between May 8, 1999 and the Preliminary Approval Date; and

- b. for the Gender Class, the period between June 26, 2002 and the Preliminary Approval Date.

21. "Minority" means African-Americans, Asians, and/or Hispanics. "Minority Group" means each of these three groups.

22. "Minority Settlement Fund" means the amount to be paid by Woodward under this Decree to the Minority Class.

23. "Preliminary Approval Date" means the date upon which the Court entered an Order preliminarily approving this Decree, pending notice, setting an opportunity for opt-out of the Minority Class or to submit objections to the Decree, and scheduling a fairness hearing thereon. The Preliminary Approval Date is October 5, 2006.

24. "Release" means the Release of Claims as provided for herein.

25. "Term of the Decree," "Period of the Decree" or "Duration of the Decree" is the period from the Approval Date until the expiration of the Decree, as described in Section XVI below.

26. "Woodward" or the "Company" means Woodward Governor Company, as well as each of its parents, subsidiaries, affiliates, officers, directors, agents, management, successors and assigns and those in active concert or participation with them, or any of them. Anytime or place the terms "Woodward" or "the Company" appears herein as relates to any duty or obligation, such terms of this Decree only apply to and are strictly limited to Woodward's Rockford, Illinois, and Rockton, Illinois facilities.

#### **IV. SETTLEMENT CLASS**

A. For purposes of the monetary relief provided in this Decree, the "Settlement Class" is and consists of:

1. Pursuant to Federal Rule of Civil Procedure 23(b)(3), all African-American, Hispanic and/or Asian employees and former employees of Woodward who have worked at the Rockford and/or Rockton Illinois facilities at any time on or after May 8, 1999 through the Preliminary Approval Date, except those who previously opted out of the Rule 23 minority class pursuant to Orders of the Court dated January 3, 2005 and January 13, 2005 and those who timely file a request to opt-out of the monetary relief provisions of this Decree (herein the "Minority Class"); and

2. All female employees and former employees of Woodward who have worked at the Rockford and/or Rockton Illinois facilities at any time on or after June 26, 2002 through the Preliminary Approval Date and who execute releases pursuant to this Decree (herein the "Gender Class").

B. For purposes of the equitable and declaratory relief provided in this Decree, the Settlement Class is and consists of:

1. Pursuant to Federal Rule of Civil Procedure 23(b)(2), all African-American, Hispanic and/or Asian employees and former employees of Woodward who have worked at the Rockford and/or Rockton Illinois facilities at any time on or after May 8, 1999 through the Preliminary Approval Date; and

2. All female employees and former employees of Woodward who have worked at the Rockford and/or Rockton Illinois facilities at any time on or after June 26, 2002 through the Preliminary Approval Date and who execute releases pursuant to this Decree.

C. For purposes of Section V below of this Decree, Minority Class Members who have filed timely requests to opt-out of the monetary relief provisions of the Decree shall not be held to release any claims for individual relief.

D. In the event that Final Approval of this Decree is not attained, nothing herein shall be deemed to waive the Company's objections and defenses to class certification, liability or entitlement to monetary or equitable relief, or any other issue, and this Decree shall not be admissible or citable in any court regarding the propriety of class certification or any other issue or subject.

**V. RELEASE OF CLAIMS**

A. Release of Claims by the Settlement Class. Upon Final Approval of the Decree, Woodward and its directors, officers, managers, agents, employees, attorneys, insurers, pension, profit sharing, savings and other employee benefits plans of whatsoever nature, as well as those plans' trustees and administrators, and for each of the foregoing, their respective successors and assigns, shall be fully released and forever discharged from any and all individual and/or class-wide claims, demands, charges, complaints, rights and causes of actions of any kind, known or unknown, by the Plaintiffs, Class Representatives, Charging Parties, the Settlement Class and by each member of the Settlement Class, including their heirs, assigns and estates, whether seeking monetary and/or equitable relief of any sort, which arise out of or are related to conduct within the applicable Liability Period constituting alleged gender and/or race, color, and/or national origin discrimination and/or retaliation, and/or an alleged violation of 42 U.S.C. 1981, Title VII of the Civil Rights Act of 1964, 42 U.S.C. 2000e et seq., and the Equal Pay Act, 29 U.S.C. §206 et seq., and/or any other federal, state or local law or order prohibiting gender, race, color, and/or national origin discrimination and/or retaliation, whether statutory, regulatory, pursuant to local ordinance or at common law which was or could have been asserted in the Bell and/or EEOC Litigation, except sexual harassment. This release is final and shall survive the expiration of the Decree's term.

B. Release of Claims by Plaintiffs, Class Representatives and Charging Parties. Upon Final Approval of the Decree, for and in consideration of the mutual promises, terms and conditions set forth herein, the sufficiency of which consideration is expressly acknowledged, Woodward and its directors, officers, managers, agents, employees, attorneys, insurers, pension, profit sharing, savings and other employee benefits plans of whatsoever nature, as well as those plans' trustees and administrators, and for each of the foregoing, their respective successors and assigns, shall be fully released and forever discharged by Plaintiffs, the Class Representatives and the Charging Parties, including their heirs, assigns and estates from any and all claims, demands, charges, complaints, rights actions, causes of actions, suits, demands, damages, liabilities, assessments, judgments, costs, losses, debts, obligations and expenses, of any and every kind, known or unknown, that they have had, now have or may have from the beginning of time to the Preliminary Approval Date, including, but not limited to, those arising in any way out of the alleged facts, circumstances and occurrences underlying those allegations of violations of Title VII and/or Section 1981 and/or the Equal Pay Act that were asserted or might have been asserted by or on behalf of Plaintiffs, Charging Parties and/or the Class Representatives against the Company either in the Complaints filed, or in any and all charges of discrimination filed against Woodward or any other allegedly illegal, unlawful or tortuous actions by Woodward. The sole exception to the foregoing is that this release does not include workers' compensation claims, if any, of the Class Representatives, Plaintiffs and/or Charging Parties. This release is final and shall survive the expiration of the Decree's term.

C. EEOC Release. Upon Final Approval, this Decree shall fully and finally resolve any and all claims, class-wide claims, demands, charges, complaints, rights and causes of actions of any kind or nature whatsoever, known or unknown, which were or could have pursuant to the EEOC's Letter of Determination been asserted by the EEOC in its Complaint arising from incidents

occurring prior to the Preliminary Approval Date. It is the intention of Woodward and the EEOC that this release terminates all investigations relating to claims which were asserted by EEOC in its Complaint or by Charging Parties in their charges listed in Paragraph II.B relating to Woodward's Rockford and Rockton facilities. This release is final and shall survive the termination of this Decree.

D. No Bar to Future Claims. Nothing in this Decree shall be construed to bar any claims of the Settlement Class, Plaintiffs, Class Representatives and/or Charging Parties based on or arising out of events occurring after the Preliminary Approval Date.

## **VI. MISCELLANEOUS PROVISIONS**

A. No Admission of Liability. This Decree does not constitute and shall not be deemed to be a finding or determination by the Court, nor an admission by any party, regarding the merits, validity or accuracy of any of the allegations, claims or defenses. This Decree represents the compromise of disputed claims that the parties recognize would require protracted and costly litigation to determine. Woodward denies that it has engaged in any policy or pattern or practice of unlawful discrimination, or that it has engaged in any other unlawful conduct. Woodward's entry into this Decree is not and may not be used by any person or entity in any proceeding as an admission or evidence that Woodward and/or its employees, managers, and/or attorneys have on any occasion engaged in discriminatory employment practices or any other unlawful conduct, such being expressly denied. Woodward has voluntarily entered into this Decree because it believes the actions it has agreed to undertake demonstrate its strong commitment to equal employment opportunity. Neither the Decree nor any compliance reports, filings, data, or other compliance information arising out of or related to the Decree shall be discoverable, admissible or used as evidence of liability or

non-liability for unlawful discrimination in any proceeding other than one relating to the enforcement of this Decree.

B. Duty to Support and Defend the Decree. Plaintiffs, Class Representatives, Charging Parties, Class Counsel, EEOC and Woodward each agree to abide by all of the terms of this Decree in good faith and to support it fully, and shall use their best efforts to defend this Decree from any legal challenge, whether by appeal or collateral attack.

## VII. ESTABLISHMENT OF SETTLEMENT FUND

### A. Settlement Fund.

1. As of the Preliminary Approval Date, Woodward shall cause to be established a Qualified Settlement Fund under §468(b) of the Internal Revenue Code (“the Settlement Fund”) hereunder in the principal amount of \$4,800,000.00 for the purpose of providing individual monetary awards to Class Representatives, Plaintiffs, Charging Parties and other Eligible Claimants.

The Settlement Fund shall accrue imputed interest at a rate sufficient to provide a total in the fund of \$5,000,000.00 (i.e., \$200,000 of interest) as of the Approval Date. As of the Approval Date, the total opt-out credit, as computed in Paragraph VIII.B.3, shall be subtracted from the Settlement Fund, leaving as the remainder the “Post Opt-Out Settlement Fund Amount.” Beginning on Approval Date through Final Approval, the Post Opt-Out Settlement Fund Amount shall accrue interest in the Qualified Settlement Fund at the T-Bill rate. On Final Approval, the Post Opt-Out Settlement Fund Amount shall be distributed by the Claims Administrator consistent with the EEOC Determinations of amounts to Eligible Claimants. The interest accrued from Approval Date to Final Approval will be used by/for Woodward to (a) pay administrative expenses, and (b) to satisfy Woodward’s payroll taxes on the distributed amounts, in that order. If there is any balance remaining thereafter, it will be distributed to Eligible Claimants pro-rata, providing that any

additional payroll tax liability of Woodward caused by the pro-rata distribution is first satisfied. If the *Cy Pres* provision is triggered for either or both classes the amount to be conveyed to the charities shall also be distributed on Final Approval. After Final Approval, the Qualified Settlement Fund, subject to the provisions herein, shall be transferred to the Claims Administrator, who shall be authorized to issue checks to Eligible Claimants.

2. Within five (5) days of the Arbitrator's decision or agreement of the parties, fees and costs will be placed in a separate Qualified Settlement Fund to accrue interest until distributed to Class Counsel within five (5) days of the Final Approval date.

B. Minority Settlement Fund. Subject to the opt-out credit, if any, as computed in Paragraph VIII.B.3, \$2,400,000.00 of the Settlement Fund shall be distributed to Eligible Minority Claimants pursuant to the procedures described in this Decree, provided, that at least 110 Eligible Minority Claimants submit claims.

C. Gender Settlement Fund.

1. \$2,600,000.00 of the Settlement Fund shall be distributed to Eligible Female Claimants pursuant to the procedures described in this Decree, provided, that at least 225 Eligible Female Claimants submit claims.

2. Eligible minority females who submit a claim form in both classes shall be counted towards the total number of claims in both classes.

D. Cy Pres Provision. In the event that fewer than 110 Eligible Minority Claimants submit timely claims, the amount of the Minority Settlement Fund to be distributed shall be reduced by \$7,500.00 for each Eligible Minority claim less than 110 that has been timely submitted. For example, if 100 Eligible Minority Claimants submit timely claims, then the Minority Settlement Fund shall be reduced by \$75,000 ( $7,500 \times 10$ ). The full amount of the reduction from the amount

of the Minority Settlement Fund shall be conveyed to Rock Valley Community College (with a direction from the Claims Administrator that the funds be utilized in particular to advance the interests of minorities) at the time the distribution of payments to Eligible Minority Claimants is made. In the event that fewer than 225 Eligible Female Claimants submit timely claims and releases, the amount of the Gender Settlement Fund shall be reduced by \$10,000.00 for each Eligible Female Claimant less than 225 that has been timely submitted. For example, if 200 Eligible Female Claimants submit timely claims and releases, then the Gender Settlement Fund shall be reduced by \$225,000 ( $10,000 \times 25$ ). The full amount of the reduction from the amount of the Gender Settlement Fund shall be conveyed to Rock Valley Community College (with a direction from the Claims Administrator that the funds be utilized in particular to advance the interests of women) at the time the payment to Eligible Female Claimants is made.

E. If Class Counsel or the EEOC believe Woodward took any action that adversely interfered with, deterred, or discouraged claimants (minority or female) from filing a claim, they will notify Woodward in writing of such actions, along with all other non-privileged information available to them, including, but not limited to, the identities of all individuals involved, interfered with or discouraged, and permit Woodward an opportunity to cure as to the individual(s) directly involved and any chilling effect the action may have had on others. If Class Counsel or the EEOC are not satisfied with Woodward's response, they may file a motion with the Court for appropriate relief. It shall be a presumption that if Class Counsel or the EEOC establish that Woodward took any action that adversely interfered with, deterred, or discouraged claimants from filing a claim, and Woodward failed to cure, then the Court will order 50% of the amount to be allocated to the *Cy Pres* Charity, instead be returned to the Settlement Fund for distribution for Eligible Claimants. Provided, however, that nothing in this Section shall in any way affect the rights or remedies

available to the Parties or individuals under any other provision of this Decree, including, without limitation, Section XXI.

#### **VIII. NOTICE AND CLAIMS PROCEDURE**

A. On October 13, 2006, Woodward shall transmit to the Claims Administrator a computer disk containing information from its payroll database including the full name, social security number, and last known address for each current Female Class Member and each current Minority Class Member. This information shall also be provided to Class Counsel. Class Counsel shall provide the Claims Administrator a list of persons who previously opted out and a list of Plaintiffs, Class Representatives and Charging Parties who get General Releases. Class Counsel will also send these lists to Defendant's Counsel. Also by October 13, 2006, Woodward shall transmit to the Claims Administrator a computer disk containing information from its payroll database including the full name, social security number, and last known address for each former Female Class Member who has worked at the Rockton or Rockford facilities from June 26, 2002 to present and a computer disk containing information from its payroll database including the full name, social security number, and last known address for each former Minority Class Member who has worked at the Rockton and Rockford facilities from May 8, 1999 to present. This information shall also be provided to Class Counsel. The Claims Administrator will take reasonable steps to obtain the current addresses of Settlement Class Members formerly employed by the Company including tracing and using other relevant information reasonably available to the Company.

B. Notice to Class Members. Within 10 days of the receipt of the employee data, but no later than October 25, 2006, the Claims Administrator shall mail to all known Class Members (but not to those on the previously opted out list as provided by Class Counsel) at their last known address and most recent address obtained, via first class postage, (i) a Notice of Settlement, (ii)

Claim Form(s), and (iii) a release form ("Claim Package"). The Minority Claim Package will be substantially in the forms attached at Exhibit A (i), (ii) and (iii), approved (or modified) by the Court in the Preliminary Approval Order, and the Gender Claim Package will be substantially in the forms attached as Exhibit B(i), (ii) and (iii), approved (or modified) by the Court in the Preliminary Approval Order. The Claims Administrator shall make reasonable efforts (including tracing) to locate Settlement Class Members whose Claim Packages are returned as undeliverable.

1. Notice to Minority Class Members. The Claim Package to be sent to the Minority Class Members shall be in the form attached hereto and approved (or modified) by the Court and is intended to include the following:

- a. a statement that there is a proposed settlement of the claims in the Bell Action;
- b. a description of the Bell Action and description of the terms of the settlement, including the factors that will be considered in distributing the settlement funds;
- c. a statement that the Court will hold a hearing at which time the Court will consider the fairness, adequacy and reasonableness of the proposed settlement;
- d. a statement that a Minority Class Member may elect to opt-out of the monetary provisions of the proposed settlement;
- e. a statement that Minority Class Members who do not opt-out may object by submitting written objections regarding the settlement and appearing at the fairness hearing;
- f. a statement that the parties have agreed to submit the issue of attorneys' fees and expenses to an independent, neutral arbitrator for resolution by a Court-approved process;
- g. a statement that, before the Fairness Hearing, class members may contact the EEOC or Class Counsel to see the final distribution, which will be filed with the Court;

- h. a claim form and instructions, including instructions concerning the release form; and
- i. a release form.

2. Notice to Female Class Members. The Claim Package to be sent to the Female Class Members shall be in the form attached hereto and approved (or modified) by the Court and is intended to include the following:

- a. a statement that there is a proposed settlement of the claims of the Female Class Members;
- b. a description of claims asserted by the Female Class Members and the terms of the settlement, including the factors that will be considered in distributing the settlement funds;
- c. a statement that the Court will hold a hearing at which time the Court will consider the fairness, adequacy and reasonableness of the proposed settlement;
- d. a statement that, before the Fairness Hearing, Female Class Members may contact the EEOC or Class Counsel to see the final distribution, which will be filed with the Court;
- e. a claim form and instructions, including instructions concerning the release form;
- f. a release form.

3. Minority Class Opt-Outs. For each Minority Class Member who timely complies with the procedure in this Decree to be excluded from the Minority Class monetary settlement by November 29, 2006, (not including persons who have previously opted out of the class), \$5,000.00 will be deducted from the Minority Settlement Fund. If there are 21 or more such opt-outs, (not including persons who have previously opted out of the class), Woodward has the right for ten(10) business days after the Claims Administrator notifies the parties of the total number of opt-outs and provides Woodward with the name, social security number and a copy of the opt-out

request for each person to elect to nullify the settlement. In such event, all releases will be considered null and void, the Decree is null and void and any Orders hereunder shall be vacated by the consent motion of the parties.

**IX. CLAIMS PROCEDURE**

A. Claims Administrator. The parties agree that Settlement Services Incorporated shall be the Claims Administrator and shall: (a) mail the Claims Package; (b) receive claim forms, objections, opt-outs and other communications from Class Members; (c) transmit notifications of monetary awards; (d) issue checks from the Settlement Fund; (e) issue related tax documents; and (f) perform such other administrative tasks as it may deem necessary to facilitate the claims process. All expenses, fees, and costs of the Claims Administrator shall be paid by the Company. Subject to Paragraph VII.A, in the event that actual interest accrues on the initial funding of the Settlement Fund such that the fund has more than \$5.0 Million to distribute, such excess monies shall be used to pay administrative costs, expenses, and any payroll taxes incurred by Woodward.

B. Minority Class Members Right to Opt-Out. Members of the Minority Class who have not previously opted out of the case may exclude themselves; that is opt-out, of the monetary relief provisions of the proposed settlement. Any request for exclusion must be in writing, must include the individual's name and address and must be sent to and received by the Claims Administrator no later than November 29, 2006, fifty-five (55) days after the Preliminary Approval Date. The notice that a Minority Class Member is opting out must be postmarked on or before such date in order to be considered timely.

C. Submission of Claim Forms. Eligible Claimants who seek money from the Settlement Fund must complete a claim form and release form and cause it to be sent to the Claims Administrator and postmarked no later than November 29, 2006, fifty-five (55) days after the

Preliminary Approval Date. The claim form must be postmarked on or before such date in order to be considered timely. All claim forms must be signed under penalty of perjury to be considered.

D. Late Claims. For claims received after the filing deadline, the Claims Administrator shall notify late-filing claimants that their claims are untimely and that they are not eligible for any monetary award. The Claims Administrator shall also inform late-filing claimants that they may seek a review of the determination that they filed untimely by requesting the Claims Administrator reconsider its determination. The Claims Administrator may reverse its determination that a claim was not timely filed only if the claimant proves that the claim form was mailed on or before the filing deadline and that the untimeliness determination is erroneous.

E. Incomplete Forms. If a claim form is determined to be incomplete by the Claims Administrator, the Claims Administrator shall request additional information from the Class Member. Likewise, if a Class member fails to provide a Release with his/her claim form, the Claims Administrator shall promptly request that one be executed. If such additional information is necessary to make a determination of eligibility for an award or the amount thereof, then the Class Member must send such requested information, signed under penalty of perjury, to the Claims Administrator by mail with a postmark no later than twenty-one (21) days from the date of the mailed request for information. If a claim is submitted without a release form, the Claims Administrator will contact the Claimant and obtain the release form by December 29, 2006. If a Class Member fails to provide such necessary information, the Claims Administrator shall notify the Class Member that his/her claim form is untimely and he/she is not eligible for a monetary award.

F. Claims of Deceased Persons. Claims may be filed by deceased claimants through legal representatives of their estate if appropriate documentation (letters testamentary or the

equivalent) is provided. Any claims paid to a deceased claimant shall be made payable to the estate of the deceased claimant.

G. Forwarding of Claim Forms to EEOC. The Claims Administrator shall forward claim forms and supporting documentation to the EEOC on a rolling basis as received.

H. Determination of Claims. By January 8, 2007, the EEOC shall determine whether each Eligible Claimant who filed timely claims is eligible to receive a monetary award and, if so, EEOC shall determine the amount of each monetary award.

1. Factors Bearing on Determination of Minority Settlement Fund Claims. EEOC will determine the amount of each Eligible Minority Claimant's monetary award based on the following factors: length of service with Woodward; length and degree of alleged underpayment; length and degree of alleged under-advancement; evidence of alleged denial of training opportunities; evidence of alleged disparities between the Eligible Minority Claimant's and comparable white employees with respect to compensation, training, and advancement; Class Counsel's recommendations; evidence of other alleged conduct with respect to which claimant asserts a right to relief (e.g., denial of promotions beyond level advancement, hostile work environment, termination, retaliation); whether the Eligible Minority Claimant allegedly complained to Woodward; whether the Eligible Minority Claimant was a Class Representative, Plaintiff and/or a Charging Party and time or effort devoted to the litigation; any alleged emotional distress suffered as a result of alleged unlawful practices.

2. Factors Bearing on Determination of Gender Settlement Fund Claims. EEOC will determine the amount of each Eligible Female Claimant's monetary award based on the following factors: length of service with Woodward; length and degree of alleged underpayment; length and degree of alleged under-advancement; evidence of alleged denial of training

opportunities; evidence of alleged disparities between the Eligible Female Claimant's and comparable male employees with respect to compensation, training, and advancement; evidence of other alleged conduct with respect to which claimant asserts a right to relief (e.g., denial of promotions beyond level advancement, work environment, termination, retaliation); whether the Eligible Female Claimant allegedly complained to Woodward; whether the Eligible Female Claimant was a Charging Party and time or effort devoted to the litigation; any alleged emotional distress suffered as a result of alleged unlawful practices.

I. Direct Assertions of Discrimination. The Claim Forms will not require an Eligible Claimant to make direct assertions of discriminatory conduct by Woodward.

J. Information in Woodward's Possession. In certain limited instances, Woodward may be asked to provide documents and electronic data that has not already been provided to the EEOC and/or Class Counsel that is necessary to make award determinations. In those limited instances, Woodward will cooperate in a reasonable manner in providing documents or data which is reasonably necessary to assist in determining the eligibility of any Eligible Claimant for monetary relief or the amount thereof. Any requests hereunder shall be made through Counsel for the Company.

K. Notification of Awards. Upon the determination of all claims and no later than January 8, 2007, EEOC shall cause the Claims Administrator to notify within seven (7) days each such Class Member via First-Class U. S. Mail of the amount of his/her monetary award, if any, and the distribution to each Eligible Class Member and of his/her right to object by submitting a notice of intention, position, and appearing at the Fairness Hearing. The Notification of Award shall indicate that the award is subject to review or modification only by the Court. It shall also notify each Eligible Claimant that in order to receive monetary payments under this Decree, he/she must

have executed and delivered to the Claims Administrator a Release (copies of which are attached hereto as Exhibit A(iii) and Exhibit B(iii)). Settlement funds will not be distributed to any Eligible Claimant until the Eligible Claimant has executed the Release and delivered it to the Claims Administrator. As set forth above, the Claims Administrator shall request a Release form at the time claim forms are submitted from any Eligible Claimant who failed to provide an executed Release along with his/her Claim form.

**X. FAIRNESS HEARING**

A. A Fairness Hearing to consider the overall fairness, reasonableness and adequacy of the proposed settlement shall be held following mailing of the notice described in Paragraph VIII.B, on a date between February 12, 2007 and February 23, 2007, specified by the District Court at the time of Preliminary Approval. The notice described in Paragraph VIII.B shall identify this date.

B. Appearance By Class Members at Fairness Hearing. Any member of the Minority Class as defined in this Decree who wishes to be heard in opposition to the overall or individual fairness, reasonableness and adequacy of the settlement, including monetary awards, may appear at the Fairness Hearing, provided that such member of the Minority Class must first provide to the Claims Administrator a notice of intention to appear and written statement of position (including name and address) to be asserted, at least twenty (20) business days prior to the Fairness Hearing. The Claims Administrator shall transmit any such notices and statements to the District Court and Counsel no later than fifteen (15) business days prior to the Fairness Hearing.

C. The Court shall modify an objecting Eligible Claimant's monetary award only upon finding that EEOC's monetary award determination constituted a gross deviation from the EEOC's application of the provisions contained in Paragraph IX.H. The modification of awards may result in a revision of the tentative monetary awards determined by the EEOC for other Eligible Claimants.

In no event may such revision increase the Settlement Fund. Upon the Court's resolution of any objections, and any necessary modification of the monetary awards, the Court will enter an Order Approving the Allocation of the Settlement Funds. The Court will further rule on any objections as to the overall or individual fairness, reasonableness and adequacy of the proposed settlement.

**XI. DISTRIBUTION OF SETTLEMENT FUND**

As defined in Paragraph III.15, above, within five (5) days of Final Approval, the Claims Administrator shall issue and mail a check to each Eligible Claimant in the amount reflected in the final settlement distribution list.

**XII. TAX TREATMENT OF MONETARY AWARDS**

The monetary awards shall be allocated 15% to lost wages and 85% to compensatory damages and interest.

**XIII. CY PRES FUND**

In the event that checks are returned, the Claims Administrator shall make best efforts to find the claimant and shall hold the check for sixty (60) days to do so. Thereafter, any such portion of the Settlement Fund not completely distributed for any reason shall become part of a *cy pres* fund to be distributed to Rock Valley College with the direction that the funds be used to advance the interests of minorities and women.

**XIV. ATTORNEYS FEES AND COSTS**

A. Attorney's Fees to Date. The parties agree that the entitlement of Class Counsel to fees to date will be determined by Max Brittain, Esq., in accord with a stipulated Fee Arbitration process, utilizing Seventh Circuit Court of Appeals and United States Supreme Court standards. The parties agree to be bound by the Fee Arbitration Stipulation signed simultaneously with Preliminary Approval of the Consent Decree. The outcome of this Arbitration process shall be final and binding,

and there shall be no appeal. Prior to the Fairness hearing, the Court will be informed of and, if it finds it reasonable and fair, approve the Arbitrator's determination of attorneys' fees and costs at the Fairness Hearing. Nothing shall prevent the Mediator, Hunter Hughes, from engaging the parties in settlement of the fees prior to the Arbitrator's determination at his discretion and in accord with the understanding of the parties. The Fee Arbitration process shall commence upon Preliminary Approval. The Fee Arbitration process concerning fees to date is summarized as follows, and is detailed in a stipulation between the parties:

- a. Class Counsel shall file a submission in accord with Local Rule 54.3(A) – (D) with defendant and the Arbitrator within twenty-one (21) days of Preliminary Approval (on or about October 26, 2006);
- b. Defense Counsel will produce materials to plaintiff and the Arbitrator in accord with Local Rule 54.3(A) and (B) on the same day as plaintiffs' submission;
- c. both parties may submit narrowly tailored requests for additional documents and the Arbitrator will rule on any objections thereto;
- d. defendant will file with Class Counsel and the Arbitrator additional disclosures and its responsive submission under Local Rule 54.3(D) twenty (20) days after receiving the documents produced in response to requests for production;
- e. Plaintiff shall submit to the Arbitrator and defendant a reply twenty (20) days after defendant's submission;
- f. the Arbitrator shall conduct a confidential hearing to be completed no later than January 25, 2007, consisting of no more than 10 hours as detailed in the stipulation;
- g. the Arbitrator will make and convey his determination to the Mediator, Hunter Hughes, no later than February 9, 2007, and in any event prior to the Fairness Hearing.

B. Attorney's Fees Related to Obtaining Fees. The parties agree that entitlement of Class Counsel to fees and costs related to obtaining attorney's fees ("fees on fees") will be

determined by the fee Arbitrator, Max Brittain, in accord with the stipulated Fee Arbitration process. The outcome of this determination shall be binding and there shall be no appeal.

C. Attorney's Fees Related to Approval of Decree and Claims Process. The parties agree that the entitlement of Class Counsel to fees and costs related to approval of this Decree and the claims process will be determined by the fee Arbitrator, Max Brittain, in accord with the stipulated Fee Arbitration process. The outcome of this determination shall be binding and there shall be no appeal.

D. Costs to Date. The parties stipulate to the payment within five (5) days of Final Approval of this Decree of \$345,000.00 to Class Counsel in litigation costs through Final Approval, plus any reasonable copying and telephone costs and costs of the mediator.

E. Time For Payment. The fees determined to be owing to Class Counsel under A, B or C above shall be paid to Class Counsel within five (5) days after Final Approval, as defined in Paragraph III. 15.

F. Pro Rata Opt-Out Credit Fee Reduction. The total of fees owed to Class Counsel shall be reduced by the same percentage as the percentage reduction to the overall Settlement Fund from the opt-out credit amount.

#### **XV. GENERAL INJUNCTIVE PROVISIONS**

A. For the term of the Decree, Woodward shall not enact, maintain or implement any policy or engage in any practice or procedure that has the purpose or effect of unlawfully discriminating against African-Americans, Hispanics, and Asians on the basis of race, color, and/or national origin.

B. For the term of the Decree, Woodward shall not enact, maintain or implement any policy or engage in any practice or procedure that has the purpose or effect of unlawfully discriminating against women on the basis of gender.

C. For the term of the Decree, Woodward shall not enact, maintain or implement any policy or engage in any practice, conduct or procedure that retaliates or has the purpose or effect of retaliating against any current, future, or former employee of Woodward because he or she opposed discrimination on the basis of race, national origin or gender; filed a charge of discrimination on the basis of race, color, national origin or gender; testified, furnished information or participated in any manner in any investigation, proceeding, or hearing in connection with any charge or complaint of discrimination on the basis of race, color, national origin or gender; testified, furnished information or participated in any manner in connection with the monitoring or implementation of this Decree; or sought and/or received any monetary and/or non-monetary relief pursuant to this Decree.

D. For the term of the Decree, Woodward shall maintain all records as required by Title VII and EEOC regulations.

E. Within ten (10) days of the Approval Date, Woodward shall post in conspicuous places where employee notices are posted in Rockford and Rockton the Notice attached hereto as Exhibit C. The Notice shall remain posted in each such location for the duration of this Decree.

F. For the term of the Decree, Woodward will make available to minority and female employees the same employment opportunities and terms and conditions of employment, including but not limited to job assignments and promotions, as Woodward affords similarly-situated white male employees.

G. Nothing herein should be construed as any finding or admission that Woodward previously has failed to act in the manner described herein, such being expressly denied by Woodward.

H. Except as provided in alternative dispute resolution provisions herein, employees complaining of alleged violations of the provisions set forth in this Section may utilize Woodward's internal complaint procedures (as applicable) and/or may file charges with the EEOC, or the state or local fair employment practices ("FEP") agency.

I. As of the Approval Date, and pursuant to the Court's authority under the All Writs Act and the Anti-Injunction Act, 28 U.S.C. §§ 1651, 2283, and Federal Rule of Civil Procedure 23 (where applicable), each and every Plaintiff, Class Representative, minority Charging Party and each and every minority Settlement Class member who has not filed a timely request to opt-out and each and every Female Class Member who has signed a release shall be and hereby is permanently enjoined from bringing any claims released, in any court, agency or adjudicative body, whether federal, state or local.

#### **XVI. DURATION OF DECREE**

A. Unless otherwise provided, the equitable provisions of this Decree are effective thirty (30) days following the Approval Date; provided, however, that in the event that this Decree ultimately does not receive Final Approval, then any Order hereunder shall be vacated.

B. The terms of this Decree shall remain in effect for a period of 42 months from the Approval Date and shall expire without further action by the parties at midnight on the last day of the 42<sup>nd</sup> month after the Approval Date. Woodward may be relieved of the provisions of the Decree at any time following the expiration of thirty-six months from the Approval Date of the Decree if Ms. Kreiter determines that Woodward (a) has in all material respects implemented and maintained

all policies, programs, practices, and other procedures required by this Decree; (b) has in all material respects applied its policies and practices regarding compensation, promotion, and training in such a way as not to discriminate unlawfully against minorities and women with respect to compensation, promotion and training; and (c) has complied with all monetary provisions of this Decree. If Kreiter determines that Woodward satisfies the criteria in (a), (b) and (c) herein, then the Court, on motion by Woodward shall terminate this Decree upon conclusion of the thirty-six (36) months.

C. During the duration of this Consent Decree, the Court shall retain jurisdiction over this matter and the Parties for the purposes of enforcing compliance with the Decree, including issuing such orders as may be required to effectuate its purposes.

#### **XVII. APPOINTMENT OF NANCY KREITER**

The parties have stipulated that Nancy B. Kreiter ("Kreiter") shall be appointed to serve for the duration of the Decree for the purpose of overseeing Woodward's implementation of and compliance with the terms of the Decree and providing advice and assistance to Woodward. Kreiter's specific duties are as set forth herein to oversee and ensure Woodward's compliance with obligations in Sections XV through XX of this Decree. The parties agree that Kreiter's duties shall commence upon the Final Approval Date of this Consent Decree; provided, however, that following Preliminary Approval Kreiter and appropriate Woodward officials shall engage in a preparatory meeting for the purpose of promptly and effectively commencing performance of her duties hereunder as of the Approval Date and Kreiter shall be compensated for this meeting and reimbursed by Woodward as provided hereunder. In the event that Kreiter cannot serve for the full term of the Decree, EEOC and Class Counsel shall propose a replacement to Woodward for approval. If the parties agree on a replacement, the Parties shall file a joint motion for an order from the Court

appointing the replacement. If the parties are unable to agree on a replacement, the Court shall make such replacement appointment, giving due consideration to any recommendation of the parties.

#### **XVIII. KREITER DUTIES**

During the term hereof, Kreiter shall have the duty to and responsibility to oversee Woodward's compliance with the provisions of Sections XV through XX of this Decree and to provide advice and consultation to Woodward as she deems appropriate to assist Woodward in carrying out its duties hereunder.

#### **XIX. EQUITABLE RELIEF/RELATED ISSUES**

A. Complaint Investigation Process. Within thirty (30) days of the Approval Date, the Company shall adopt and implement for its Rockton and Rockford facilities the written complaint procedure and protocol attached as Exhibit D hereto which provides for, inter alia, the receipt, logging, investigating, documenting and responding to internal complaints of discrimination and/or harassment on the basis of race, color, national origin, and gender, as well as any complaint of retaliation.

B. Within thirty (30) days of the Approval Date, Woodward shall adopt and implement for its Rockton and Rockford facilities a complaint tracking spreadsheet included in Exhibit D for the purpose of recording the required information as relates to complaints of discrimination and/or harassment on the basis of race, color, national origin, and gender, as well as any complaint of retaliation, all with respect to compensation, performance appraisals, training, and/or promotion or retaliation.

C. Woodward shall provide Kreiter with the complaint tracking spreadsheets on a quarterly basis for the term hereof and Kreiter may seek backup or further documents or information in respect of any complaint identified on the tracking spreadsheet. With respect to any tracking

spreadsheet complaints that in Kreiter's good faith opinion reflect systemic or a pattern of discrimination against minorities or females, Kreiter is authorized to address such conduct and take such steps as authorized by Paragraph E, below.

D. During the first year following the Approval Date, Woodward shall on a quarterly basis provide Kreiter with 3 (assuming there are at least 3) employee complaints (as selected by her from the complaint tracking spreadsheet), along with all related investigative files, and written reports summarizing the investigation and remedial actions taken or proposed by Woodward relative to each such complaint. In addition, in any instance where Kreiter receives directly a complaint (whether oral or written) of discrimination and/or harassment on the basis of race, color, national origin, or gender from any minority or female, she shall refer such complaint to Woodward for investigation and appropriate remedial action and the complaint shall thereafter be handled as provided in Paragraph E, below.

E. Kreiter will review Woodward's investigation of each complaint that in her good faith opinion reflects systemic or a pattern of discrimination against minorities or females and in Paragraph D above, and, where appropriate, may make recommendations to Woodward regarding the investigation and resolution of complaints. Kreiter may recommend the Company take additional investigative steps including, without limitation, re-interview of the complaining party and other persons of interest with respect to any complaint, if she deems it appropriate. In addition, if such additional investigative steps do not fully resolve any concerns Kreiter may have regarding the matter, she may take any other investigative actions as she may deem appropriate.

F. Nothing herein shall be interpreted to preclude Woodward from consulting with Kreiter in the course of investigating or taking remedial action or other steps prior to the quarterly

review referred to above. Woodward is encouraged to do so so that it can obtain the contemporaneous input and advice of Kreiter in respect of such matters.

G. Job Analysis

1. Promptly and no later than thirty (30) days of Final Approval, the Company shall retain Dr. Kathleen Lundquist, a professional industrial/organizational psychologist, and her staff at Applied Psychological Techniques, Inc., (collectively "Dr. Lundquist"). The parties have stipulated to Dr. Lundquist's conducting a job analysis of the positions and job levels within the 600 series job codes at the Rockton and Rockford facilities. Prior to commencing the work called for herein, Dr. Lundquist shall attend a confidential meeting with EEOC, Class Counsel and Company counsel as a group and/or separately as determined by Dr. Lundquist. Dr. Lundquist, using her professional judgment, will be solely responsible for determining the methodology for conducting the job analysis and may consider any aspect of the positions and job levels within the 600 series job codes she deems professionally appropriate for the completion of the job analysis. Dr. Lundquist may seek information from any source she deems appropriate while conducting the job analysis.

2. Upon completion of the job analysis described herein, Dr. Lundquist, using her professional judgment, shall:

- a. develop written job descriptions (or modify the current job descriptions, as necessary) for all positions and job levels within the 600 series job codes at Rockton and Rockford, which shall include Minimum Qualifications and job responsibilities/essential functions of the job that, based on the job analysis, are job-related. Regardless of the results from the job analysis, the Company shall not be required to use "seniority" and/or "time in job" as a Minimum Qualification or other criteria for any position or job level;
- b. develop a performance appraisal, (or modify the current performance appraisal form, as necessary), that is job related for the positions and job levels in the 600 series job codes at Rockton and Rockford, consistent with the results of the job analysis; and

- c. develop a compensation review process, (or modify the current compensation review process, as necessary) (including salary change forms), that is job related for the 600 series job codes at Rockton and Rockford, consistent with the results of the job analysis.

3. The Company and Kreiter will receive the written report of Dr. Lundquist containing the results of the job analysis described in Paragraphs 2a, 2b and 2c herein and may comment upon and suggest additions or changes to such report as she deems appropriate or necessary. Kreiter will also be available to assist in resolving disputes, if any, that arise between the Company and Dr. Lundquist relating to:

- a. the development of the job descriptions in Paragraph 2a; and
- b. the application of the job analysis to the member appraisal and compensation review process in Paragraphs 2b and 2c.

4. Kreiter will not retain anyone for the purpose of reviewing or duplicating the work of Dr. Lundquist.

5. Upon completion of the steps described herein, Dr. Lundquist, and Human Resources personnel (with the advice and recommendations of Kreiter) will meet with members holding positions in the 600 series job codes in Rockton and Rockford to communicate:

- a. the results of the job analysis;
- b. the job descriptions;
- c. the level advancement or downward movement process;
- d. the performance appraisal and compensation process for positions and job levels in the 600 series jobs in Rockton and Rockford; and
- e. such other matters as Dr. Lundquist and Kreiter deem appropriate with input from the Company.

H. Job Review

1. Upon completion of the job analysis and job descriptions in Paragraph XIX.G by Dr. Lundquist, Human Resources personnel will conduct a review, with input from Front-Line Leaders, of the job level assignment for each member in positions and levels classified within the 600 series job codes to determine each member's level classification consistent with the updated written job descriptions. Based on this review, the Company may adjust upward, maintain, or adjust downward a member's level classification.

2. Based on the review in Paragraph XIX.H.1 above, the Company will adjust upward the job level classification of any member who meets the objective Minimum Qualifications and objective job responsibilities/essential functions, as provided in the written job description, of a job level above the member's then current assigned level classification.

3. Based on the review in the Paragraph XIX.H.1 above, the Company will adjust downward the job level classification of any member who does not meet the objective Minimum Qualifications and objective job responsibilities/essential functions, as provided in the written job description, of the member's then current job level classification.

4. The Company will be responsible for informing each member whose job level classification is within the 600 series job codes whether the Company has adjusted upward, maintained or adjusted downward the member's job level classification and the reasons for any downward classification decision.

5. Within 30 days of the review described in Paragraph XIX. H. 1, Dr. Lundquist shall receive from the Company the information in the preceding Paragraph 4 and will review all job level downward reclassifications or classifications that remained the same for minority and

female members in the 600 series job codes to ensure that the reclassification is consistent with the requirements of the job.

- a. If Dr. Lundquist disagrees with the downward or maintained reclassification of a minority or female member in the 600 series job codes, she shall confer in good-faith with Human Resources personnel, and to the extent necessary, Front-Line Leaders involved in the decision to reclassify the member.
  - b. If an agreement is not reached between Dr. Lundquist and Human Resources on the downward or maintained reclassification, Dr. Lundquist shall submit the disagreement to Kreiter for her review and the determination of Kreiter in respect of such disagreement shall be final.
6. H.R. Review
  - a. Within ten (10) days of receipt of notice in Paragraph 4, above, a member in the series 600 job codes who believes he or she was improperly maintained at the same level or improperly classified downward can submit to Human Resources a written request that the decision be reconsidered ("request for HR review"). Any such request for HR review must include the specific reasons the member believes support reconsideration.
  - b. Within thirty (30) days of receipt of a request for HR review, Human Resources along with the member's Front-Line Leader will confer and make a determination as to whether the member was properly maintained in the same classification or properly classified downward. If the determination is adverse to the employee, then the matter automatically shall be forwarded to Global Human Resources. Within twenty-one (21) days of receipt by Global HR, the Global Human Resources Director will review and make a determination as to whether the member was properly classified. Within five (5) days thereafter, the Global Human Resources Director will advise the member of the determination by Global HR and advise the member in writing of the time limits for appeal to Kreiter and provide Kreiter's address and phone number. The written notification shall prominently and in bold identify the ten (10) day time limit for appeal.
7. Kreiter's Review. Within ten (10) days of receipt of the determination on the appeal to Global HR, a minority and/or female member, if dissatisfied with the downward or

maintained classification decision, may submit a written request to Kreiter seeking review of such classification decision ("request for Kreiter's review"). Any such request for Kreiter's review must include the specific reasons the member believes supports the request for Kreiter's review. Within twenty-one (21) days of the receipt of the request for Kreiter's review, Kreiter shall advise the Global Human Resources Director as to whether she believes the classification decision was proper. As a part of her review, Kreiter will be given access to such Company information as she may reasonably deem is necessary for her determination.

- a. If Kreiter determines that the minority or female member was not properly classified downward or maintained in the same classification, then Kreiter will provide to the Global Human Resources Director the reasons supporting a recommendation that the classification be overturned and the member be placed in the proper level.
- b. If the Kreiter and Global Human Resources Director agree as to the outcome, then Kreiter shall notify the member of the outcome of the request for Kreiter review.
- c. If the Global Human Resources Director and Kreiter, after conferring in good-faith, do not reach an agreement as to the minority or female member's proper job level classification, then Kreiter shall advise the EEOC and Class Counsel, who may initiate the dispute resolution process under Section XXI hereof.
- d. Dr. Lundquist will be available to consult with the Human Resources personnel, Global Human Resources Director, and/or Kreiter at each step in the process described herein.

8. Following the downward reclassification of any minority or female as a result of the process described above, and upon conclusion of the appeals process above, the Company will make available to any minority or female who has been re-classified downward and requests it, a development plan which will include a description of the training, experience, and/or skills necessary to obtain the objective Minimum Qualifications and objective job responsibilities/essential

functions of his or her previous job level classification; such development plan shall include the targeted dates for completion of the development steps and a statement by the member and the Company as to how they will jointly work to achieve the plan in the targeted time frame.

9. Upon completion of the review and appeal process described above, the Company will conduct two reviews, in six month increments, and annually thereafter of whether each member who was reclassified to a lower job level has acquired the objective Minimum Qualifications and objective job responsibilities/essential functions of his/her prior job level classification. If the member has obtained the objective Minimum Qualifications and objective job responsibilities/essential functions of his/her prior level classification, the Company shall return the member to his/her prior level classification.

10. If a member who is reclassified downward fails to attain the objective Minimum Qualifications and objective job responsibilities/essential functions to return to the prior level within the first one year period described above, then the member's compensation will not be decreased during the one year period following the downward level adjustment. After this one year period expires:

- a. the member's compensation will not be adjusted downward so long as the member's then-current compensation falls within the minimum and maximum range for the lower job level to which he/she has been reclassified; or
- b. if the member's then-current compensation exceeds the maximum compensation for the lower job level to which he/she has been reclassified, then the member's compensation will be reduced to the maximum allowed for the lower job level to which he/she has been reclassified. This compensation reduction will occur in two phases, occurring in two consecutive six month periods, in two equal reductions.

11. If a female or minority successfully appeals his or her classification was improperly maintained, then that person shall be moved to the upper level, provided however that as of the time of the appeal decision Woodward makes the determination that there is not a need at the level at issue, the person shall not be advanced. If Woodward makes a good faith determination that there is no need for an additional person at such level at that time, it shall so advise the affected member and Kreiter and the basis for such determination. If beginning twelve (12) months after the initial decision in Paragraph XIX.H.4, above, to not reclassify the member to a higher level, the member has not been placed in the upper level, then (a) the member's compensation shall not be adjusted upward so long as the member's then-current compensation is within the range for the higher job level to which he or she would have been reclassified, or (b) if the member's then-current compensation is below the minimum compensation range for the higher job level for which he or she would have been reclassified, then the member's compensation will be increased to the minimum for the higher job level to which he or she would have been reclassified. This increase will occur in two (2) phases, occurring in two (2) consecutive six (6) month periods in two (2) equal increases.

I. Job Postings

1. Within twenty (20) days of Preliminary Approval, the Company shall amend its job posting system to include all open working lead job positions at its Rockford and Rockton facilities with the posting of such position being in the same location and manner as are other job postings. Persons selected for posted job positions shall be identified on "Inside Woodward" for no less than two weeks subsequent to their selection.

2. While the job posting system does not apply to changes in status occurring through the job level advancement process, persons receiving a job level advancement at Rockford

and Rockton shall be identified on "Inside Woodward" for no less than two weeks subsequent to their advancement.

3. Kreiter shall have oversight of and access to the Company's job posting system and Inside Woodward to ensure Woodward's compliance with this provision.

J. Training, Education and Information

1. Within ninety (90) days of the Approval Date, the Company shall provide two hours of equal employment opportunity training to all current non-management Rockford and Rockton employees. The parties have stipulated that the training shall be conducted by ELI. The non-management training shall include, but need not be limited to, communicating the equitable provisions of this Decree (including the discrimination complaint process and the posted promotion process); the requirements of Title VII; examples of conduct which may be considered race, national origin, or gender discrimination or harassment, including but not limited to examples of discrimination concerning compensation, promotion, level advancement, and training, including opportunities for cross training; examples of conduct that may be considered retaliation; the discrimination complaint procedure; and other topics that foster equal employment opportunity in compensation, promotions, and training. Each employee's participation in this training shall be documented and subject to Kreiter's oversight. New hires shall receive equal employment opportunity training within a reasonable period from their time of hire. During each subsequent year in which the Decree is in effect, the Company shall provide all non-management Rockford and Rockton employees two hours of equal employment training. This training may be provided by a Company employee approved by Kreiter and trained by ELI. All trainings required by this Section shall be live trainings conducted in person.

2. Beginning ten (10) days after the Approval Date, the Company shall initiate the process with ELI to provide all current management and supervisory-level employees and all human resources professionals at the Rockton and Rockford facilities with four hours of “supervisor” equal employment opportunity training. The parties have stipulated that this training shall be conducted by ELI. The management training shall include, but need not be limited to, communicating the equitable provisions of this Decree; compliance with the Decree; the requirements of Title VII; examples of conduct which may be considered race, national origin, or gender discrimination or harassment, including but not limited to examples of discrimination concerning compensation, promotion, level advancement, and training; examples of conduct that may be considered retaliation; the discrimination complaint procedure; other topics that foster equal employment in compensation, promotions, and training; instruction related to non-biased decisionmaking, (including, once implemented, any revised personnel system resulting from the Decree); managers’ responsibilities under the discrimination complaint procedure; systems or techniques that may be useful in avoiding discrimination and retaliation; and proper record keeping under Title VII. Each management employee’s participation in the “supervisor” equal employment opportunity training shall be documented and subject to Kreiter’s oversight. New employees with supervisory authority and new human resources managers shall receive this training within a reasonable period from their time of hire. During each subsequent year in which the Decree is in effect, the Company shall provide all management and supervisory-level employees and all human resources professionals at the Rockton and Rockford facilities with four hours of “supervisor” equal employment training. This training may be provided by a Company employee approved by Kreiter and trained by ELI. All trainings conducted during the Term of the Decree shall be live trainings conducted in person.

3. Thirty (30) days prior to the first scheduled EEO training required by Paragraphs XIX.J.1 and XIX.J.2 above, Woodward shall provide Kreiter with a copy of the proposed training program, including a copy of all written materials intended to be used or distributed at the training. Kreiter may make recommendations regarding the proposed training program. Any disputes between Kreiter and Woodward shall be resolved pursuant to Section XXI hereof.

K. Policy Recommendations. If Kreiter determines that there are specific identified non-monetary requirements of the Decree that are not being met by Woodward that are covered in the scope of her duties/responsibilities, she shall notify Woodward in writing of such concerns. Within 10 business days of receipt by Woodward of such communication, Kreiter and Woodward shall meet and jointly seek to identify and implement steps to address Kreiter's articulated concerns. If Kreiter concludes after a reasonable period of time that such Decree requirements continue not to be met, then Kreiter may recommend policies, procedures and practices to be developed, modified or implemented by Woodward to remedy the specified and identified non-monetary requirements of this Decree that are not being met. Kreiter shall do so in writing, specifying the recommended policies and the identified requirement of the Decree which is not being met. Woodward will respond in writing whether it will adopt and implement Kreiter's recommendation within 10 business days of receipt of Kreiter's notice of policy, procedure or practices recommendations. If it agrees, Woodward shall implement such recommendations within the period Kreiter recommends or Woodward and Kreiter agree upon for implementation thereof. If Woodward declines, then Kreiter may choose to advise the EEOC and Class Counsel of such matter and they may invoke the dispute resolution provisions of Section XXI hereof.

L. Cooperation. Woodward shall cooperate with Kreiter in connection with her efforts to undertake and complete her duties in the Decree, including providing her with reasonable and

timely access to relevant books, data (including databases), documents, and other sources of information, including interviewing Woodward employees, as well as access to Woodward's Rockford and Rockton premises as may be necessary or appropriate to exercise her duties described herein.

M. If counsel for EEOC desire to initiate communication with Kreiter relative to any matter related to or concerning her duties hereunder, it may only do so in writing with a copy to all counsel. Kreiter, however, is authorized in her discretion to communicate with and provide documentation to legal counsel for any of the parties hereto at any time; it being understood, however, that the intent of the parties is that Kreiter and Woodward shall use their best efforts to resolve any dispute, disagreement, or other matter that is the subject of her responsibilities under the Decree without the formal involvement of any counsel, and that consistent with such intent Kreiter and Woodward will to the extent appropriate use the provisions herein for resolution of any concern (see, e.g. provisions of Paragraphs XIX.E. and XIX.H.7) before formally raising the issue with any counsel.

N. Compensation

1. The Company shall compensate Kreiter at her customary hourly rate, or upon other terms agreed upon by the Company and Kreiter. The Company shall also pay reasonable costs and expenses incurred or caused to be incurred by Kreiter in connection with the performance of her duties under this Consent Decree. In connection with the performance of her duties under the Decree, Kreiter may retain and use on a reasonable basis the assistance and service of third parties (such as administrative staff, interviewers, and other such assistance) on the subjects that are a part of her duties herein; and further, Kreiter may expend up to Two Thousand Five Hundred Dollars (\$2,500.00) per year on input or assistance from any non-party professionals. Woodward shall

promptly, and within a period not to exceed thirty (30) calendar days after issuance of her invoice, pay Kreiter's and any authorized third party's fees, costs and expenses as permitted hereby which have been certified in writing by Kreiter to have been incurred by her or any staff person or the third party in the performance of her duties under this Consent Decree. Woodward shall indemnify, defend and hold harmless Kreiter with respect to liability for any such costs and expenses she incurs as permitted hereby and for any claims made against her and/or her staff by anyone arising out of or related to her performance of her duties or alleged failure to perform her duties hereunder in the same manner and to the same extent and degree as the indemnification Woodward provides to its officers and directors for claims or actions against them arising out of or related to their duties. Woodward shall include Kreiter in a rider to its insurance policy upon Final Approval.

2. If Woodward has a good faith objection to any item in any bill submitted by Kreiter, Woodward shall attempt to resolve the dispute with Kreiter. If Woodward and Kreiter are unable to resolve the dispute within 10 business days, the dispute shall be submitted to the Arbitrator, Max Brittain, for prompt resolution.

O. Reporting

1. Twelve (12) months, twenty-four (24) months, thirty-six (36) months, and, if Woodward is not relieved of the provisions of the Decree pursuant to Paragraph XVI.B, forty-two (42) months after the Approval Date, Kreiter shall submit a written report to the Parties regarding the Company's compliance with the Decree. The report shall include the following:

- a. an assessment of whether Woodward has complied with each specific non-monetary term of this Decree;
- b. for each specific term of this Decree that has not been complied with, a statement discussing the reasons for Woodward's failure to implement the required changes;

- c. a discussion of barriers perceived by Kreiter, if any, to the Company's compliance with the Decree;
- d. a copy of Kreiter's written recommendations to Woodward to effectuate the purposes of this Decree and the Company's response to those recommendations; and
- e. any other matter falling within the scope of Kreiter's authority.

2. The first two such reports (12 month and 24 month) shall be delivered to Judge Reinhard and the subsequent reports shall be filed publicly with the Court.

P. Confidentiality. Except as communicating with counsel as provided herein, Kreiter and any staff or other authorized person who assists Kreiter shall retain all information supplied by the Company in strict confidence.

Q. Company Reporting

On a semi-annual basis, Woodward shall provide a report to Kreiter, the EEOC, and Class Counsel that shall include, but not be limited to, the following information for Rockford and Rockton:

1. A list of all promotion/advancement decisions, including level advancements, during the period, including each employee's name, race/national origin, gender, original job position, code and level, new job position, code, and level, and all individuals who made the decision to promote or advance the employee;

2. A list of salary increases/decreases during the period, including each employee's name, race/national origin, gender, job position, code, and level, the amount of the salary changes;

3. A list of employees receiving Green Belt or Black Belt training during the period, including each employee's name, race/national origin, gender, job position, code, and level, and all individuals involved in the decision to offer green belt or black belt training;

4. A description of any policies or practices modified to implement the Decree.

**XX. RECORD KEEPING**

Upon Preliminary Approval, Woodward shall retain the following employment-related records for Rockford and Rockton only for the Duration of the Decree or as required by state or federal law, whichever is longer:

1. Discrimination Complaint Procedure;
2. All Job Analyses for positions including those conducted concerning the affected job codes under this Decree;
3. Minimum Eligibility Requirements and job-related criteria for all positions in the affected job codes;
4. Job descriptions for all positions;
5. EEO training plans and program materials;
6. Kreiter's Reports;
7. Internal complaints of discrimination based on race, national origin, and/or gender and all documents related to the investigation of any such complaints;
8. Performance evaluations of all non-executive level employees;
9. All documents used in making promotion decisions, including interview notes;
10. Internal postings of job openings, including for working lead positions;

11. All documents used in making advancement and level changes for all non-executive employees;

12. All documents used in making the selection of Greenbelt/Blackbelt and similar training;

13. Applications or other documents expressing interest by Woodward employees for job openings posted internally; and

14. Documentation of compensation and changes in compensation for all non-executive employees.

**XXI. DISPUTE RESOLUTION**

A. Unless otherwise provided by the Decree, Judge Reinhard, United States District Judge for the Northern District of Illinois, Western Division, shall have exclusive authority to resolve all disputes arising under the Decree, subject to the various limitations on enforcement, and to the pertinent enforcement standards, as set forth in this Decree. Nothing herein shall be interpreted to preclude Kreiter and Woodward from resolving matters informally at any time.

B. Kreiter may bring to the attention of Class Counsel, EEOC and/or Woodward any issue that falls within the scope of her duties that has not been resolved informally by her and Woodward after a good faith effort to do so. If Kreiter invokes this provision, then at the request of Class Counsel, EEOC or Woodward, Class Counsel, EEOC and Woodward shall confer as necessary, and the parties shall use their best efforts to resolve promptly any differences or any disputes regarding the interpretation or implementation of the Decree.

C. Class Counsel, EEOC or Woodward shall have the right to file a motion with the Court to resolve any dispute or issue of compliance hereunder including any matter raised by

Kreiter, subject to the same enforcement limitations and standards set forth herein. The procedure for resolution of such issues shall be as follows:

1. If Class Counsel, EEOC or Woodward has good reason to believe that a legitimate dispute has been raised, the initiating party or parties shall promptly give written notice to the other party or parties, including:

- a. a reference to all specific provisions of the Decree that are involved;
- b. a specific statement of each issue;
- c. a statement of the remedial action sought by the initiating party, and
- d. a brief statement of the specific facts, circumstances and any other arguments supporting the position of the initiating party.

2. Within fifteen days after receiving such notice, the non-initiating party or parties shall respond in writing to the statement of facts and argument set forth in the notice and shall each provide its written position, including the facts and arguments upon which it relies in support of its position.

3. Class Counsel, EEOC and Woodward shall undertake good-faith negotiations, which should include a meeting by telephone or in person and the exchange of relevant documents and/or other information, to attempt to resolve the issue(s) in dispute.

4. Judge Reinhard, upon motion, may permit either Class Counsel, EEOC or Woodward to take limited discovery pursuant to the Federal Rules of Civil Procedure, but only as to clearly relevant and necessary documents and/or witnesses, as relates to the disputed issue(s), if the Judge determines that the informal exchange of documents or information has not been sufficient to allow either Class Counsel, EEOC or Woodward to present the dispute upon a factual record adequate for the determination required hereunder.

5. If good-faith efforts to resolve the matter have failed, and after written notice of “impasse” to the non-initiating party or parties, Class Counsel, EEOC or Woodward may file a motion with the Court, with a supporting brief, requesting resolution of the dispute, provided, however, that such motion shall be limited to the dispute(s) and/or issue(s) as to which the “meet and confer” provisions herein have been exhausted.

6. The non-moving party or parties will have fifteen days to respond to any such motion. Reply pleadings to such response are permitted only by consent of the opposing party or by specific leave of the Court.

7. Judge Reinhard shall, after the filing of the final brief, resolve the dispute and may schedule a hearing or other proceeding, which any party may attend telephonically unless otherwise ordered by the Judge, to resolve the matter.

D. The provisions of this Section do not prevent Class Counsel, EEOC or Woodward from promptly bringing an issue before Judge Reinhard when exigent facts and circumstances require immediate Court action to prevent a serious violation of the terms of this Decree, which otherwise would be without meaningful remedy. The moving papers shall explain the facts and circumstances that allegedly necessitate immediate action by the Judge. If any such matter is brought before the Judge requesting immediate Court action, the opposing party or parties shall be provided with appropriate actual notice, and an opportunity to be heard in opposition to the motion, pursuant to the Local Rules of the Court and the Federal Rules of Civil Procedure. The Judge, in his discretion, may set such procedures for emergency consideration as are appropriate to the particular facts and circumstances, but no such matter may be conducted on an ex parte basis.

E. Only Class Counsel, EEOC or Woodward shall have standing to move the Court to enforce, apply, or modify this Decree.

F. In the event that any party (except the EEOC) seeks to utilize the dispute resolution procedure set forth in Section XXI, then the prevailing party in such matter shall be entitled to recover reasonable attorneys' fees, costs and expenses incurred in such.

## **XXII. COSTS OF IMPLEMENTATION OF DECREE**

The Company agrees to pay Lead Class Counsel at her hourly rate as established by the Arbitrator for reasonable attorney's fees, litigation expenses and costs for work performed in the course of the enforcement of this Decree up to Ten Thousand Dollars (\$10,000.00) If Lead Counsel believes that additional fees or expenses are required to meet her duties hereunder, in advance of incurring over \$10,000 in fees, she will notify counsel for defendant, and thereafter, she may have such issue resolved pursuant to Section XXI hereof (but not any work under the Dispute Resolution Process, which is subject to the prevailing party provisions in Paragraph XXI.F).

## **XXIII. MISCELLANEOUS PROVISIONS**

A. Computation of Time Periods. In computing any period of time prescribed or allowed by this Decree, unless otherwise stated, such computation shall be made consistent with the Federal Rules of Civil Procedure.

B. Counterparts. This Decree may be executed in one or more counterparts, and each executed copy shall be deemed an original which shall be binding upon all parties hereto.

C. Persons Bound By Decree. The terms of this Consent Decree are and shall be binding upon the Parties, and upon all of their present and future representatives, agents, directors, officers, assigns and successors (partial or complete). Woodward agrees that, in the event of a sale, transfer or merger of the Company or the sale or transfer of substantially all of its assets in Winnebago County to a purchaser or successor, Woodward will notify the purchaser or successor

of the terms of the Decree prior to the sale or transfer, and shall obtain the agreement of the purchaser or successor to adhere to the terms of the Decree.

D. Construction. The terms of this Decree are the product of joint negotiations and shall not be construed as having been authored by one party rather than another.

E. Integration. This Decree constitutes the entire agreement among the Parties with respect to the matters discussed herein and it supersedes all negotiations, representations, comments, contracts, and writings prior to the date of this Consent Decree.

F. Modification. No waiver, modification or amendment of any provision of this Decree shall be effective unless made in writing, approved by EEOC, Bell Plaintiffs, and Woodward and approved and ordered by the Court.

G. Severability. 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 any provision or term of this Decree should be determined to be or rendered invalid or unenforceable, all other provisions and terms of this Decree shall remain in force. If application of any provision or term of this Decree to any person or circumstance should be determined to be invalid or unenforceable after Final Approval, the application of such provision or term to other persons and circumstances shall remain in force.

H. Notices. Except as may be otherwise provided for in this Decree, all notifications, reports and communications to the parties required under this Decree shall be sufficient as hand-delivered, sent by first class mail or electronically transmitted to the following persons:

For EEOC

Ann Henry, Trial Attorney  
U.S. EEOC  
500 West Madison Street  
Suite 2800  
Chicago, Illinois 60661

For the Plaintiff Class

Jennifer K. Soule  
Soule, Bradtke & Lambert  
155 North Michigan Avenue  
Suite 500  
Chicago, Illinois 60601

For Defendant

Nancy Rafuse  
Ashe, Rafuse & Hill  
1255 Peachtree Street  
Suite 500  
Atlanta, Georgia 30309

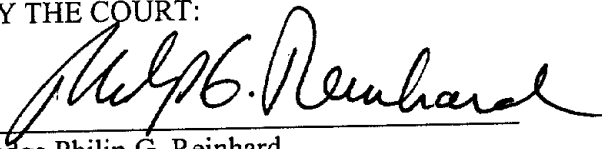
Robert E. Reuterfors  
Woodward Governor Company  
5001 North Second Street  
Post Office Box 7001  
Loves Park, Illinois 61125

Whenever Kreiter is to communicate formally with Woodward, she is to notify:

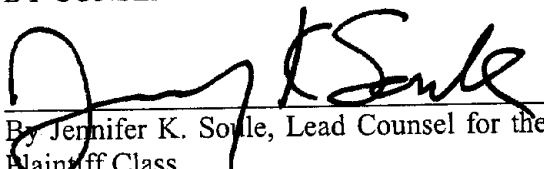
Steven J. Meyer  
Woodward Governor Company  
1000 East Drake Road  
Fort Collins, Colorado 80525

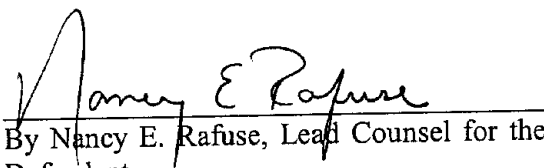
IT IS SO ORDERED this 5<sup>th</sup> day of October, 2006.

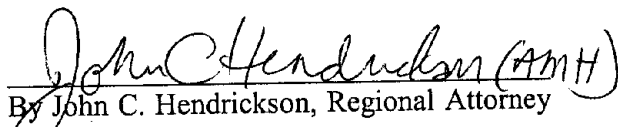
BY THE COURT:

  
Judge Philip G. Reinhard  
United States Judge

BY CONSENT:

  
By Jennifer K. Soule, Lead Counsel for the  
Plaintiff Class

  
By Nancy E. Rafuse, Lead Counsel for the  
Defendant

  
By John C. Hendrickson, Regional Attorney  
for the U.S. EEOC