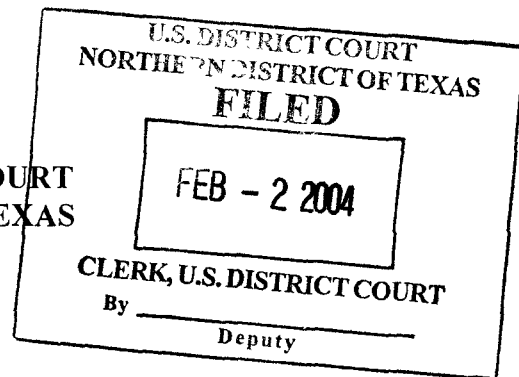


ORIGINAL

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION



EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION,

Plaintiff,

v.

GROOM & SONS HARDWARE &
LUMBER, INC.

Defendant.

CIVIL ACTION NO.

3:02-CV-2076-D

CONSENT DECREE

THIS CONSENT DECREE is made and entered into by and between the Plaintiff, Equal Employment Opportunity Commission ("EEOC"), and Defendant, Groom & Sons Hardware and Lumber, Inc. ("Groom & Sons"), in the United States District Court for the Northern District of Texas, Dallas Division, with regard to the EEOC's Complaint, filed on September 25, 2002 ("the Complaint"), in Civil Action No. 3:02-CV-2076-D. This Complaint was based upon a Charge of Discrimination filed by Charging Party Elizabeth Cox against Defendant employer.

The above-referenced Complaint alleges that the Defendant Groom & Sons, violated Title VII of the Civil Rights Act of 1964 and Title I of the Civil Rights Act of 1991, by terminating the employment of Elizabeth Cox based on her sex, female, and because of her pregnancy.

The EEOC and Groom & Sons agree to compromise and settle the differences embodied

in the Complaint, and intend that the terms and conditions of the compromise and settlement be set forth in this Consent Decree ("Consent Decree"). It is understood and agreed that this Consent Decree is in compromise of all disputed claims, and that this Consent Decree shall not in any way be construed as an admission by Groom & Sons of a violation of any federal, state, or local statute, law or regulation, or a violation of any right of any other person.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein, the sufficiency of which is hereby acknowledged, the parties agree as follows, the Court finds appropriate and therefore, it is ORDERED, ADJUDGED AND DECREED that:

1. This Consent Decree resolves all issues raised in EEOC Charge No. 310-A2-1045. This Consent Decree further resolves all issues in the Complaint filed by the EEOC in this civil action. The EEOC waives further claims and/or litigation on all issues raised in the above-referenced Charge and Complaint. The EEOC does not waive processing or litigating charges other than the above-referenced Charge.

2. Groom & Sons agrees that it shall conduct all employment practices in a manner which does not subject any employee to sex-based discrimination, including pregnancy discrimination, under Title VII of the Civil Rights Act and Title I of the Civil Rights Act of 1991.

3. Groom & Sons and its officers, agents, management (including supervisory employees), successors and assigns, and all those in active concert or participation with them, or any of them, agree to refrain from: (i) discriminating against women on the basis of sex; (ii) engaging in or being a party to any action, policy or practice that is intended to or is known to them to have the effect of harassing or intimidating any female employee on the basis of her

gender; and/or (iii) creating, facilitating or permitting the existence of a work environment that is hostile to its female employees.

4. Groom & Sons and its officers, agents, management (including supervisory employees), successors and assigns, and all those in active concert or participation with them, or any of them, agree to refrain from engaging in, implementing or permitting any action, policy or practice with the purpose of retaliating against any current or former employee because he or she opposed any practice of sex-based discrimination, including pregnancy discrimination, made unlawful under Title VII; filed a Charge of Discrimination alleging any such practice; testified or participated in any manner in any investigation (including, without limitation, any internal investigation undertaken by Groom & Sons) proceeding, or hearing in connection with this case and/or relating to any claim of sex-based discrimination, including pregnancy discrimination; was identified as a possible witness in this action; asserted any rights under this Consent Decree; or sought and/or received any monetary and/or non-monetary relief in accordance with this Consent Decree.

5. Groom & Sons agrees to post the Notice appended hereto as "Attachment A" on the employee bulletin board(s) in a prominent and conspicuous location at its Mabank, Texas facility, within ten (10) days after entry of this Consent Decree. Groom & Sons will report to the EEOC that it has complied with this requirement within fourteen (14) days after posting the Notice.

6. The Notice shall also inform employees where to report violations of Groom & Sons' anti-discrimination policy, the name of the designated company official to whom they should report said violations, along with the address and telephone number of the Dallas District

Office of the EEOC. The notice shall remain posted for the duration of this Consent Decree. In the event that the persons and/or departments to whom individuals should make complaints alleging sex-based discrimination, including pregnancy discrimination and/or retaliation, change during the term of the Consent Decree such that the information contained in the notice is no longer accurate, Groom & Sons shall immediately prepare and post a revised notice that contains the correct information. Groom & Sons shall promptly thereafter forward a copy of the revised notice to the EEOC.

7. For each year the Consent Decree is in effect, Groom & Sons agrees it shall maintain a log of all complaints of sex-based discrimination. This log shall include the following information: the name of the complainant; the date of the complaint; the name of the person assigned to investigate the complaint; and the final report and/or a description of the disciplinary action taken in response to the complaint, if any. If no disciplinary action was taken in response to the complaint, the log must also include an explanation for this decision. Groom & Sons shall provide EEOC with a copy of the log, two times per year, on the 1st day of January and the 1st day of July, during the term of the Consent Decree.

8. Groom & Sons agrees to conduct training twice a year for all of its employees, owners and managers, advising them of the requirements and prohibitions of Title VII of the Civil Rights Act of 1964. The training will inform the employees of the complaint procedure for individuals who believe they have experienced discrimination. The training will also advise the employees of the consequences of violating Title VII. The training will also include a specific discussion or instruction relating to the issue of sex-based discrimination, including pregnancy discrimination, and retaliation. The training shall be at least two hours in duration. Groom &

Sons agrees to give written notice to the EEOC within fourteen (14) days after each training session, providing the following information: (a) the date and location of the training; (b) the list of employees attending; (c) the name of the person providing the training; and (d) the substance of the training.

9. Groom & Sons agrees that it shall impose substantial discipline--up to and including termination, suspension without pay or demotion--upon any supervisor or manager who engages in sex-based discrimination, including pregnancy discrimination, or permits any such conduct to occur in his or her work area or among employees under his or her supervision, or who retaliates against any person who complains or participates in any investigation or proceeding concerning any such conduct. Groom & Sons shall communicate this policy to all of its supervisors and managers.

10. Groom & Sons agrees that it shall continue to advise all managers and supervisors of their duty to actively monitor their work areas to ensure employees' compliance with the company's anti-discrimination policy, and to report any incidents and/or complaints of sex-based discrimination, including pregnancy discrimination, and/or retaliation of which they become aware to the persons charged with handling such complaints.

11. Groom & Sons agrees that it will revise its current supervisor appraisal process to include performance evaluations for the handling of equal employment opportunity issues as an element in supervisor appraisals, and to link such evaluations directly to its supervisor salary/bonus structure.

12. Groom & Sons agrees that it shall include "commitment to equal employment opportunity" as a criterion for qualification for supervisory positions.

13. Within fourteen (14) days after entry of this Consent Decree, Groom & Sons agrees to remove from Elizabeth Cox's personnel files all documents, entries and references relating to the following: the facts and circumstances which led to the filing of her charge of discrimination; the charge itself; and the Complaint filed by the EEOC in federal court based upon her Charge of Discrimination. Groom & Sons shall send a report to the EEOC within ten (10) days after expungement, describing the specific items expunged from Elizabeth Cox's personnel file.

14. Groom & Sons agrees that there shall be no discrimination or retaliation of any kind against any person involved in the referenced charge or litigation including Elizabeth Cox because of opposition to any practice declared unlawful under Title VII, or because of the filing of a charge; giving testimony or assistance or participating in any manner in any investigation, proceeding or hearing under Title VII.

15. Defendant Groom & Sons agrees to distribute the Notice attached as "Attachment A" to each current and future employee, stating the following: "This is a copy of Groom & Sons' policy against discrimination. Groom & Sons reiterates its commitment to providing a workplace free of discrimination of any kind. Please read the policy and keep a copy for your records." Defendant Groom & Sons agrees to distribute this policy to each current employee within thirty days after entry of this Consent Decree. New employees will be given a copy of the notice upon hire. This procedure will remain in effect during the two-year pendency of this Consent Decree. The "Notice" will remain also posted in a prominent and conspicuous location at Groom & Sons' Mabank, Texas facility during the two-year pendency of this Consent Decree.

16. Groom & Sons agrees to reinstate Elizabeth Cox to a full-time position, to start twenty-one (21) days after the entry of this Consent Decree. Groom & Sons agrees to pay Elizabeth Cox \$6.75 per hour in this new position. Further, Groom & Sons agrees that within ninety (90) days of the reinstatement, Elizabeth Cox will be eligible for all privileges and benefits afforded other full-time employees, such as medical insurance, life insurance, sick leave and a store discount. Groom & Sons further agrees that within one year of her reinstatement, Elizabeth Cox will be eligible for such additional privileges and benefits including paid vacation leave and the ability to participate in Groom & Sons' 401(k) plan.

17. Defendant Groom & Sons agrees that if Elizabeth Cox terminates the employment relationship with Groom & Sons within one year of the entry of this Consent Decree, it shall provide a neutral employment reference for Elizabeth Cox, providing the dates of her employment, the last position held and the last salary earned, her duties and stating that she is eligible for rehire. However, should the employment relationship with Elizabeth Cox be terminated by Groom & Sons within one year of the entry of this Consent Decree, it shall provide a neutral employment reference for Elizabeth Cox, providing the dates of her employment, the last position held, her duties and the last salary earned.

18. Defendant Groom & Sons agrees to pay the gross sum of \$15,000.00 to resolve all claims for all damages. Within twenty-one (21) days of the entry of this Consent Decree, Groom & Sons will issue a cashier's check, made payable to Elizabeth Cox in the above-referenced amount.

19. The payment referenced in paragraph 18, above, shall be made by cashier's check, with a copy of the cashier's check sent to EEOC attorney Ronetta J. Francis, 207 S. Houston

Street, Third Floor, Dallas, Texas 75202.

20. Defendant Groom & Sons agrees to report to the EEOC within fourteen (14) days of entry of this Consent Decree regarding its compliance with the agreements set forth in paragraphs 5 through 19, above. Groom & Sons shall report to the EEOC regarding training as specifically outlined in paragraph No. 8.

21. All reports to the EEOC required by this Decree shall be sent to Ronetta J. Francis, Senior Trial Attorney, EEOC, 207 S. Houston, Third Floor, Dallas, Texas 75202.

22. If Defendant Groom & Sons fails to tender payment or otherwise fails to timely comply with the terms of paragraphs 18-19, above, Defendant Groom & Sons shall:

- a. Pay interest at the rate calculated pursuant to 26 U.S.C. Section 6621(b) on any untimely or unpaid amounts from date of non-compliance; and
- b. Bear any additional costs incurred by the EEOC caused by the non-compliance or delay of the Defendant.

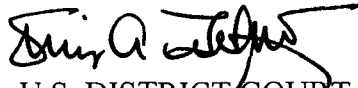
23. Neither the EEOC nor Defendant Groom & Sons shall contest the validity of this Consent Decree nor the jurisdiction of the federal district court to enforce this Consent Decree and its terms or the right of either party to the Consent Decree to bring an enforcement action upon breach of any term of this Consent Decree by either such party. Nothing in this Consent Decree shall be construed to preclude the EEOC from enforcing this Consent Decree in the event that Defendant Groom & Sons fails to perform the promises and representations contained herein. The EEOC shall determine whether Defendant Groom & Sons has complied with the terms of this Consent Decree and shall be authorized to seek compliance with the Consent Decree through civil action in the United States District Court.

24. The term of this Consent Decree shall be for two (2) years.

25. The parties to this Consent Decree agree to bear their own attorney's fees associated with the above-referenced Complaint.

SO ORDERED, ADJUDGED AND DECREED this 2nd day of February,

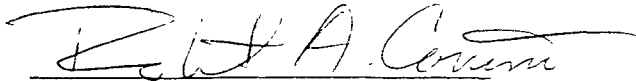
2006


U.S. DISTRICT COURT JUDGE

AGREED AS TO FORM AND SUBSTANCE:

Signed this 19 day of December, 2003.

FOR THE PLAINTIFF:



ROBERT A. CANINO

Regional Attorney

Oklahoma State Bar No. 011782

SUZANNE M. ANDERSON

Supervisory Trial Attorney

Texas Bar No. 14009470



RONETTA J. FRANCIS

Senior Trial Attorney

Virginia Bar No. 39886

EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION

Dallas District Office

207 South Houston Street Third Floor

Dallas, Texas 75202

Tel No. (214) 655-3334; Fax No. (214) 655-3331

FOR THE DEFENDANT:



JORDAN W. COWMAN

State Bar No. 04932800

Baker & McKenzie

2300 Trammell Crow Center

2001 Ross Avenue

Dallas, Texas 75201

CONSENT DECREE

DALLIB1, 475119.1

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
Dallas District Office

207 S. Houston Street, 3rd Floor
Dallas, TX 75202-4726
(214) 655-3355
TTY (214) 655-3363
FAX (214) 655-3443

EEOC Website: www.eeoc.gov

NOTICE

This notice is being posted pursuant to a Consent Decree entered into between Groom & Sons Hardware and Lumber, Inc. and the Equal Employment Opportunity Commission, based upon a lawsuit alleging sex discrimination under Title VII of the Civil Rights Act of 1964 and Title I of the Civil Rights Act of 1991.

Federal law requires that there be no discrimination against any employee or applicant for employment because of the employee's race, color, religion, sex, national origin, age or disability with respect to hiring, firing, compensation or other terms and conditions of employment. Specifically, the law prohibits employers from subjecting its employees to sex discrimination. Discrimination on the basis of pregnancy, childbirth or related medical conditions constitutes unlawful sex discrimination under Title VII of the Civil Rights Act of 1964.

Women affected by pregnancy or related conditions must be treated in the same manner as other applicants or employees with similar abilities or limitations. An employer cannot refuse to hire a woman because of her pregnancy related condition as long as she is able to perform the major functions of her job. An employer cannot refuse to hire her because of its prejudices against pregnant workers or the prejudices of co-workers, clients or customers. An employer may not single out pregnancy related conditions for special procedures to determine an employee's ability to work. If an employee is temporarily unable to perform her job due to pregnancy, the employer must treat her the same as any other temporarily disabled employee. Pregnant employees must be permitted to work as long as they are able to perform their jobs. An employer may not have a rule which prohibits an employee from returning to work for a predetermined length of time after childbirth. Employers must hold open a job for a pregnancy related absence the same length of time jobs are held open for employees on sick or disability leave.

An employee has the right, and is encouraged to exercise that right to report allegations of sex discrimination in the workplace. An employee may do so by notifying the Director of Human Resources at phone. Employees who do not wish to go to the Director of Human Resources may instead report to any supervisor or manager with the company. Supervisors and managers who are informed of a complaint or allegation of sex discrimination must immediately notify the Director of Human Resources.

Any report of sex discrimination will be thoroughly investigated, with appropriate disciplinary action taken against any person(s) found to have engaged in such conduct.

An employee, either alternatively or in addition to reporting such an allegation to company officials, may contact the Equal Employment Opportunity Commission for the purposes of filing a charge of employment discrimination. The address and telephone number of the nearest EEOC office is 207 South Houston Street, Third Floor, Dallas, Texas 75202; (214) 655-3355.

12/15/03

Date


Company Official