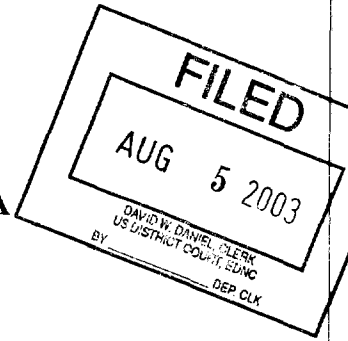


**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NORTH CAROLINA
SOUTHERN DIVISION**



**EQUAL EMPLOYMENT
OPPORTUNITY COMMISSION,**

Plaintiff,

v.

**NEW HANOVER REGIONAL
MEDICAL CENTER,**

Defendant.

CIVIL ACTION NO. 5:02CV703-H(3)

CONSENT DECREE

The Equal Employment Opportunity Commission ("the Commission") instituted this action pursuant to Section 706(f)(1) and (3) of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. Section 2000e-5(f)(1) and (3) ("Title VII"), and Section 102 of the Civil Rights Act of 1991, 42 U.S.C. § 1981a. The Commission's Complaint alleges Defendant New Hanover Regional Medical Center ("Defendant") discriminated against Kently J. Hall by disciplining, demoting and discharging Mr. Hall because of his race, African American. The Commission's Complaint further alleges that when Kently J. Hall complained of discriminatory treatment, Defendant retaliated against him by discharging him from employment. Defendant denies all of the allegations raised in the Commission's Complaint.

The Commission and the Defendant hereby stipulate to jurisdiction of the Court over the parties and agree that the subject matter of this action is properly before the Court.

The parties have advised this Court that they desire to resolve the allegations in the Complaint without the burden, expense, and delay of further litigation.

It is therefore the finding of this Court, made on the pleadings and the record as a whole, that: (1) the Court has jurisdiction over the parties and the subject matter of this action; (2) the

purpose and provisions of Title VII will be promoted and effectuated by the entry of the Consent Decree; and (3) this Decree resolves all matters in controversy between the parties as provided in paragraphs 1 through 15 below.

It is therefore ORDERED, ADJUDGED AND DECREED as follows:

1. Defendant shall not discriminate against individuals on the basis of race within the meaning of Title VII of the Civil Rights Act of 1964, and specifically shall not discipline, demote or discharge individuals because of their race.
2. Defendant shall not discriminate or retaliate against any person because of opposition to any practice made unlawful under Title VII, or because of the filing of a charge, the giving of testimony or assistance, or the participation in any investigation, proceeding or hearing under the foregoing statute.
3. Defendant shall pay Kently J. Hall the sum of \$7,500. Defendant shall make payment by issuing a check jointly payable to Kently J. Hall and Ruchadina L. Waddell, Esq. Payment shall be made within ten (10) days after the Court enters this Consent Decree. Defendant shall mail the check to Ruchadina L. Waddell, Esq., 321 North Front Street, Wilimington, NC 28401-3908. Within ten (10) days after the check has been sent to Ms. Waddell, Defendant shall mail to Mindy E. Weinstein, Regional Attorney, Equal Employment Opportunity Commission, 129 West Trade Street, Suite 400, Charlotte, NC 28202, a copy of the check and proof of its delivery to Ms. Waddell.
4. Defendant agrees to eliminate from the employment records of Kently J. Hall any and all documents relating to the EEOC charge of discrimination filed by Mr. Hall, including all post charge documents.
5. Defendant agrees to provide Kently J. Hall with a neutral letter of employment reference, a copy of which is attached hereto. Additionally, if Defendant receives any inquiries

regarding the employment of Mr. Hall, it shall provide a neutral employment reference.

6. Defendant has adopted, implemented and distributed a formal, written anti-discrimination and anti-harassment policy, which includes an explanation of the requirements of the federal equal employment opportunity laws, including Title VII of the Civil Rights Act of 1964 and its prohibition against racial discrimination in the workplace. During the terms of this Decree, Defendant shall distribute the policy to all new employees at the time of hire.

7. During the term of this Decree, Defendant shall implement an annual training program on Title VII and each training program shall include an explanation of the requirements of the federal equal employment opportunity laws, including Title VII of the Civil Rights Act of 1964, its prohibition against racial discrimination in the workplace, and retaliation. Each training program shall also cover Defendant's anti-discrimination and anti-harassment policy, and an explanation of the rights and responsibilities of managers and employees under the policy.

The annual training program shall be conducted as follows:

- (A) Defendant shall arrange for the New Hanover Human Rights Commission to provide an annual training program for all of Defendant's managers (approximately 200) ("manager training"). Defendant shall keep a roster of all employees that attend the manager training.
- (B) After attending the manager training, Defendant's managers shall train their subordinate employees at departmental meetings ("employee training") on the topics covered in the manager training. Defendant shall keep: (i) a roster of all employees attending the employee training; and (ii) minutes for each employee training session. Defendant shall also ensure that any employee that misses employee training reads the minutes of the meeting and verifies, in writing, that they have done so.

- (C) No later than 45 days after the manager and the employee training, Defendant shall certify to the Commission that both the manager and the employee training was undertaken. As part of the certification, Defendant shall provide the Commission with: (i) a copy of the attendance roster for the manager training; (ii) copies of the attendance rosters for the employee training; (iii) copies of the minutes of the employee training; and (iv) written verification from all employees that participated in the employee training by reading a copy of the minutes.

The first manager training program shall be completed within ninety (90) days after entry of the decree by the Court. Each employee training program shall be completed within 30 days after the completion of the manager training program. The subsequent training programs shall be scheduled such that the second employee training program shall be completed at least sixty (60) days prior to the expiration of the consent decree.

In the event that the New Hanover Human Rights Commission is unavailable to train Defendant's managers within the parameters outlined, then Defendant shall choose a comparable public agency or private organization to conduct the training. Defendant shall provide the Commission with the name, address and telephone number of the entity that conducted the manager training as part of the post-training certification referenced in subparagraph (C) of this section.

8. Defendant agrees to include training for all new employees on Title VII in new hire orientation and/or other appropriate forums, including training on Defendant's obligations under Title VII and employee rights under Title VII.

9. During the term of this Decree, Defendant shall conspicuously post the attached Employee Notice, marked Appendix A, hereby made a part of this Decree, in a place where it is visible to employees. If the Notice becomes defaced or unreadable, Defendant shall replace it by

posting another copy of the Notice.

10. Defendant agrees to provide the Commission with semi-annual reports during the term of this Decree. The reports shall include the following information: the identities of all of Defendant's employees who have complained of or reported racial discrimination or retaliation, including by way of identification each person's name, home address, home telephone number, social security number, and race; a statement of the individual's complaint; and a description of what action was taken in response to the individual's complaint. Defendant shall submit the first report to the Commission four months after the date of entry of this Consent Decree and shall submit subsequent reports every six months thereafter during the term of this Decree. Defendant shall submit reports to the Commission pursuant to this schedule regardless of whether Defendant receives any complaints or reports of racial discrimination or retaliation.

11. Defendant agrees that the Commission may review compliance with this Decree. As part of such review, the Commission, upon reasonable notice, may inspect the premises, interview employees and examine and copy documents.

12. If at any time during the term of this Decree, the Commission believes that Defendant is in violation of this Decree, the Commission shall give written notice of the alleged violation to the respective Defendant. Defendant shall then have ten (10) days in which to investigate and respond to the allegations. Thereafter, the parties shall have a period of ten (10) days, or such additional period as may be agreed upon by them, in which to engage in negotiation and conciliation regarding such allegations, before the Commission exercises any remedy provided by law.

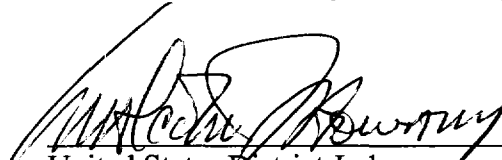
13. Except as otherwise provided herein, each party shall bear its own costs and fees.

14. The term of this Decree shall be for two (2) years from its entry by the Court.

15. This Court shall retain jurisdiction of this cause for purposes of monitoring

compliance with this Decree and entry of such further orders as may be necessary or appropriate.

8/5/03
Date

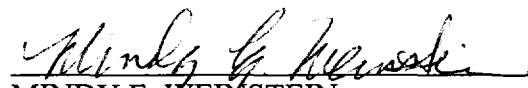

United States District Judge
Eastern District of North Carolina

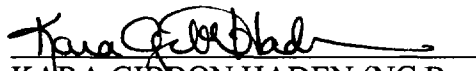
The parties jointly request that the Court approve and enter the Consent Decree:

This the 30th day of July 2003:

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION, Plaintiff


GWENDOLYN YOUNG REAMS
Associate General Counsel


MINDY E. WEINSTEIN
Regional Attorney


KARA GIBBON HADEN (NC Bar No. 26192)
Trial Attorney
129 West Trade Street, Suite 400
Charlotte, N.C. 28202
704.344.6885
704.344.6780 (Facsimile)

This the 30th day of July 2003:

NEW HANOVER REGIONAL MEDICAL CENTER, Defendant


MARILYN CULP, Esq. (NC Bar No. 26938)
Kilpatrick Stoekton, LLP
301 South College Street
Suite 3500
Charlotte, NC 28202
704.338.5234
704.371-8280 (Facsimile)
Attorney for Defendant

Notice to Employees

Federal law prohibits discrimination against any employee or because of the individual's race, national origin, sex, color, religion, age (40 and over) or disability with respect to hiring, promotion, discipline, firing, compensation, or other terms, conditions or privileges of employment.

New Hanover Regional Medical Center ("New Hanover") supports and will comply with such federal law in all respects and will not take action against employees because they have exercised their rights under the law. New Hanover will not discriminate against any employee because of his or her race.

New Hanover has adopted equal employment opportunity policies and shall ensure that all managers and supervisors, and all other employees abide by the requirements of its policies.

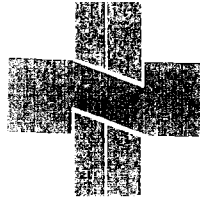
If you believe that you have been discriminated against based on your race, report the discriminatory conduct promptly to New Hanover or to the U.S. Equal Employment Opportunity Commission ("EEOC"). The EEOC can be contacted at 1.800.669.4000.

This Notice will remain posted for at least two (2) years pursuant to an agreement between New Hanover and the EEOC.

DO NOT REMOVE THIS NOTICE UNTIL: _____, 2005.

Date

By:
for New Hanover Regional Medical Center,
its _____



June 11, 2003

To Whom It May Concern:

Mr. Kently J. Hall employment began January 30, 1987 at New Hanover Regional Medical Center through September 10, 1998. Over the term of his employment at NHRMC, he was employed as a Security Officer, Special Police Officer, and Special Police Sergeant.

Should you require additional information, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Barbara K. Sturniolo".

Barbara K. Sturniolo
Interim Vice President
Human Resources

BKS:cw