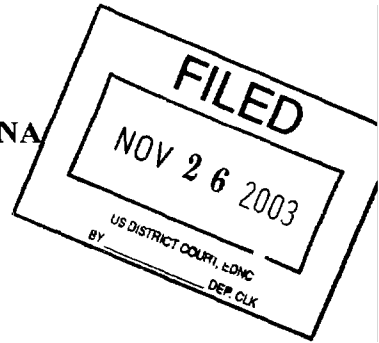


IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NORTH CAROLINA
EASTERN DIVISION
CIVIL ACTION NO. 5:02-CV-702-H(4)



EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION,

Plaintiff,

v.

CHANNEL MARKER II, INC.

Defendant.

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 and the Defendant, Channel Marker II, Inc. (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 any employee on the basis of sex, including sexual harassment, or any other protected category within the meaning of Title VII of the Civil Rights Act of 1964.
2. Defendant shall not discriminate or retaliate against any person because of opposition to any practice made unlawful under Title VII of the Civil Rights Act of 1964 or because of the filing of a charge, the giving of testimony or assistance, or the participation in any investigation, proceeding or hearing under that statute.
3. Defendant shall pay Emily Westridge the sum of Five Thousand dollars (\$5,000.00) in settlement of the claims raised in this action. Defendant shall make payment by issuing a check payable to Emily Westridge. Payment shall be made within fifteen days after the Court approves this Consent Decree, and Defendant shall mail the check to Emily Westridge at the address provided by the Commission. Within ten days after the check has been sent, Defendant shall mail to Bobby C. Simpson, Acting Regional Attorney at the Equal Employment Opportunity Commission, 129 W. Trade Street, Suite 400, Charlotte N.C., 28202, a copy of the check and proof of its delivery to Emily Westridge.
4. Defendant agrees to eliminate from the employment records of Emily Westridge any and all documents, entries, or references of any kind relating to the facts and circumstances which led to the filing of EEOC Charge Number 141A20045 and the related events that occurred thereafter.
5. Within thirty (30) days of the entry of this Decree by the court, Defendant shall institute and implement an anti-harassment policy. Defendant shall mail a copy of said policy to

Bobby C. Simpson at the above address within forty-five (45) days of the entry of this Decree.

6. During the term of this Decree, Defendant shall provide an annual training program to all of its managers, supervisors and employees at its facility in Atlantic Beach, North Carolina. Each training program shall include an explanation of the requirements of Title VII of the Civil Rights Act of 1964, and its prohibition against sex discrimination in the workplace, including sexual harassment and retaliation. Each training program shall also cover Defendant's anti-harassment policy and an explanation of the rights and responsibilities of employees and managers under the policy. The first training program shall be completed within ninety (90) days after entry of the decree by the Court. Each subsequent training program shall be conducted at approximately one-year intervals. At least fifteen (15) days prior to each program, Defendant shall provide the Commission with an agenda for the training program. Within ten (10) days after completion of each training program, Defendant shall certify to the Commission the specific training which was undertaken and shall provide the Commission with a roster of all employees in attendance.

8. Beginning within thirty (30) days after the entry of this Decree by the Court, and continuing throughout the term of this Decree, Defendant shall conspicuously post the attached Employee Notice, marked Exhibit A, hereby made a part of this Decree, in a place where it is visible to employees at its Atlantic Beach, North Carolina facility. If the Notice becomes defaced or unreadable, Defendant shall replace it by posting another copy of the Notice.

9. Defendant agrees to provide the Commission with semi-annual reports during the term of this Decree. The reports shall include the following information: (a) the identities of all individuals who have complained of sexual harassment at Defendant's Atlantic Beach, North

Carolina facility including by way of identification each person's name, sex, position, and social security number; (b) a detailed statement of the individual's complaint; (c) the identity of the alleged harasser; and (d) what action was taken in response to the individual's complaint.

Defendant shall submit the reports to the Commission four (4) months after the date of entry of this Consent Decree and every six months thereafter during the term of this Decree.

10. Defendant agrees that the Commission, upon reasonable notice, may review compliance with this Decree. As part of such review, the Commission may inspect Defendant's Atlantic Beach, North Carolina premises, interview employees and examine and copy documents.

11. If anytime during the term of this Decree, the Commission believes that Defendant is in violation of the Decree, the Commission shall give notice of the alleged violation to Defendant. Defendant shall have ten (10) days in which to investigate and respond to the allegations. Thereafter, the parties shall then 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.

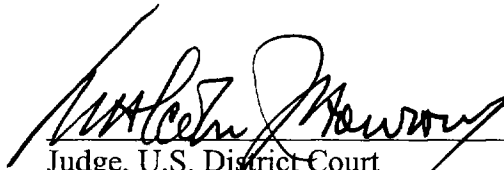
12. The term of this Decree shall be for two (2) years from its entry by the Court.

13. All reports or other documents sent to the Commission by Defendant pursuant to this Decree shall be sent to: Bobby C. Simpson, Acting Regional Attorney, at the Equal Employment Opportunity Commission, 129 W. Trade Street, Suite 400, Charlotte N.C., 28202.

14. Each party shall bear its own costs and attorney's fees.

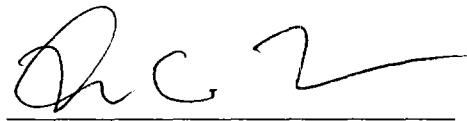
15. This Court shall retain jurisdiction of this cause for purposes of monitoring compliance with this Decree and entry of such further orders as may be necessary or appropriate.

11/25/03
Date


Judge, U.S. District Court
Eastern District of North Carolina

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

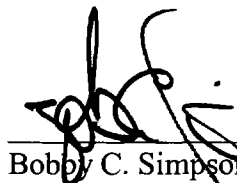
CHANNEL MARKER II, INC.

By: 
Thomas A. Farr
Haynsworth, Baldwin, Johnson & Greaves, LLC
1400 Crescent Green, Suite 320
P.O. Box 10035
Raleigh, N.C. 27605-0035
Tel: (919) 233-4600

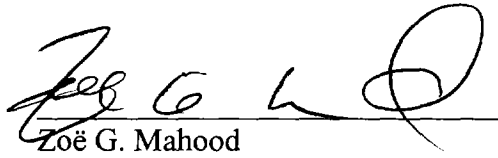
EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION

GWENDOLYN YOUNG REAMS
Associate General Counsel

EQUAL EMPLOYMENT
OPPORTUNITY COMMISSION
1801 "L" Street, N.W.
Washington, D.C. 20507

By: 
Bobby C. Simpson
Acting Regional Attorney
129 West Trade Street, Suite 400
Charlotte, N.C. 28202
Tel: (704) 344-6880

By:

A handwritten signature in black ink, appearing to read 'Zoë G. Mahood', written over a horizontal line.

Zoë G. Mahood
Senior Trial Attorney
1309 Annapolis Drive
Raleigh, N.C. 27608
Tel: (919) 856-4080

NOTICE TO EMPLOYEES

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

Channel Marker II, Inc. ("Channel Marker") supports and will comply with such federal law in all respects and will not discriminate against any employee because of their sex. Additionally, Channel Marker will not take any action against employees because of their race, color, religion, national origin, disability or age, or because they have exercised their rights under the law.

Channel Marker has adopted an equal employment opportunity policy and will ensure that all management, supervisors, and other employees abide by the requirements of that policy. Channel Marker has taken, and will continue to take all actions required by the United States District Court, including the grant of monetary relief to aggrieved individuals, and the posting of this notice.

If you believe that you have been discriminated against based on your sex, you should report the discriminatory conduct promptly to Channel Marker, or to the U.S. Equal Employment Opportunity Commission, 1309 Annapolis Drive, Raleigh, N.C. 27608, Tel: (919) 856-4064.

This Notice will remain posted for at least two (2) years by agreement with the U.S. Equal Employment Opportunity Commission.

DO NOT REMOVE THIS NOTICE UNTIL: _____, 2005.

Date

for Channel Marker, II, Inc.

EXHIBIT A