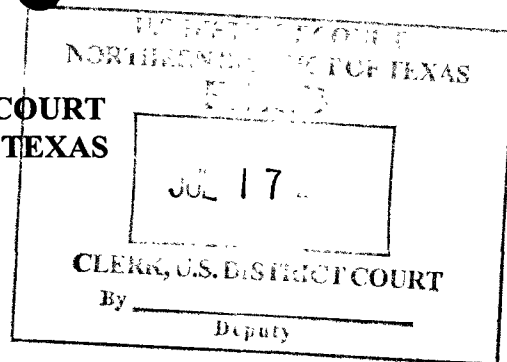


ORIGINAL

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



EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION,

Plaintiff,

v.

ORR AUTOMOTIVE, LLC,

Defendant.

CIVIL ACTION NO.

3-02-CV-1911-N

CONSENT DECREE

THIS CONSENT DECREE is made and entered into by and between the Plaintiff, Equal Employment Opportunity Commission ("EEOC"), and Defendant, Orr Automotive, L.L.C., in the United States District Court for the Northern District of Texas, Dallas Division, with regard to the EEOC's Complaint, filed on September 5, 2002 ("the Complaint"), in Civil Action No. 3-02-CV-1911-N. This Complaint was based upon a Charge of Discrimination filed by Charging Party Linda Duncan against Defendant employer.

The above-referenced Complaint alleges that the Defendant Orr Automotive, L.L.C., violated Title VII of the Civil Rights Act of 1964 and Title I of the Civil Rights Act of 1991, by subjecting Linda Duncan to a sexually hostile work environment based upon her sex, female.

The EEOC and Orr Automotive (specifically the following dealerships: Orr Inc., Orr Superstore, Orr Honda in Texarkana, Orr Honda in Hot Springs, Orr Pontiac-Cadillac-Toyota, and Orr Acura-BMW-Infiniti) agree to compromise and settle the differences embodied in the

CONSENT DECREE

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 disputed claims, and that this Consent Decree shall not in any way be construed as an admission by Orr Automotive 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 A1 0439. This 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. Orr Automotive agrees that it shall conduct all employment practices in a manner which does not subject any employee to gender discrimination, including sexual harassment under Title VII of the Civil Rights Act and Title I of the Civil Rights Act of 1991.

3. Orr Automotive 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. Orr Automotive 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 discrimination, sexual harassment or sex-based harassment 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 Orr Automotive) proceeding, or hearing in connection with this case and/or relating to any claim of sex discrimination, sexual harassment or sex-based harassment; 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. Orr Automotive agrees to post the Notice appended hereto as "Attachment A" on the employee bulletin board(s) in prominent and conspicuous locations throughout its facilities at each dealership identified in Paragraph 3, above, of this Consent Decree within ten (10) days after entry of this Consent Decree. Orr Automotive 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 Orr Automotive's sexual harassment 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

sexual harassment, sex-based harassment and/or retaliation change during the term of the Consent Decree such that the information contained in the notice is no longer accurate, Orr Automotive shall immediately prepare and post a revised notice that contains the correct information. Orr Automotive shall promptly thereafter forward a copy of the revised notice to the EEOC.

7. Orr Automotive agrees to conduct training twice a year for all of its employees, owners and managers, at each of the dealerships identified in Paragraph 3, above, of this Consent Decree 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 sexual harassment and a sexually hostile work environment. The training shall be at least one hour in duration. Orr Automotive 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.

8. Orr Automotive 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 sexual harassment or sex-based harassment 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. Orr Automotive shall communicate this policy to all of its supervisors and managers.

9. Orr Automotive 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 sexual harassment policy, and to report any incidents and/or complaints of sexual harassment, sex-based harassment and/or retaliation of which they become aware to the persons charged with handling such complaints. Specifically, Orr Automotive agrees to include training in the General Manager meetings, which are to be held three times per year. The training at these General Manager meetings will include a discussion of such conduct and comments that could be considered sexual harassment, including examples thereof. The training will also include a discussion of the Orr Automotive complaint procedure and appropriate disciplinary action—up to and including termination—in response to a complaint of sexual harassment. The training shall be at least 30 minutes in duration. Orr Automotive agrees to give written notice to EEOC within fourteen (14) days after each General Manager meeting, providing the following information: (a) the date and location of the General Managers' meeting; (b) the list of all employees in attendance; (c) the name of the person providing the training; and (d) the substance of the training.

10. Orr Automotive 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.

11. Orr Automotive agrees that it shall include “commitment to equal employment opportunity” as a criterion for qualification for supervisory positions.

12. Within fourteen (14) days after entry of this Consent Decree, Orr Automotive agrees to remove from Linda Duncan'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. Orr Automotive shall send a report to the EEOC within ten (10) days after expungement, describing the specific items expunged from Linda Duncan's personnel file.

13. Orr Automotive agrees to provide a positive written employment reference for Linda Duncan, agreed upon by the EEOC, 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. Orr Automotive agrees to state that Linda Duncan performed her duties in an excellent manner.

14. Orr Automotive agrees that there shall be no discrimination or retaliation of any kind against any person involved in the referenced charge or litigation including Linda Duncan 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 Orr Automotive agrees to distribute the Notice attached as "Attachment A" to each current and future employee, stating the following: "This is a copy of Orr Automotive's policy against discrimination. Orr Automotive 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 Orr Automotive 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 prominent and conspicuous locations throughout its facilities at each of its associated dealerships during the two-year pendency of this Consent Decree.

16. Defendant Orr Automotive agrees to pay the gross sum of \$140,000.00 to Linda

Duncan to resolve all claims for all damages. Within twenty-one (21) days of the entry of this Consent Decree, Orr Automotive and/or its insurance carrier, Sentry Select Insurance Company, will issue a cashier's check, made payable to Linda Duncan and mailed to 1101 East Avenue I, Hooks, Texas 75561, in the above-referenced amount.

17. The payment referenced in paragraph 16, 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.

18. Defendant Orr Automotive 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 17, above. Orr Automotive shall report to the EEOC regarding training as specifically outlined in paragraph No. 7.

19. 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.

20. If Defendant Orr Automotive fails to tender payment or otherwise fails to timely comply with the terms of paragraphs 16-17, above, Defendant Orr Automotive 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.

21. Neither the EEOC nor Defendant Orr Automotive 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 Decree shall be construed to preclude the EEOC from enforcing this Decree in the event that Defendant Orr Automotive fails to perform the promises and representations contained herein. The EEOC shall determine whether Defendant Orr Automotive 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.

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

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

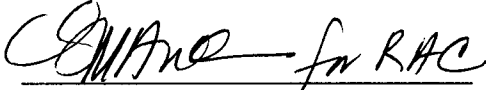
SO ORDERED, ADJUDGED AND DECREED this 17 day of June, 2003.


U.S. DISTRICT COURT JUDGE

AGREED AS TO FORM AND SUBSTANCE:

Signed this 15th day of July, 2003.

FOR THE PLAINTIFF:



ROBERT A. CANINO
Regional Attorney
Oklahoma State Bar No. 011782

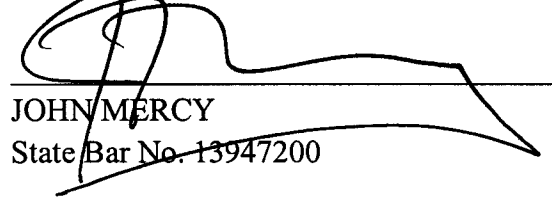
SUZANNE M. ANDERSON
Supervisory Trial Attorney
Texas Bar No. 14009470



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:



JOHN MERCY
State Bar No. 13947200

MERCY, CARTER, TIDWELL & ELLIOTT, L.L.P.
1724 Galleria Oaks Drive
Texarkana, Texas 75503
(903) 794-9419; Fax No. (903) 794-1268

CONSENT DECREE



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

NOTICE TO ALL EMPLOYEES

This NOTICE is being posted as part of a Consent Decree between the Equal Employment Opportunity Commission and Orr Automotive, L.L.C.. This NOTICE will be conspicuously posted for a period of two years at this location. It must not be altered, defaced, or covered by any other material.

POLICY: Discrimination of any kind can and often will detract from employees' job performance, discourage employees from remaining on the job, keep employees from advancing in their careers and lower overall employee morale and productivity. It is the policy of Orr Automotive, L.L.C. that gender discrimination in the form of sexual harassment and retaliation is unacceptable conduct and will not be condoned.

PURPOSE: It is the purpose of this Notice to reaffirm and amplify the requirements of Title VII of the Civil Rights Act of 1964, as amended, and the Equal Employment Opportunity Commission's guidelines on gender discrimination and to reiterate Orr Automotive, L.L.C.'s policy against unlawful discrimination.

SCOPE: This policy extends to all employees of ORR AUTOMOTIVE, L.L.C. both management, non-management, and temporary/probationary.

DEFINITION: Sexual harassment has been defined as follows: Unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature constitute sexual harassment when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment. Sexual harassment is a form of misconduct that undermines the integrity of the employment relationship. No employee, either male or female, should be subjected to unsolicited and unwelcome sexual conduct, either verbal or physical.

Examples of behavior that may constitute sexual harassment include but are not limited to the following:

- * Hugging, grabbing or any type of unnecessary touching of another person.
- * Making unwelcome sexual advances.
- * Foul or obscene language of a sexual nature, including jokes.
- * Requests for sexual favors whether in exchange for benefits or otherwise.

RESPONSIBILITY: Each manager and supervisor has a responsibility to maintain a workplace free of sexual harassment. Employees are expected to read, understand, and follow Orr Automotive, L.L.C.'s policies against unlawful discrimination and procedures for reporting any alleged unlawful discrimination.

REPORTING PROCEDURES: Any employee who believes that he or she has been subjected to gender discrimination has an obligation to report it to his or her manager or to the dealership's General Manager immediately.

A person either alternatively, or in addition to reporting such an allegation to company officials, may contact the

ATTACHMENT "A"

U.S. Equal Employment Opportunity Commission for the purposes of filing a charge of employment discrimination. The address and telephone number of the U.S. EEOC office is 207 S. Houston Street, Third Floor, Dallas, Texas 75202; (214) 655-3355. Information about your rights and how to file a charge is available on the Internet at www.eeoc.gov.

INVESTIGATION OF COMPLAINTS: An appropriate investigation of each complaint will be undertaken quickly by the appropriate Orr Automotive, L.L.C. personnel. The investigation may include interviews of employees and supervisors at the facility, the inspection of documents, including personnel records, and full inspection of the premises.

PUNISHMENT FOR VIOLATION: Employees engaged in gender discrimination can expect to be subjected to disciplinary action. After appropriate investigation, any employee, whether management or non-management, who has been found to have discriminated against another employee will be subject to appropriate disciplinary action, depending on the circumstances, up to and including termination of employment.

RETALIATION: There shall be no retaliation against any employee because that person has opposed what they believe to be unlawful employment practices or has filed a charge of discrimination, or has given testimony, assistance, or has participated in any manner in any investigation, proceeding or hearing under Title VII of the Civil Rights Act of 1964. Orr Automotive, L.L.C. will not punish you for reporting gender discrimination simply because you have made a complaint under the above guidelines.

PROTECTION OF PRIVACY: The question of whether a particular action or incident constitutes gender discrimination requires a determination based on all available facts and current law. However, Orr Automotive, L.L.C. will handle your complaint in as confidential a manner as practicable.

EXCEPTIONS: There are no exceptions to this policy.

THIS IS AN OFFICIAL NOTICE AND MUST NOT BE REMOVED OR DEFACED BY ANYONE. THIS NOTICE WILL BE POSTED FOR A PERIOD OF TWO YEARS.

DATE

KEITH ORR, President
Orr Automotive