

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA
THIRD DIVISION

Equal Employment Opportunity Commission,

Plaintiff,

v.

CONSENT DECREE

Norstar Bagel Bakeries, Inc. d/b/a
Bruegger's Fresh Bagel Bakery,

Civil Action No. 01-550 MJD/JGL

Defendants.

This action was filed by the Equal Employment Opportunity Commission ("EEOC") on March 29, 2001 pursuant to Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000e, et seq. In its complaint, the Equal Employment Opportunity Commission ("EEOC") alleges that Defendant, Norstar Bagel Bakeries, Inc. ("Norstar" or "Defendant") discriminated against Karl Holloway ("Holloway") on the basis of race. Specifically, the EEOC alleges that Defendant subjected Holloway to discriminatory and disparate treatment when it suspended and subsequently terminated Holloway's employment, but did not terminate a white employee for similar conduct.

Defendant denies that it has committed any of the violations alleged by the EEOC. The Consent Decree shall not be construed in any way as an admission by Norstar that it has acted wrongfully or unlawfully in any respect with regard to Holloway. The EEOC, Defendant and Holloway (hereinafter referred to as "the parties") have agreed to settle these claims in order to reach an amicable resolution of this matter and avoid further litigation. It is the intent of the parties by this Consent Decree to avoid the cost of trial and

NOV 01 2001
FILED
RICHARD D. SLETTEN, CLERK
JUDGMENT ENTD
DEPUTY CLERK

uncertainty of liability in the event of litigation of the claims alleged in the Complaint. The terms of the agreement are set forth below.

I. Monetary Relief

A. Settlement Amount.

Defendant agrees to settle this case for \$30,000.00 and to mail checks as described below totaling that amount, less appropriate deductions described below, to Karl Holloway with copies to the EEOC, at the times specified below, after the date the Consent Decree is entered by the Court. The checks shall be sent by certified mail, return receipt requested, to Holloway and copies of the checks shall be mailed simultaneously to the undersigned counsel for the EEOC. The parties stipulate that they have allocated the settlement amount into separate payment categories in recognition of the underlying claims. Defendant agrees to pay Holloway \$13,610.27 in back pay, minus standard deductions, and \$16,389.73 in compensatory damages. All payments are payable within 10 calendar days after this action is dismissed pursuant to this Consent Decree and after the time to rescind the Release has expired.

All of the employer's share of required withholdings, such as Social Security, shall be paid by Defendant. Neither the EEOC nor Defendant make any representation, or assume any responsibility for any tax liability, assessments, interest, penalties and/or costs that Holloway may or may not incur on such payments under local, state and/or federal law.

II. Non-Monetary Terms

A. Compliance with Title VII

Title VII of the Civil Rights Act of 1964, as amended, prohibits discrimination on the basis of race, color, religion, sex and national origin. 42 U.S.C. §2000e, et seq. Defendant will take the measures outlined in this Consent Decree to help insure that employees are not discriminated against in violation of Title VII. Defendant will not take any actions against employees because they have exercised their rights under Title VII.

B. Impact Upon EEOC's Processing

The EEOC does not waive or in any manner limit its right to process or seek relief in any other charge or investigation based upon allegations not included in the above-captioned case.

C. Training

Defendant shall provide training on consistent and lawful discipline and performance review, to its "supervisory personnel", (Area Managers, General Managers and Assistant Managers), and agrees to continue to provide said training to new supervisory personnel, at its expense, relating to Defendant's obligation to maintain a work environment free from discrimination on the basis of race. This training will also instruct all supervisory personnel on the policies and procedures of reporting, responding to and investigating claims of race discrimination.

D. Creation and Dissemination of Anti-Discrimination Policy

Defendant shall certify to the EEOC that it has an anti-discrimination policy. Such policy will specifically outline procedures for reporting and investigating complaints of race discrimination, and will include the names of persons to whom discrimination complaints

should be made. If no such policy exists, Defendant shall create such policy within 30 days. This policy shall be disseminated to all employees.

E. Posting of Notice

Defendant agrees to post the notice (Exhibit A hereto) on the corporate employee bulletin board at 1433 E. Franklin Ave., Suite 3, Minneapolis, MN 55404 ("Facility"). Defendant agrees to post this notice within five calendar days of approval of this Consent Decree by the Court. This posting will remain for a period of one (1) year.

F. Removal of References to EEOC Charge/Lawsuit from Personnel File

Defendant shall remove from Holloway's personnel files and records any notations, marks, or indications that relates to Holloway's charge filed with the EEOC, the investigation, litigation, or resolution of the charge. Holloway's employment records and files should also be expunged of any reference that his employment was terminated or that he was discharged because of misconduct, and/or use of threatening or abusive language.

G. Employment Reference

When and if Defendant is contacted by a prospective employer of Holloway's for an employment reference, Defendant will provide dates of employment, and positions held.

H. Record-keeping and Reporting

For one (1) year from the date of this Consent Decree, Defendant shall document and maintain records related to every complaint that it or any manager or supervisor receives from any employee alleging race discrimination. During this period, Defendant shall also provide the EEOC with reports, with the first report being due six (6) months after the Final Order. Defendant shall provide the EEOC with a second report 12 months thereafter. The reports shall include the following information for each complaint known to

Defendant: the name, address, telephone number, and social security number of all employees at Defendant's facility, if any, who, during the reporting period, complained either verbally or in writing about race discrimination; the date and nature of each complaint, the identity of each person to whom each complaint was made; and the action taken by Defendant in response to each complaint.

I. Enforcement of Consent Decree

If at any time during the effective date of this Consent Decree, the EEOC believes that a violation of this Decree has occurred, prior to exercising its right to move to compel enforcement, the EEOC shall give written notice detailing the perceived violation to Defendant. Defendant shall have thirty (30) days from receipt of written notice to investigate and respond in writing to the allegation that a violation has occurred. Thereafter, the parties shall have a period of thirty (30) days, or such additional period as may be agreed upon in writing by them, in which to engage in negotiation and conciliation regarding any alleged violation before the EEOC may move to compel compliance. The parties agree that this Consent Decree may be specifically enforced in court but may use this evidence only in subsequent proceedings in which any party alleges a breach of this Consent Decree.

J. Certification to the EEOC.

Within 10 calendar days following compliance with the posting, training and creation/dissemination of anti-discrimination policy provisions of this Consent Decree, Defendant will notify the EEOC of such compliance through a letter from an appropriate representative.

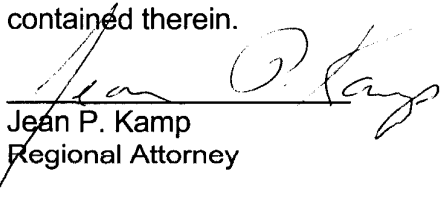
K. Other Agreements

This Consent Decree constitutes the agreement between and among the parties concerning the settlement of the above-captioned lawsuit. It is entered in conjunction with a separate Release of all other claims executed by Holloway, with advice of counsel, for additional consideration by Norstar.

L. Enforcement of Terms of Consent Decree and Jurisdiction.

Upon execution of the Consent Decree by the parties, the parties will execute a Stipulation for Dismissal with Prejudice, pursuant to Fed R. Civ. P. 41(a)(2), to dismiss this case without costs to the parties, with the Court to reserve jurisdiction to enforce the terms of the Consent Decree. The affirmative obligations under this Consent Decree shall be effective and binding upon the parties for the period of one (1) calendar year from its final approval by the Court. This Court shall retain jurisdiction of this action for the purpose of enforcing this Decree and entry of such further orders as may be necessary or appropriate for the same period of time, except that, if any party has, prior to the expiration of the one (1) year period, commenced proceedings to compel compliance, this Court will retain jurisdiction of the action until all issues relating to such compliance proceedings have been resolved. At the end of the one (1) year period, or as soon as all enforcement issues (if any) have been resolved, whichever occurs last, this Court will dissolve the Consent Decree and will dismiss this action with prejudice without further motion by any party.

I have read the foregoing Consent Decree, and accept and agree to the provisions contained therein.

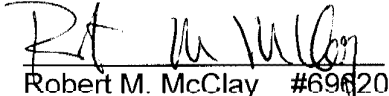

Jean P. Kamp
Regional Attorney

October 19, 2001
Date



Tina Burnside
Senior Trial Attorney
EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION
Minneapolis Area Office
330 S. Second Ave., Suite 430
Minneapolis, MN 55401
(612) 335-4047

Oct. 29, 2001
Date



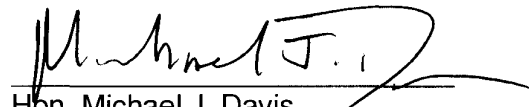
Robert M. McClay #69620
McClay • Alton P.L.L.P.
951 Grand Avenue
St. Paul, MN 55105
(651) 290-0301

October 10, 2001
Date

Attorney for Defendant
NORSTAR BAGEL BAKERIES, INC. d/b/a
BRUEGGER'S FRESH BAGEL BAKERY

ORDER

SO ORDERED this 1st day of Nov., 2001.



Hon. Michael J. Davis
United States District Judge

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA
THIRD DIVISION

Equal Employment Opportunity Commission,

Plaintiff,

v.

Norstar Bagel Bakeries, Inc. d/b/a
Bruegger's Fresh Bagel Bakery,

Civil Action No. 01-550 MJD/JGL

Defendant.

NOTICE TO EMPLOYEES

This notice is being posted as part of the remedy agreed to pursuant to a Consent Decree between Norstar Bagel Bakeries, Inc. ("Norstar") and the U.S. Equal Employment Opportunity Commission ("EEOC").

Federal law requires that there be no discrimination against any employee or applicant for employment because of the individual's race, color, religion, sex, national origin, disability, or age (40 and over) with respect to hiring, promotions, layoffs, firing, compensation, or other terms, conditions or privileges of employment.

Norstar Bagel Bakeries supports such Federal law in all respects and will not take any actions against employees because they have exercised their rights under the law.

Norstar Bagel Bakeries will follow its Equal Employment Opportunity policy to ensure that all supervisory personnel and other employees abide by the requirements of that policy and that employees will not be discriminated against in violation of Title VII of the Civil Rights Act of 1964, as amended.

Date: _____

Norstar Bagel Bakeries, Inc.

Exhibit A