Filed 05/29/2007

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INTRODUCTION I.

- This Consent Decree (the "Decree") and Notice of Settlement is made and A. entered into by and between the plaintiff, the United State Equal Employment Opportunity Commission (the "Commission" or "EEOC"), and Defendant Mandalay Corp., d.b.a. Mandalay Bay Resort and Casino (the "Company" or "Mandalay Bay") and all of the Company's former and present affiliates, sister entities, predecessors, subsidiaries, parents, officers, directors, shareholders, employees, agents, attorneys, successors, assigns, heirs, executors, administrators, trustees and all other former employees of the Company (collectively "Releasees"). Collectively, the EEOC, the Company, and Releasees are referred to herein as the "Parties."
- В. The Parties enter into this Decree for purposes of fully and finally resolving the case instituted in the United States District Court for the District of Nevada entitled (albeit erroneously identifying Mandalay Bay as a dba of MGM MIRAGE) U.S. Equal Employment Opportunity Commission v. MGM MIRAGE, Inc., dba Mandalay Bay Resort & Casino, Case Number CV S-05-1101-PMP-PAL (the "Action") for violation of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e et seq. ("Title VII"), alleging that Charging Party Orasa Benpard was subjected to sexual harassment. and that Charging Parties, Xu Mei, Jinchang Deng, Yin-Fong Hui-Lai, Hong Situ and other similarly situated individuals, were unlawfully retaliated against for engaging in protected activity under Title VII (collectively, Orasa Benpard, Xu Mei, Jinchang Deng, Yin-Fong Hui-Lai, Hong Situ and others similarly situated individuals are referred to as the "Charging Parties").

II. PURPOSE AND SCOPE OF THE DECREE

- A. The Parties hereby seek entry of this Decree to resolve and bring to a close this action and further seek to avoid incurring costs and burdens incident to this litigation.
- B. It is understood, acknowledged, admitted and agreed that this Decree represents the compromise of a disputed claim and that the relief recited herein is not an admission of liability or wrongdoing of any kind on the part of the Company or the Releasees, which wrongdoing is expressly denied.
- C. Nothing in this Decree is intended to resolve any claim asserted in any pending charge of discrimination, harassment and/or retaliation filed by any Company employee other than those claims asserted in charges of discrimination, harassment and/or retaliation filed by the Charging Parties or asserted on behalf of the Charging Parties by the Commission.
- D. Nothing in this Decree is intended to limit or in any way affect the Commission's right to bring, process, investigate, or litigate other charges that may arise in the future against the Company in accordance with standard Commission procedure.

III. RELEASE OF CLAIMS

This Decree fully, completely, and forever resolves all issues, claims and allegations raised or that could have been raised by the Commission against the Company in the Action filed in the United States District Court, District of Nevada on September 9, 2005 captioned U.S. Equal Employment Opportunity Commission v. MGM Mirage, Inc. d/b/a Mandalay Bay Resort and Casino; Case No. CV-S-05-1101PMP-

PAL, including, but not limited to back pay, front pay, compensatory damages, punitive damages, interest, and injunctive relief.

IV. EFFECTIVE DATE AND DURATION OF DECREE

The provisions of this Decree are effective immediately upon the date when the Decree is entered by the Court (the "Effective Date"). This Decree shall remain in effect for two (2) years after the Effective Date.

V. JURISDICTION

- A. The Court has jurisdiction over the Parties and the subject matter of this Action pursuant to 28 U.S.C. §§ 451, 1331, 1337, 1343, 1345, 1367, and 42 U.S.C. § 2000e-5(f). The Complaint asserts claims that, if proven, would authorize the Court to grant the equitable relief set forth in this Decree. The terms and provisions of this Decree are fair, reasonable and just. This Decree conforms with the Federal Rules of Civil Procedure and Title VII and is not in derogation of the rights or privileges of any person.
- B. The Court shall retain jurisdiction of this action during the duration of the Decree for the purposes of entering all orders, judgments and decrees that may be necessary to implement the relief provided herein.

VI. MODIFICATION AND SEVERABILITY

- A. This Decree constitutes the complete understanding of the Parties with respect to the matters contained herein. No waiver, modification, or amendment of any provision of this Decree will be effective unless made in writing and signed by an authorized representative of each of the Parties.
- B. If one or more provisions of this Decree are rendered unlawful or unenforceable, the Parties shall make good faith efforts to agree upon appropriate amendments to the Decree in order to effectuate the purpose of the Decree. In any

event, the remaining provisions shall remain in full force and effect unless the purposes of the Decree cannot, despite the Parties' best efforts, be achieved.

C. This Decree may be amended or modified in the interest of justice and fairness in order to effectuate the provisions herein upon mutual agreement of the Parties.

VII. COMPLIANCE AND DISPUTE RESOLUTION

- A. The Parties expressly agree that if the EEOC has reason to believe that the Company has failed to comply with any material provision of this Decree, the EEOC may bring an action before this Court to enforce the Decree. Prior to instituting such action, the EEOC shall notify the Company or its legal counsel of record in reasonable detail and in writing, of the nature of the alleged material non-compliance (the "Non-Compliance Notice"). Absent a showing by either party that delay will cause irreparable harm, the Company shall have thirty (30) days to remedy the non-compliant condition; provided, however, that if the Company does not believe it is in material breach of the Decree, it shall have ten (10) days after receipt of the Non-Compliance Notice to respond in writing to such notice identifying, in reasonable detail, the basis on which it contends no material non-compliance has occurred (the "Ten-Day Notice"). Within five days of receiving the Ten-Day Notice, the Parties shall meet and confer by telephone and attempt to resolve their difference. If resolution does not occur, or if the Parties agree otherwise, the Parties may then proceed with a request for court intervention.
- B. The Parties stipulate and agree to cooperate and use their respective best efforts to resolve any dispute regarding a material failure to comply with the terms of this Decree identified in a notice given in accordance with Section VI(A) above.

C. If (i) no Ten-Day Notice is given by the Company, (ii) thirty days have passed following receipt of the Non-Compliance Notice, and (iii) absent an agreement between the Parties to extend time further, the EEOC may petition the court for resolution of the alleged non-compliant condition(s) seeking all available relief, including, but not limited to extension of the term of this Decree, monetary relief, injunctive relief, and appropriate attorney's fees and costs associated with the petition.

VIII. MONETARY RELIEF

- A. In settlement of this action, the Company shall pay a total of \$300,000.00 (three hundred thousand dollars and zero cents). The distribution of monies to the Charging Parties and to identified and unidentified class members shall be made at the sole discretion of the EEOC. The EEOC shall provide Mandalay Bay with a list of the names, addresses, and social security numbers of all individuals who are to receive money from the settlement.
- B. In addition to the amounts identified in Section VIII.A above, the Company shall make a \$10,000.00 (Ten thousand dollars and zero cents) contribution to the Voice Foundation whose mission is to build stronger communities where Company employees live and work.
- C. The Company shall forward, via certified mail, a check to each of the individuals identified by the EEOC pursuant to Section VIII.A above within ten (10) days of its receipt of the EEOC's list of such individuals; provided, however, that prior to the distribution of settlement funds, the individuals identified by the EEOC shall each complete, as required, a W-9 or other tax forms necessary. The monies shall be designated as non-wage compensation under Title VII and no tax withholding shall be made. The Company shall prepare and distribute 1099 tax reporting forms to each individual identified by the EEOC, and shall make appropriate reports to the Internal Revenue Service and other tax authorities. Within three (3) business days of the

issuance of each and every settlement check and 1099 forms, the Company shall submit a copy of each check and related correspondence to Anna Y. Park, Regional Attorney for the U.S. Equal Employment Opportunity Commission, 255 East Temple Street, 4th Floor, Los Angeles, California 90012.

D. In the event that any portion of the monies paid by the Company is not claimed by the Charging Parties or the class members, the surplus shall be distributed to the Company's Voice Foundation, which distributes monies to worthy charitable causes. The Company agrees to use reasonable efforts to add Lideras Compasinas to the Voice Foundation's list of recipient charities so that should there by any unclaimed amounts paid pursuant to this Decree these amounts may, if reasonably practicable, be allocated to this charity. Upon notice by the EEOC informing the Company of any unclaimed funds, the Company, through its Consultant (defined below), shall work with the EEOC to ensure that such funds are donated to the Voice Foundation for distribution to, if possible, Lideras Compasinas, or other appropriate non-profit agencies.

IX. ADDITIONAL RELIEF FOR CHARGING PARTIES

A. Charging Party Jinchang Deng

The records reflecting Jinchang Deng's termination documentation shall be changed to show a "voluntary resignation" and Deng shall be considered by the Company to be available for rehire at any properties owned by the Company.

X. EQUAL EMPLOYMENT OPPORTUNITY CONSULTANT

Within thirty (30) days after the Effective Date, Mandalay Bay shall retain an Equal Employment Opportunity Consultant ("Consultant") with demonstrated experience in the area of employment discrimination and sexual harassment issues, to assist with Mandalay Bay's compliance with the provisions of this Decree. The Consultant shall be subject to the Commission's approval, which shall not be unreasonably withheld. If the Commission does not approve Mandalay Bay's proposed Consultant, the Commission shall provide Mandalay Bay with a list of at least three

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suggested candidates acceptable to the Commission. Mandalay Bay shall bear all costs associated with the selection and retention of the Consultant and the performance of his/her/its duties. The Consultant's responsibilities shall include:

- Mandalay Bay's reporting, investigating, 1. Reviewing and response procedures relating to complaints of discrimination, harassment, and retaliation for compliance with this Decree;
- Reviewing Mandalay Bay's anti-harassment policy to ensure compliance with this Decree;
- 3. Reviewing the training of employees described in Section XI.E below, for compliance with Title VII and this Decree;
- Reviewing the manner and process through which Mandalay Bay 4. communicates with complainants regarding its complaint procedure, status of complaint investigations, results of investigations, and any remedial action taken for compliance with this Decree;
- 5. Working with Mandalay Bay so as to allow the Company to make accurate and timely reports to the EEOC in compliance with this Decree;
- 6. Reviewing Mandalay Bay's disciplinary policies pertaining to Title VII, including procedures for disciplining employees for failing to take appropriate action as well as for engaging in conduct prohibited under Title VII, for compliance with this Decree;
- Reviewing Mandalay Bay's centralized system of tracking discrimination, 7. harassment, and retaliation complaints in compliance with this Decree;
 - 8. Monitoring Mandalay Bay's compliance with the terms of this Decree; and
- 9. Preparing a brief annual report on Mandalay Bay's compliance with this Decree. The first report shall be due to the EEOC within 30 days prior to the first

anniversary of the Effective Date of this Decree. The second annual report is due to the EEOC 30 days prior to the second anniversary of the Effective Date of this Decree.

XI. INJUNCTIVE RELIEF

A. Non-Discrimination

Mandalay Bay, its officers, agents, management (including all supervisory employees), successors, assigns, and all those in active concert or participation with them, or any of them, hereby agree not to: (a) knowingly harass or tolerate harassment against persons on the basis of sex in the terms and conditions of employment; (b) engage in or be a party to any action, policy or practice that is intended or is known to them to have the effect of harassing or intimidating any employee on the basis of sex; and (c) create, facilitate or ratify the existence of a work environment that is hostile to female employees.

B. Retaliation

Mandalay Bay, its officers, agents, management (including all supervisory employees), successors, assigns, and all those in active concert or participation with them, or any of them, agree not to engage in, implement, or ratify any action, policy, practice, or procedure that violates with the purpose of retaliating against any current or former employee or applicant because he or she has in the past, or during the term of this Decree: (a) opposed any practice made unlawful under Title VII; (b) filed a charge of discrimination alleging such practice; (c) testified or participated in any manner in any investigation (including without limitation, any internal investigation undertaken by Mandalay Bay), proceeding in connection with this case and/or relating to any claim of a Title VII*violation; (d) was identified as a possible witness or claimant in this action; (e) asserted any rights under this Decree; or (f) sought or received any relief in accordance with this Decree.

C. <u>Policies and Procedures Concerning Discrimination, Harassment, and</u> Retaliation.

Mandalay Bay shall review, implement, revise (as necessary), and continue to distribute its policies and practices against discrimination, harassment, and retaliation prohibited by Title VII. Such policies and practices shall continue to include:

- 1. A clear explanation of prohibited conduct;
- 2. Assurance that employees who make complaints of harassment and/or discrimination or provide information related to such complaints are protected against retaliation;
- 3. A clearly described complaint procedure that provides the identity of those to whom employees may report such complaints, including departmental supervisors, managers, individuals outside the chain of command. The complaint procedure shall encourage the employee to make such complaints to Mandalay Bay's Human Resources Department, but shall also provide employees with the EEOC's address, identifying the Commission as the agency with whom employees may also file any complaints;
- 4. An internal telephone number that can be accessed 24 hours a day, in the language the employee is most comfortable communicating, for purposes of reporting any complaints of discrimination, harassment, or retaliation.
- 5. Assurance that the reporting and complaint procedures are confidential to the extent reasonably possible;

- 6. A complaint process that provides for a prompt, thorough, and impartial investigation;
- 7. A procedure for communicating with the complainant regarding the status of the complaint / investigation, results of the investigation, and any remedial action taken; and
- 8. Assurance that Mandalay Bay will take prompt and appropriate corrective action when it determines that harassment, discrimination and/or retaliation has occurred.

Within sixty (60) of the Effective Date of the Consent Decree, Mandalay Bay shall provide to the EEOC a copy of its existing policy together with its supplemental module regarding retaliation (the "Retaliation Module" or the "Module"). In addition to all other information contained within the Retaliation Module, the Module shall provide the information identified in Section XI.C.3 and 4 above thereby fulfilling Mandalay Bay's obligations under this Section XI.C. Within fifteen (15) days of the receipt of Mandalay Bay's Retaliation Module, the EEOC shall comment on the Module. Within fifteen (15) days of receiving any comments from the EEOC regarding revisions to the Retaliation Module, Mandalay Day shall either revise its the Module to conform with the EEOC's comments or contact the EEOC to discuss a mutually agreeable revision to the same. The finally agreed upon Retaliation Module is to be sent to the EEOC within 90 days of the date upon which agreement to the content of the Retaliation Module is reached.

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D. Distribution of Policies and Procedures Concerning Discrimination, Harassment, and Retaliation.

- 1. Within one hundred and twenty (120) days of the Effective Date, Mandalay Bay shall ensure that it has distributed its Retaliation Module to all Mandalay Bay employees.
- The Company's existing policies and procedures, as well as its 2. Retaliation Module, shall be translated and distributed, as appropriate, in English and Spanish, and Chinese. The entirety of the Company's policies and procedures pertaining to harassment, discrimination, and retaliation shall be included in the materials provided to Mandalay Bay's new hires at the time of orientation beginning no later than 90 days after the date upon which the Parties agree to the content of the Retaliation Module.
- 3. Mandalay Bay shall develop an acknowledgment form for its existing policies and procedures as well as its Retaliation Module that shall inform employees that the Vice President of Human Resources is available to obtain translation of the policy and procedure in the primary language of the employee if the language is other than those set forth above. The acknowledgement forms shall also include the following statement translated into English, Spanish, Chinese, and the two other most commonly spoken non-English languages, identified in good faith by Mandalay Bay:

IT IS YOUR RESPONSIBILITY TO KNOW AND UNDERSTAND THIS POLICY. IF YOU DO NOT READ AND UNDERSTAND THE LANGUAGE IN WHICH THIS POLICY IS WRITTEN, CONTACT THE VICE-PRESIDENT OF HUMAN RESOURCES, DEBBIE WOOTAN-WHITE AT 632-7172. SHE WILL PROVIDE YOU WITH A TRANSLATION OF THIS POLICY IN YOUR PRIMARY LANGUAGE.

4. Throughout the term of this Decree, Mandalay Bay shall also post the Retaliation Module in English, Spanish, and Chinese in a conspicuous and accessible place to all Food and Beverage employees in legible font that is a minimum of 15 points in size.

E. Training

1. The Commission and Mandalay Bay understand and agree that Mandalay Bay employs in excess of six thousand (6,000) employees. The Mandalay Bay Food and Beverage Department comprises over two thousand, five hundred (2,500) of these employees.

2. Main Kitchen Employees

During the term of this Decree, Mandalay Bay agrees to provide training covering the subjects of equal employment opportunity rights and responsibilities (with an emphasis on the Company's Retaliation Module), and Mandalay Bay's reporting and investigative procedures to all Main Kitchen employees. For Main Kitchen supervisory and management level employees, the training shall also emphasize how to properly handle a report discrimination or harassment in a neutral manner, when and how to contact Human Resources for assistance, and how to recognize and prevent discrimination, harassment and retaliation.

3. New Employees

Mandalay Bay shall include in the orientation of new employees a presentation regarding Mandalay Bay's anti-discrimination / harassment / retaliation policy as well as an overview of the reporting and investigative procedures.

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4. Employees Promoted to or Newly Hired as Managerial or **Supervisory Positions**

For the remainder of the term of this Decree, all new employees hired to managerial positions and all employees recently promoted from a staff/hourly to a managerial position shall receive training covering all topics identified in Section XI.E.2 above. Such training shall occur within ninety (90) days of hire or promotion.

5. Training of Human Resources Employees

Human Resources shall, during the term of this Decree, receive annual training specific to their obligations, including the handling and investigating of complaints of discrimination and retaliation. This training shall include, but not be limited to, the training set forth in Section XI.E.2 above.

- All training in addition to that which is specifically required by this 6. Decree shall be at the recommendation of the Consultant.
- 7. All employees required to attend such training shall verify their attendance in writing.

XII. RECORDKEEPING AND REPORTING

Recordkeeping A.

Mandalay Bay shall continue its record-keeping procedure that provides for tracking discrimination complaints and monitoring of such complaints to prevent retaliation. More specifically and in addition to this requirement, Mandalay Bay shall maintain the following records:

> 1. All documents generated in connection with any complaint Mandalay Bay reasonably believes may be construed to allege a violation of Title VII discrimination, harassment or retaliation, and any

investigation or resolution of such a complaint for the duration of the Decree;

- 2. All acknowledgments of receipt by employees of Mandalay Bay's revised discrimination and anti-retaliation policy; and
- 3. All documents verifying the trainings and attendance at trainings identified in Section XI.E. above.

Mandalay Bay shall make the aforementioned records available to the Commission within ten (10) business days following a written request by the Commission to Mandalay Bay.

B. Reporting

Mandalay Bay shall provide the following reports to the Commission:

- 1. Within ninety (90) days after the implementation of its Retaliation Module, Mandalay Bay shall submit to the Commission an initial report that contains:
 - a. A copy of the Module as described in Section XI.C above;
 - A summary of the procedure and recordkeeping methods for centralized tracking of discrimination complaints and monitoring of such complaints in compliance with Section XII.A;
 - c. A statement confirming that the required policies pertaining to this Decree and the Retaliation Module have been posted as identified in Section XI.D.4 above; and

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- d. A statement confirming the receipt of acknowledgement forms from all employee indicating receipt of the Retaliation Module in accordance with this Section XII.
- A description of the training to be provided and the materials e. to be used in the training of its employees.
- 2. Mandalay Bay will also provide the following annual reports starting from the Decree's Effective Date. An initial report in compliance with Section XI.C above, and two annual reports specifying its progress and status regarding compliance of all provisions under this Decree. The first report shall be due to the EEOC within 30 days prior to the first anniversary of the Effective Date of this Decree. The second annual report is due to the EEOC 30 days prior to the second anniversary of the Effective Date of this Decree. Each of the annual reports shall include:
 - A statement confirming the training of all employees in a. accordance with Section XI.E;
 - b. Confirmation that the revised policy and complaint procedure have been distributed to all new hires in accordance with Section XI.D;
 - A brief description of any complaint(s) that the Mandalay Bay c. reasonably believes may be construed to allege a violation of Title VII discrimination, harassment or retaliation made in the prior twelve months made by any member of Mandalay Bay's

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Food and Beverage Department. The description shall include the names of the individuals alleging a Title VII violation, a summary of the complaint made, the job classification of the alleged perpetrator, the date(s) of the alleged events, and a description of how the complaint was resolved.

XIII. NOTICES, REPORTS, POLICIES, AND PROCEDURES

- A. Any and all notices, reports, policies and procedures to be provided under or pursuant to this Decree shall be in writing and shall be mailed and faxed as follows:
 - 1. If to the Commission: Anna Y. Park, Regional Attorney, United States Equal Employment Opportunity Commission, 255 East Temple Street, 4th Floor, Los Angeles, CA 90012; facsimile number (213) 894-1301;
 - 2. If to Mandalay Bay: Wendy L. Nutt, General Counsel for Labor and Employment, 3799 S. Las Vegas Blvd. Las Vegas, NV facsimile number (702) 862-1296, with a copy to William T. Martin, General Counsel, Mandalay Bay Resort and Casino, 3950 Las Vegas Blvd. South, Las Vegas, Nevada 89109; facsimile number (702) 6741; and to Elayna J. Youchah, Brownstein Hyatt Farber Schreck, 300 South Fourth Street, Suite 1200, Las Vegas, Nevada, 89101; facsimile number (702) 382-8135.

XIV. ATTORNEY'S FEES AND COSTS

The Parties agree that each will bear its own attorneys' fees and costs.

XV. COSTS OF ADMINISTRATION AND IMPLEMENTATION OF CONSENT DECREE

Mandalay Bay shall bear all costs associated with its administration and implementation of its obligations under this Consent Decree.

XVI. MISCELLANEOUS PROVISONS

- A. During the term of this Decree, Mandalay Bay shall provide any potential successor in interest with a copy of this Decree within a reasonable time of not less than thirty (30) days prior to the execution of any Decree for the acquisition or assumption of control over any or all of Mandalay Bay's facilities or operations, and shall simultaneously inform the Commission of the same.
- B. During the term of this Decree, Mandalay Bay and its successors shall ensure that each of its department executives at the vice president level or above, and all Food and Beverage department managers are aware of the terms of this Decree which may be related to his/her job functions and duties.
- C. The Parties agree to entry into this Decree subject to final approval of the Court.

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D. The Parties expressly understand and agree that there are neither any express nor implied third party beneficiaries to this Decree and that no person or entity, other than the EEOC, has any right whatsoever to bring an action of any kind, in any forum, seeking either to enforce the terms of this Decree or which seeks relief arising from any alleged violation of this Decree.

DATED: May 16 2007

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Anna Y. Park, Regional Attorney Connie Liem, Senior Trial Attorney Derek W. Li. Trial Attorney

Anna Y. Park, Regional Attorney

Attorneys for Plaintiff

U.S. Equal Employment Opportunity Commission

Los Angeles District Office

255 East Temple Street, 4th Floor

Los Angeles, CA 90012

BROWNSTEIN HYATT FARBER SCHRECK

300 South Fourth Street, Suite 1200

Las Vegas, NV 89101

DATED: May 14, 2007

Elayna J Youchah

Attorneys for Defendant Mandalay Corp.

ORDER

GOOD CAUSE HAVING BEEN SHOWN, IT IS SO ORDERED.

DATED: May 29, 2007

Honorable Phillip M. Pro

UNITED STATES DISTRICT JUDGE