

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA
GREENSBORO DIVISION**

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION,)	
)	
Plaintiff,)	Civil Action No.: 1:06cv731
)	
v.)	CONSENT DECREE
)	
CAROLYN FABRICS, INC.)	
)	
Defendant.)	
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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 alleged that a male employee of Carolyn Fabrics, Inc. (the “Defendant”) sexually harassed Lisa Brooks and other similarly situated female employees because of their sex, female. The Commission further alleged that the Defendant failed to take prompt and appropriate corrective action to stop the harassment.

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 understood and agreed that this settlement is the compromise of disputed claims (which Defendant has denied above) and is not an admission of liability or wrongdoing by Defendant.

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 18 below.

It is therefore ORDERED, ADJUDGED AND DECREED as follows:

1. Defendant shall not discriminate against any person on the basis of sex or any other protected category within the meaning of Title VII.

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 Lisa Brooks the sum of twenty thousand dollars (\$20,000) in settlement of the claims raised in this action in settlement of Plaintiff's claims for compensatory damages and will subsequently issue to Ms. Brooks a 1099 form reflecting such payment. Defendant shall make payment by issuing a check payable to Lisa Brooks. Payment shall be made within fifteen (15) days after the Court approves this Consent Decree, and Defendant shall mail the check to Ms. Brooks at an address provided by the Commission. Within ten (10) days after the check has been sent, Defendant shall mail to Lynette A. Barnes, Regional Attorney, 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 Ms. Brooks.

4. Defendant shall pay Terri Allen the sum of five thousand dollars (\$5,000) in settlement of the claims raised in this action in settlement of Plaintiff's claims for compensatory damages and will subsequently issue to Ms. Allen a 1099 form reflecting such payment. Defendant shall make payment by issuing a check payable to Terri Allen. Payment shall be made within fifteen (15) days after the Court approves this Consent Decree, and Defendant shall mail the check to Ms. Allen at an address provided by the Commission. Within ten (10) days after the check has been sent, Defendant shall mail to Lynette A. Barnes, Regional Attorney, 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 Ms. Allen.

5. Defendant shall pay Michele Register the sum of ten thousand dollars

(\$10,000) in settlement of the claims raised in this action in settlement of Plaintiff's claims for compensatory damages and will subsequently issue to Ms. Register a 1099 form reflecting such payment. Defendant shall make payment by issuing a check payable to Michele Register. Payment shall be made within fifteen (15) days after the Court approves this Consent Decree, and Defendant shall mail the check to Ms. Register at an address provided by the Commission. Within ten (10) days after the check has been sent, Defendant shall mail to Lynette A. Barnes, Regional Attorney, 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 Ms. Register.

6. Within ten (10) days of the entry of this Decree by the Court, Defendant shall eliminate from the employment records of Lisa Brooks, Terri Allen and Michele Register 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 145-2005-01352 and the related events that occurred thereafter. Within fifteen (15) days of the entry of this Decree by the Court, Defendant shall report compliance with this provision to the EEOC.

7. Defendant and/or its officers, agents, employees, successors, assigns agree to refrain from engaging in reprisal or retaliation of any kind against Brooks, Register or Allen when asked for information or references regarding their employment. Defendant shall respond to any verbal inquiries for such information by stating that it is the defendant's policy not to give any information nor make any comment on former employees.

8. Within ninety (90) days of the entry of this Decree by the Court, Defendant shall adopt, implement, and distribute a revised, formal, written anti-discrimination policy, which shall include but not be limited to the following: an explanation of the requirements of the federal equal employment opportunity laws, including Title VII and its prohibition against sexual harassment; procedures for reporting discrimination; and a procedure for the thorough and immediate investigation of employee complaints of discrimination. Defendant shall distribute to each current employee a copy of the policy within the aforementioned 90 day time period. Within one hundred (100) days of the entry of this Decree, Defendant shall report compliance to

the Commission. During the term of this Decree, Defendant shall distribute the revised policy to all current employees and new employees and review it with them at the time of hire.

9. During the term of this Decree, Defendant shall post a copy of the revised policy described in paragraph 8, *supra*, in all of its facilities in High Point, North Carolina in a place where it is visible to employees. If the policy becomes defaced or unreadable, Defendant shall replace it by posting another copy of the policy. Within one hundred (100) days after the Consent Decree is entered, Defendant will post the policy and notify the EEOC that it has been posted.

10. During the term of this Decree, Defendant shall provide an annual training program to all of its managers, supervisors and employees in High Point, 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 sexual harassment in the workplace. Each training program shall also include an explanation of Defendant's policy referenced in paragraph 8 above, and an explanation of the rights and responsibilities of employees and managers under the policy.

The first training program shall be completed within one hundred (100) 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.

11. 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 High Point, North Carolina facilities. If the Notice becomes defaced or unreadable, Defendant shall replace it by posting another copy of the Notice. Within forty-five

(45) days after entry of this Decree, Defendant shall notify the Commission that the Notice has been posted pursuant to this provision.

12. During the term of this Consent Decree, Defendant shall provide the Commission with reports at six (6) month intervals, with the first being due four (4) months after approval by the Court of this Decree. The reports will include the following information:

- A. the identities of all individuals who have (i) complained that they have been subjected to any sexual conduct in the workplace; (ii) directly or indirectly opposed any practice made unlawful under Title VII of the Civil Rights Act of 1964; and/or (iii) filed a charge, given testimony or assistance, or participated in any investigation, proceeding or hearing under the foregoing statute. By way of identification this report shall include each person's name, address, telephone number, position, social security number, and the basis of their complaint. This provision applies to, but is not limited to, complaints of sexual conduct and/or sexual harassment in the workplace;
- B. for each individual identified in 12.A. above, explain what action Defendant took in response to the individual's complaint, including providing copies of any notes, statements and documentation in electronic or written format of any investigation conducted by the Defendant, its employees and/or agents;
- C. for each individual identified in 12.A. above, explain whether the individual's employment status has changed in any respect. Including but not limited to, termination, firing, demotion, promotion, or to part-time from full-time; and
- D. for each individual whose employment status has changed as identified in 12.C. above, a detailed statement explaining why the individual's employment status has changed.

In the event there is no activity to report pursuant to this paragraph, Defendant shall send EEOC a “negative” report indicating no activity.

13. The Commission may review compliance with this Decree. As part of such review, the Commission may, upon 48 hours notice, inspect Defendant’s facility, interview employees and examine and copy documents. No advance notice shall be required for the Commission to inspect Defendant’s facility solely to ensure compliance with paragraphs 9 and/or 11. The Commission’s inspection will be conducted sometime from 8:00 a.m. to 5:00 p.m.; Monday through Friday during the Defendant’s regularly scheduled operating hours.

14. 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 regarding such allegations before the Commission exercises any remedy provided by law.

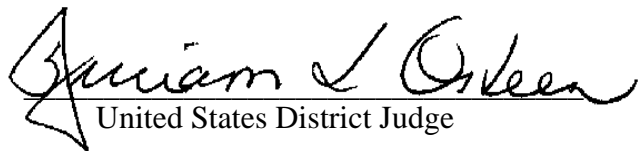
15. The term of this Decree shall be for three (3) years from its entry by the Court.

16. All reports or other documents sent to the Commission by Defendant pursuant to this Decree shall be sent to: Lynette A. Barnes, Regional Attorney, Equal Employment Opportunity Commission, 129 W. Trade Street, Suite 400, Charlotte N.C., 28202.

17. Each party shall bear its own costs and attorney’s fees.

18. 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.

September 12, 2007


United States District Judge