

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

EQUAL EMPLOYMENT OPPORTUNITY)
 COMMISSION, et al.)
)
 Plaintiffs,)
)
 v.)
)
 RG'S FOOD SHOPS OF PENNSYLVANIA,)
 INC.)
)
 and)
)
 BEDFORD VALLEY PETROLEUM)
 CORPORATION,)
)
 Defendants.)
)
 _____)

Case No.:WMN-04CV3038

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 CLERK OF DISTRICT COURT
 DISTRICT OF MARYLAND DEPUTY

CONSENT DECREE

This action was instituted on September 22, 2005, by Plaintiff, the Equal Employment Opportunity Commission ("Commission" or "EEOC"), against Defendants RG's Food Shops of Pennsylvania, Inc. and Bedford Valley Petroleum Corporation ("Defendants"), pursuant to Title VII of the Civil Rights Act of 1964, as amended ("Title VII"), and Title I of the Civil Rights Act of 1991. The Commission's Complaint alleges that Defendants discriminated against Lisa White, Mandy McMillan (formerly Duckworth), Stacy Northcraft and a class of similarly situated female employees, by engaging in the unlawful employment practice of subjecting them to sexual harassment, including but not limited to creating and maintaining a hostile work environment, and retaliation and discharge against Ms. McMillan, in violation of Title VII, Sections 703 and 704. On January 27, 2005, Claimant Lisa White intervened in this lawsuit, alleging violations of Title VII

and Title I of the Civil Rights Act of 1991 by Defendants.

The Parties desire to resolve this action and all issues raised by the Complaint without the time and expense of further contested litigation. The parties also desire to formulate a plan to be embodied in this Decree that will promote and effectuate the purposes of Title VII.

Defendants have stipulated that for purposes of this litigation, they constitute a single and/or joint employer within the meaning of Title VII. For the purposes of resolving this action, Defendants admit that the Court has jurisdiction over this action and the parties, venue is proper, and that all statutory and jurisdictional prerequisites to suit have been satisfied.

The Court has examined this Decree and finds that it is reasonable and just and in accordance with the Federal Rules of Civil Procedure and Title VII. Therefore, upon due consideration of the record herein and being fully advised of the premises, it is ORDERED,

ADJUDGED AND DECREED:

1. This Decree constitutes a full discharge and satisfaction of any and all claims which have been alleged in the Complaint filed by the EEOC in this Title VII action based on the EEOC's determinations of discrimination for the charges filed by Lisa White and Mandy McMillan, including the class of similarly situated female employees.

INJUNCTION AGAINST DISCRIMINATION

2. Defendants, its officers, agents, assigns and all persons acting or claiming to act on its behalf and interest, are hereby enjoined and restrained from violating Title VII by engaging in any employment practice that discriminates against any person because of sex by subjecting them to sexual harassment and creating and maintaining a hostile work environment and shall take the actions set forth in this Consent Decree to maintain a workplace free from sex discrimination.

3. Defendants, its officers, agents, assigns, and all persons acting or claiming to act on its behalf and interest, are hereby enjoined and restrained from discriminating or retaliating against any person because of opposition to any practice declared unlawful under Title VII of the Civil Rights Act of 1964, as amended, or because of the filing of a charge against Defendants alleging any such practice, giving testimony or assistance, or participation in any manner in any investigation, proceeding or hearing under Title VII, including any person who participated in any manner in this action.

SEXUAL HARASSMENT POLICY

4. Within thirty (30) days of the entry of this Decree, Defendants shall institute, implement and distribute to all its managers and employees a revised written policy on sexual harassment. The revised policy shall include at a minimum, a clear explanation of prohibited conduct, designation of a contact person to whom the prohibited conduct should be reported, with the contact person's name, title and phone number, a complaint procedure that provides accessible avenues of complaint, assurance that the employer will take all reasonable measures to protect confidentiality, conduct an impartial investigation, refrain from retaliating against any person who participates in such investigation, and take prompt and appropriate corrective action. The revised policy is to be reviewed by the Commission. Within fourteen (14) days of the entry of the Decree, Defendants shall forward to the Commission its proposed revised policy for review. Upon the Commission's review of this revised policy on sexual harassment, Defendants shall distribute a copy of this policy to all its managers and employees. Within forty five (45) days of the entry of the Decree, Defendants shall forward to the Commission's attorney of record, at the EEOC's Baltimore District Office, written certification that this policy on sexual harassment referenced herein has been distributed to all of its

managers and employees and posted in the designated places.

POSTING OF POLICY AND NOTICE

5. Upon entry of this Decree, Defendants will post immediately in a conspicuous place in and about its facilities, including all places where notices to employees are customarily posted, and maintain for the term of the Consent Decree, copies of the EEOC poster, "Equal Employment Opportunity Is The Law (Form EEOC-P/E-1), a copy of the revised sexual harassment policy referred to in paragraph 4 above, and the Notice attached hereto as Exhibit "A" and made a part hereof which shall be signed by responsible officials of Defendants with the date of actual posting to be shown thereon. Should these postings or notices become defaced, marred or otherwise made unreadable, Defendants will ensure that new readable copies are posted in the same manner heretofore specified.

6. The revised sexual harassment policy and notices shall be posted and maintained throughout the period of this Decree. Exhibit "A" shall also be distributed to each employee of Defendants. Within forty five (45) days of entry of this Decree, Defendant shall forward to the Commission's attorney of record, at the EEOC's Baltimore District Office, a copy of the signed Notice attached hereto as Exhibit "A," written certification that the sexual harassment policy and the notice referenced herein have been posted, a statement of the location(s) and date(s) of postings and that the signed Notice, attached hereto as Exhibit "A," has been distributed.

TRAINING

7. Within ninety (90) days of the entry of this Decree, Defendants will present training to its entire management and employee workforce concerning sexual harassment, sex discrimination, prohibition against retaliation and other laws enforced by the Commission. All persons responsible for the implementation and administration of the sexual harassment policy referred to in paragraph

4 above, shall also be required to attend the training. The trainer's credentials and an outline of program materials shall be forwarded to the EEOC's attorney of record (30) thirty days prior to such training being conducted and the Commission shall provide any suggestion within ten (10) days of the training. A representative of the Commission shall be invited to attend such training. The training shall include an explanation of Title VII and its prohibitions against sexual harassment, the responsibilities of human resources and managerial personnel who are informed or otherwise know of incidents of harassment, recognition of harassment, and the prohibition against retaliating against employees who allege an incident of sex harassment or other discrimination. The training shall also address the methods for reporting an incident of sex harassment. The training shall explain to all employees that, in addition to reporting an incident to management, they have a right to file a charge of discrimination with the Commission and shall explain where such charges can be filed and the applicable time frame for doing so. In addition, the training shall inform all employees that the employer will take all reasonable measures to protect confidentiality, that an impartial investigation will be conducted in response to a complaint and if the investigation finds that an employee has engaged in conduct that violates the employer's anti-harassment policy: (i) penalties will depend on the nature of the offense, (ii) any and all breaches of the policy are considered serious, and (iii) appropriate discipline will be imposed even for a first offense, ranging from a verbal warning up to and including discharge. The training for Defendants' management workforce shall be no less than ninety (90) minutes in duration. The training for Defendants' non supervisory employee workforce shall be no less than sixty (60) minutes in duration and will be provided to employees at their respective store sites by the Defendants' Human Resource manager, as guided and instructed by the trainer to be identified as set forth above.

8. Defendants also agree to provide, within ten (10) days of hire, to each newly-hired employee, including all managerial employees and all employees responsible for the administration of Defendants' sexual harassment policy, an orientation to its sexual harassment and equal employment opportunity policies, including review of a videotape of the training referenced in paragraph 7 above.

9. After entry of the Decree, Defendants shall forward to the Commission's attorney of record, at the EEOC's Baltimore District Office, a list of all employees who have attended and completed training within ten (10) days of the completion of such training. For the duration of this Consent Decree, Defendants shall keep a record of all employees who receive the training described herein. Defendants will report to the Commission's attorney of record those employees who have received the training at six (6) month intervals during the term of this Decree.

INDIVIDUAL RELIEF

10. Defendants have agreed to pay total damages in the amount of one hundred and five thousand (\$105,000) in full settlement of this case. Within five (5) days of the execution of this Decree by the Parties, Defendants shall pay monetary damages in full settlement of this case in accordance with the provisions set forth below:

a. Defendants will pay to Mandy McMillan damages in the total amount of thirty eight thousand dollars (\$38,000), consisting of five thousand dollars (\$5,000) in back wages and thirty three thousand dollars (\$33,000) in compensatory damages. Defendants will issue a W2 Form for the back wage amount listed above, less amounts to be withheld by Defendants for applicable federal and state income taxes as required by law. Defendants shall take no withholding from the compensatory monetary amount listed above and will issue a Form

1099 above to Mandy McMillan reflecting this payment.

b. Defendants will pay to Stacy Northcraft compensatory damages in the amount of thirty thousand dollars (\$30,000). Defendants shall take no withholding from this monetary amount and will issue a Form 1099 to Stacy Northcraft reflecting this payment.

c. Defendants will pay to Lisa White in conjunction with settlement of her claims as Intervenor in this case, compensatory damages in the amount of thirty two thousand dollars (\$32,000). Defendants shall take no withholding from this monetary amount and will issue a Form 1099 to Lisa White reflecting this payment.

d. Defendants agree that checks in these amounts shall be forwarded to the above-named individuals by overnight mail at an addresses to be supplied by the Commission. Within five (5) days of this payment Defendants shall send to the Commission's attorney of record a copy of the checks along with a copy of the overnight delivery receipt.

e. Defendants will establish a monetary fund in the amount of five thousand dollars (\$5,000) to remedy allegations of discrimination by the unidentified class. The Commission will use due diligence to identify the class claimants within thirty (30) days of the entry of this Decree. The Commission will identify to Defendants the name, address and amount of the fund to be distributed to the identified claimant within sixty five (35) days of the entry of this Decree. In the event that there are any funds that have not been distributed, the remainder will be donated to a charity designated by the Commission.

11. Defendants shall remove any records or documents relating to the filing of charges of discrimination by Lisa White and Mandy McMillan or the Commission's lawsuit against Defendants, from any and all personnel or other employment files of Lisa White, Mandy McMillan, and Stacy

Northcraft, wherever maintained. Reference requests regarding these individuals shall be answered by Defendants in neutral terms limited to position, rate of pay, and dates of employment

BREACH PROVISION

12. If any party to this Decree believes that any other party has breached a material provision of this Decree, it shall so notify the party (s), in writing, of the alleged breach. Upon receipt of written notice, a party(s) shall have fifteen (15) days to either correct the alleged breach, and so inform the other party(s), or deny the alleged breach, in writing;

- a. If the parties remain in dispute they shall attempt in good faith to resolve their dispute;
- b. If the parties can not in good faith resolve their dispute, the party alleging a breach may file with the Court a motion to correct and remedy the breach;
- c. Each party shall bear its own costs, expenses and attorney's fees incurred in connection with such action; and
- d. Jurisdiction and venue to resolve any dispute arising under this Decree resides in the United States District Court for the District of Maryland.

TERM OF CONSENT DECREE

13. This Decree shall remain in full force and effect for a period of three (3) years from the date of approval and entry of this Decree by the Court.

14. The Court shall retain jurisdiction of this action to ensure compliance with this Decree. In all other respects, upon approval and entry by the Court of this Decree, this action is dismissed with prejudice and the Clerk of the Court is directed to remove this action from the Court's calendar.

MISCELLANEOUS

15. The Commission reserves the right to monitor compliance with the provisions of this

Decree. As part of such review, the EEOC may require written reports concerning compliance, inspect Defendants' premises, interview witnesses, and examine and copy documents.

16. The Commission, and Defendants shall bear their own costs, expenses and attorneys' fees incurred in connection with this action.

17. The undersigned counsel of record, on behalf of their respective clients, and Defendants representative hereby consent to the entry of the foregoing Consent Decree.

BY CONSENT:

FOR DEFENDANTS:

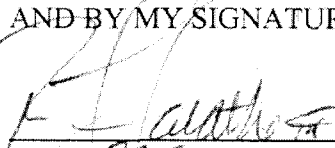
FOR PLAINTIFF:

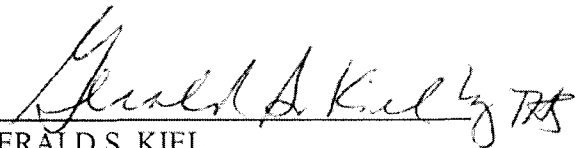
**RG's FOOD SHOPS OF PENNSYLVANIA,
INC.**

**U.S. EQUAL EMPLOYMENT
OPPORTUNITY COMMISSION**

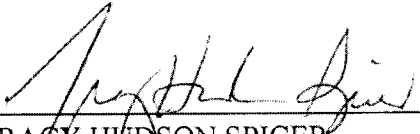
I HEREBY CERTIFY THAT I AM
AUTHORIZED TO BIND THE ABOVE
ENTITY TO THE TERMS OF THIS
CONSENT DECREE BY MY SIGNATURE
AND BY MY SIGNATURE DO SO.

GWENDOLYN YOUNG REAMS
Associate General Counsel


Name BRIAN ATHEY
Title PRESIDENT
Address 10228 Lincoln Hwy Everett WA 98153
Phone No. 814-623-5157

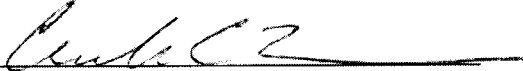

GERALD S. KIEL
Regional Attorney

BEDFORD VALLEY PETROLEUM CORPORATION

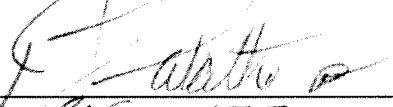


TRACY HUDSON SPICER
Supervisory Trial Attorney

I HEREBY CERTIFY THAT I AM AUTHORIZED TO BIND THE ABOVE ENTITY TO THE TERMS OF THIS CONSENT DECREE BY MY SIGNATURE AND BY MY SIGNATURE DO SO.

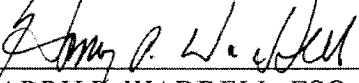


CECILE C. QUINLAN
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Baltimore Maryland 21201
(410) 962-4239



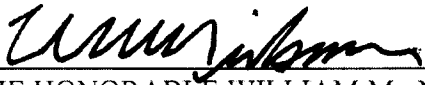
Name B. SPATHE
Title President
Address 10228 Lincoln Hwy EVERTH PA 15537
Phone No. 814-623-5157

FOR INTERVENOR LISA WHITE:



HARRY F. WADDELL, ESQ.
300 West Martin Street
Martinsburg, West Virginia 25401

SO ORDERED this 13th Day of December 2005.



THE HONORABLE WILLIAM M. NICKERSON
Senior United States District Judge



EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

POSTED PURSUANT TO A CONSENT DECREE BETWEEN THE EEOC AND RG's FOOD SHOPS OF PA, INC. AND BEDFORD VALLEY PETROLEUM, INC.

This Notice is being posted pursuant to a Consent Decree between the Equal Employment Opportunity Commission (EEOC) and RG's Food Shops of Pennsylvania, Inc. (RG's Food Shops) and Bedford Valley Petroleum Corporation (Bedford Valley).

Sexual harassment is a form of sex discrimination under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000e *et. seq.* Sexual Harassment may be defined as unwanted sexual advances or demands experienced in an employment relationship. The unwanted behavior may include, but is not limited to, verbal abuse and humiliation, leers, indecent suggestions, physical touching and sexual assault. Harassment can be overt or subtle, and behavior that may be appropriate in a non-work setting may be unacceptable in the workplace.

Examples of sexual harassment prohibited by RG's Food Shops and Bedford Valley policy include, but are not limited to:

Offensive or unwelcome touching or other physical contact,

unwelcome flirtation, lewd written or spoken words, sexual jokes and offensive or sexual suggestive gestures.

Harassment on the basis of sex is a violation of Title VII. 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 condition of an individual's employment,
- (2) submission 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.

An employee may have a claim of sexual harassment where his or her advancement or job security depends on giving in to sexual advances to a supervisor or co-worker or when unwelcome sexual advances, request

for sexual favors, or the physical or verbal conduct of a sexual nature by a supervisor or co-worker creates a hostile working environment.

The conduct need not be offensive to all employees or specifically directed at the employee who is complaining to create a sexually hostile work environment.

RG's Food Shops and Bedford Valley strictly forbids any employee from engaging in any of the above described conduct. The Company will conduct a prompt, speedy and thorough investigation of any complaint and will take appropriate disciplinary measures against the offending party. All complaints of sexual harassment and any information developed during the course of the investigation of these complaints will be kept as confidential as reasonably possible, unless administrative charges or litigation is filed.

We will enforce a policy on sexual harassment to prevent sexual harassment in the

workplace. If a employee is found to have engaged in sexual harassment, that employee will be subject to disciplinary measures appropriate to the severity of the offense, up to and including discharge.

Any employee who feels she or he is the victim of sexual harassment should report the harassment to his or her immediate supervisor. In the event that the employee's supervisor is the party committing the sexual harassment, or the employee is not comfortable with this option, the employee should report the harassment to the Human Resource Manager, Cindy Reiley or Vice President of Sales, Gary Rummell (tel # 800-654-4328 or 814-623-5151) or any other member of management.

Additionally, anyone who observes or learns of conduct that violates RG's Food Shops' or Bedford Valley's sexual harassment policy should report it immediately to any available supervisor or to the Human Resource Manager, Cindy Reiley or Vice President of Sales, Gary Rummell (tel # 800-654-4328 or 814-623-5151).

Any supervisor who does not take prompt and appropriate action to respond to a complaint of sexual harassment will be subject to disciplinary measures.

You also have the right to file a charge with the Equal Employment Opportunity Commission, Baltimore District Office, 10 S. Howard Street, 3rd Floor, Baltimore, MD 21201, 410-962-3933.

RG's Food Shops and Bedford Valley will not discriminate or retaliate in any manner against any person because of opposition to any practice declared unlawful under Title VII or because of the filing of

a charge, the giving of testimony or assistance, or the participation in any investigation, proceeding, or hearing under Title VII.

RG's Food Shops and Bedford Valley will ensure that supervisory employees and all other employees abide by the requirements of the company's sexual harassment policy and commit that sexual harassment and retaliation will not be condoned.

A copy of this Notice will be posted in a conspicuous place where employee notices are ordinarily placed and will be replaced if it becomes defaced, marred or otherwise made unreadable.

Date Posted:

Date Expires:

By:

(Name and Title)
RG's Food Shops of Pennsylvania, Inc.

By:

(Name and Title)
Bedford Valley Petroleum Corporation

EXHIBIT A