

THEREFORE, IT IS HEREBY AGREED BETWEEN THE COMMISSION AND THE DEFENDANT, AND ORDERED, ADJUDGED, AND DECREED that:

JURISDICTION AND PROCEDURAL MATTERS

1. This Court has jurisdiction over the subject matter of this lawsuit and over the parties to this lawsuit.

2. The purposes of Title VII will be furthered by the entry of this Decree, the terms of which constitute a fair and equitable settlement.

3. The negotiation, execution and entry of this Decree will resolve any and all claims of the Title VII violations brought by the Commission against the Defendant arising out of Commission Charge Numbers 270-2004-03537 and 270-2004-03743 and this lawsuit, Civil Action Number 05-2667 and the individual claims of Arianne Davis, Christina Chapman, Kenisha Tully and Donna Davis.

4. This Decree relates only to the alleged Title VII violations raised or which could have been raised against the Defendant in EEOC Charge Numbers 270-2004-03537 and 270-2004-03743 and this lawsuit. It is expressly acknowledged and agreed by the parties that this Decree does not relate to any other EEOC charges.

INDIVIDUAL RELIEF

5. Within forty-five (45) days after the entry of this Decree the Defendant shall pay: (i) the sum of FIFTEEN THOUSAND DOLLARS (\$15,000.00) as damages to Christina Chapman for claims that were raised in Commission Charge Number 270-2004-03537 and this lawsuit; (ii) the sum of TEN THOUSAND DOLLARS (\$10,000.00) as damages to Kenisha Tully for claims that were raised in Commission Charge Number 270-2004-03743 and this lawsuit; (iii) the sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to Arianne Davis Bolds for claims that were raised in this lawsuit and in the sum of TEN THOUSAND

DOLLARS (\$10,000.00) to Donna Davis for claims that were raised in the lawsuit. The Defendant shall provide contemporaneously to the EEOC's Regional Attorney for the Houston District Office (hereafter "Regional Attorney") a copy of all of the damage checks for Christina Chapman, Kenisha Tully, Arianne Davis Bolds and Donna Davis.

INJUNCTIVE RELIEF

A. PERMANENT INJUNCTION

6. The Defendant and all persons acting in concert with it are permanently enjoined from intentionally engaging in sex or gender discrimination under Title VII.

7. The Defendant is permanently enjoined from intentionally engaging in, or being a party to any action that has the effect of harassing or intimidating any employee on the basis of sex or gender.

8. The Defendant is permanently enjoined from intentionally creating, facilitating or permitting the existence of a work environment that is hostile to any employee through acts, such as physical and/or verbal abuse and/or derogatory comments, on the basis of sex or gender.

9. The Defendant is permanently enjoined in the future from intentionally discriminating in any manner against any individual because he or she has made a charge, testified, assisted, or participated in any manner in the investigations by the Commission or court proceeding in connection with this case.

B. TITLE VII COMPLIANCE REQUIREMENTS

10. The Defendant agrees to comply with all requirements of Title VII. The Defendant agrees not to discriminate on the basis of sex or gender in all phases of employment. In furtherance of its Title VII compliance obligations, the Defendant acknowledges that it has terminated the employment of alleged harasser Jose Leon and agrees never to rehire Jose Leon

in any of its restaurants, regardless of location. To ensure that Mr. Leon is never rehired, the Defendant agrees to place a conspicuous written notice in the appropriate manager's policy and procedures manual in each of its restaurant offices and personally inform all of its restaurant managers and supervisors that Mr. Leon is not eligible for rehire. The defendant also agrees to notify its IHOP franchisor and/or any IHOP franchisee about the Defendant's permanent bar against re-hire of Jose Leon pursuant to this Consent Decree in the event it is contacted by its IHOP franchisor and/or any IHOP franchisee regarding the prospective employment of Mr. Leon at an IHOP restaurant or about prospective IHOP management certification for Jose Leon.

C. REPORTING REQUIREMENTS

11. For the duration of this Decree the Defendant agrees to submit through Kamal Sbih and/or his attorney semiannual written reports to the EEOC's Regional Attorney for the Houston District. The initial report must be submitted within six (6) months after the entry of this Consent Decree or not later than May 15, 2007. Subsequent semiannual reports must be submitted on the following dates: November 15, 2007; May 15, 2008; November 15, 2008; May 15, 2009; and November 15, 2009. These reports shall certify the Defendant's compliance with this Decree in accordance with paragraphs 10 and 12 through 14 of this Decree and further provide per semiannual reporting period as follows: (i) the identity by name, social security number, last known address and last known telephone numbers of any employees assigned to work in the Defendant's Covington, Louisiana restaurant who reported about sexual harassment or gender-based hostile work environment in accordance with IHOP policy within the prior six-month period, (ii) a statement as to whether and how the Defendant responded to such report(s), and (iii) a statement as to whether and how the report(s) were resolved. In the event any reports

are made, the EEOC shall have access, upon advance notice of at least ten (10) days to the Defendant, to any written reports or complaints of sexual harassment and/or gender-based hostile work environment and to any investigative documents that are in the control or possession of Defendant and/or its owners, officers, managers, agents, employees, successors, and/or assigns, which the Commission deems necessary to examine in the process of evaluating the employee report(s), which are referenced in subparagraph 11(i), to determine whether a violation of Title VII's prohibition against sexual harassment and gender-based hostile work environment has occurred.

D. TITLE VII TRAINING REQUIREMENTS

12. The Defendant agrees to conduct, for the duration of this decree, an annual two-hour training program about Title VII and the Defendant's anti-harassment and complaint-reporting policy(ies) for its owner Kamal Sbih (or his legal successor) and all supervisors and managers assigned to work in Defendant's Covington, Louisiana restaurant. The initial training program shall be conducted within six (6) months after the entry of this Decree. Each training program and trainer shall be reported to the Commission's Regional Attorney in accordance with the reporting requirements of this Decree. Each annual training program shall include the topics of unlawful gender discrimination against employees in violation of Title VII, including the topics of sexual harassment and gender-based hostile work environment, and an explanation of company policy about managers and supervisors promptly forwarding all complaints or reports about suspected work-place harassment to designated company official(s) who will respond to the complaint(s). Any supervisor or manager who does not attend any Title VII training program, as mandated by this Decree, shall be required to attend a make-up training program or

view a videotape of the entire original training program within one month of the missed program. The Defendant's initial and semiannual reports to the EEOC's Regional Attorney shall provide the identity(ties) of the Title VII and company policy trainer(s); all date(s) such training occurred; the names and positions of the managers and supervisors who attended the training and make-up training or videotape programs; the signatures of all these same individuals acknowledging their presence at such training programs; and the topics covered during all such programs or a copy of the program outlines, materials or videotapes that were utilized during the training.

E. POSTING REQUIREMENTS

13. In accordance with federal anti-discrimination laws that are enforced by the Commission, the Defendant agrees to post conspicuously the Commission's poster entitled: "Equal Employment Opportunity Is The Law" in prominent and accessible places in its restaurant in Covington, Louisiana where its employees work and where said poster can be readily observed by the Defendant's employees and applicants for employment.

F. TITLE VII POLICY DISSEMINATION AND POSTING REQUIREMENTS

14. The Defendant agrees to send to the Commission a copy of its posted policy(ies) prohibiting harassment in violation of Title VII, which policy(ies) shall provide: (i) contact names, addresses and telephone numbers for complaining and reporting suspected work-place harassment and (ii) and require the Defendant's managers and supervisors to promptly forward all complaints or reports about suspected work-place harassment to designated company official(s) who will promptly respond to such complaints by investigation and disciplinary or

other corrective action. Such posted policy(ies) shall also provide all employees with company contact information for confidentially reporting suspected work-place harassment to someone other than their supervisor in the event their supervisor is the suspected harasser. In the event that the Defendant does not yet have such posted policy(ies) which comply with this paragraph, then it will create, implement and send a copy of such posted policy(ies) to the EEOC's Regional Attorney within sixty (60) days after the entry of this Decree. The Defendant agrees to provide all its Covington, Louisiana-based employees with convenient access to its anti-harassment and complaint-reporting policy(ies) that comply with this Decree, including the contact names, addresses and telephone numbers for confidentially complaining and reporting suspected work-place harassment, by posting same in conspicuous work-place locations that are accessible to all employees. Additionally, the Defendant shall disseminate all its anti-harassment and complaint-reporting policy(ies) to all of its employees (including managers, supervisors, trainees, probationary employees, and all salaried and hourly-paid employees) and obtain their written, dated acknowledgments of their receipt and understanding of such policy(ies), and maintain all written, dated acknowledgments of such policy(ies) in its employees' personnel files. For the duration of this Decree, the Defendant shall certify in its initial and all semiannual reports to the Regional Attorney that it has posted and disseminated such policy(ies) in accordance with this paragraph.

DURATION

15. This Consent Decree shall remain in force for three (3) years after the date of entry of this Decree.

VALIDITY, ENFORCEMENT AND MISCELLANEOUS PROVISIONS

16. Should any provision of this Decree be declared or be determined by any Court to be illegal or invalid, the validity of the remaining parts, terms and provisions shall not be affected thereby, and said illegal or invalid part, term or provision shall be deemed not to be a part of this Decree.

17. This Court shall retain jurisdiction over this action for the purpose of enforcing this Decree, if necessary; and any party is empowered to enforce this Decree through the applicable judicial enforcement procedures.

18. This Decree sets forth the entire agreement between the Commission and the Defendant which resolves Commission Charge Numbers 270-2004-03537 and 270-2004-03743 and this lawsuit. This Decree fully supersedes any and all prior agreements or understandings between the Commission and the Defendant pertaining to Commission Charge Number 270-2004-03537 and 270-2004-03743 and this lawsuit. This Decree cannot be altered by oral agreement between the Commission and the Defendant, but only by written Court-ordered modification.

IT IS SO ORDERED.

New Orleans, Louisiana, this 14 day of Nov, 2006.



UNITED STATES DISTRICT JUDGE

SUBMITTED AND APPROVED BY:

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