

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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EQUAL EMPLOYMENT OPPORTUNITY :
COMMISSION, : Civil Action No. 06 CV 2697 (ARR)(RER)
: :
Plaintiff, :
: :
-against - :
: :
E. GLUCK CORPORATION, :
: :
Defendant. :
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CONSENT DECREE

The above-captioned action (the "Action") was initiated on May 31, 2006, by the United States Equal Employment Opportunity Commission (hereinafter "EEOC"), an agency of the United States Government, alleging that Defendant E. Gluck Corporation (hereinafter "E. Gluck" or "Defendant") violated Title VII of the Civil Rights Act of 1964, as amended, and Title I of the Civil Rights Act of 1991. The EEOC alleged that Defendant discriminated against Maria Kellar, and other similarly situated female employees because of their sex by subjecting them to sexual harassment, and terminated Ms. Kellar because of her pregnancy.

Defendant denied each of the claims and allegations in the Action.

EEOC and Defendant desire to settle this Action, and therefore do hereby stipulate and consent to the entry of this decree as final and binding between the parties, who are the signatories hereto, and their successors or assigns. This decree resolves all of the claims related to the Action. The parties have agreed that this decree may be entered into without findings of fact and conclusions of law having been made and entered by the Court.

In consideration of the mutual promises of each party to this decree, the sufficiency of which is hereby acknowledged, the parties agree as follows, the Court finds appropriate, and it is

therefore ORDERED, ADJUDGED AND DECREED that:

1. This decree resolves all issues raised by EEOC Charge Number 160-2005-00005, and the allegations raised in the Action.
2. The parties agree that this Court has jurisdiction of the subject matter of this Action and of the parties, that venue is proper, and that all administrative prerequisites have been met.
3. No party shall contest the jurisdiction of the Court to enforce this decree and its terms or the right of any party to bring an enforcement suit upon breach of any of the terms of this decree by any other party. Breach of any term of this decree shall be deemed to be a substantive breach. Nothing in this decree shall be construed to preclude EEOC from bringing proceedings to enforce this decree in the event that Defendant fails to perform any of the promises and representations contained herein.
4. Defendant and its managers, agents, successors or assigns shall not discriminate against any individual because of the individual's sex or pregnancy status, and shall not retaliate against any individual who engages in protected activity.
5. Within ten (10) days of the entry of this decree, Defendant shall pay the total sum of \$170,000 to three individuals, as allocated in Exhibit 1, which shall be filed under seal. A copy of the checks shall be forwarded to Estela Díaz, Esq., Equal Employment Opportunity Commission, 33 Whitehall Street, 5th Floor, New York, NY 10004, immediately upon issuance of the checks.
6. Within twenty (20) Business Days of the date of entry of this decree, Defendant agrees to post an "Equal Employment is the Law" poster in all prominent places

where employee notices are posted. For the purposes of this decree, Business Day shall mean any day on which Defendant's Long Island City office is open for business.

7. Within ten (10) Business Days of the entry of this decree, Defendant agrees to post a notice pursuant to this decree, attached hereto as Exhibit 2, in all prominent places where employee notices are posted.
8. Within eight (8) weeks of the date of entry of this decree, Defendant will hire a part-time Human Resources Manager to assist Renee Jacobs-Prager, Defendant's Controller, or her successor, in addressing human resources issues, including, but not limited to, continued compliance with Title VII and other anti-discrimination laws.
9. Within twelve (12) weeks of the date of entry of this decree, Defendant will provide two (2) hours of training in federal laws prohibiting discrimination in employment for all current employees. The training will be conducted by an attorney associated with Kasowitz, Benson, Torres & Friedman LLP or Abbott, Reiss & Allen, P.C. The agenda for the training, which has been reviewed and approved by EEOC, is attached hereto as Exhibit 3.
10. Defendant shall provide the training referenced in paragraph 9 to new employees within ninety (90) days of their hire. In addition, E. Gluck's Controller, Human Resources Manager or one of their designees shall meet with each new employee for a minimum of fifteen (15) minutes within ten (10) Business Days of the new employee's hire to review Defendant's anti-discrimination and harassment policies, and procedures for making a complaint of discrimination and/or

harassment.

11. Within twelve (12) weeks of the date of entry of this decree, Defendant will provide two (2) hours of training in federal laws prohibiting discrimination in employment for all current management/supervisory employees. The training will be conducted by an attorney associated with Kasowitz, Benson, Torres & Friedman LLP or Abbott, Reiss & Allen, P.C. The agenda for the training, which has been reviewed and approved by EEOC, is attached hereto as Exhibit 4.
12. Defendant shall provide the training referenced in paragraph 11 to new management/supervisory employees within ninety (90) days of their hire. In addition, E. Gluck's Controller, Human Resources Manager or one of their designees shall meet with each new management/supervisory employee for a minimum of fifteen (15) minutes within ten (10) Business Days of the new management/supervisory employee's hire to review Defendant's anti-discrimination and harassment policies, and procedures for making a complaint of discrimination and/or harassment.
13. Within twenty-one (21) Business Days of the completion of each training session, Defendant will forward to EEOC a copy of the attendance sheet for each training session.
14. Defendant agrees to maintain the Anti-Harassment Policy and Complaint Procedure attached hereto as Exhibit 5, which has been reviewed and approved by EEOC.
15. Within thirty (30) days of the date of entry of this decree, Defendant will provide each employee with a copy of Exhibit 5.

16. Defendant further agrees to distribute Exhibit 5 to each employee at the time the employees are trained pursuant to paragraphs 9-12, above.
17. EEOC has the right to monitor and review compliance with this decree through the reasonable inspection of Defendant's relevant records and/or interviews with employees and management (in the presence of Defendant's counsel) if EEOC receives information relevant to its mission relating to Defendant's conduct. Defendant agrees to make available for inspection and copying any records reasonably related to the enforcement of this decree, upon five (5) Business Days written notice by EEOC, which notice shall specify those records that EEOC seeks to inspect and/or those individuals EEOC seeks to interview.
18. Each party shall bear its own attorneys' fees and costs incurred in this action.
19. This decree and each of its provisions herein constitute the complete understanding among the parties. No other promises or agreement shall be binding unless agreed to in writing and signed by these parties.
20. This decree will remain in effect for three (3) years from the date of entry.

By Plaintiff EEOC:



Elizabeth Grossman
Regional Attorney
EQUAL EMPLOYMENT
OPPORTUNITY COMMISSION
New York District Office
33 Whitehall Street, 5th Floor
New York, New York, 10004

For Defendant E. Gluck Corporation



Blythe E. Lovinger
KASOWITZ, BENSON, TORRES
& FRIEDMAN LLP
1633 Broadway
New York, New York 10019

SO ORDERED this _____ day of _____, 2007

United States District Judge

EXHIBIT 2

NOTICE TO ALL EMPLOYEES OF
E. GLUCK CORPORATION

This notice is posted pursuant to a consent decree entered into between E. Gluck Corporation and the U.S. Equal Employment Opportunity Commission ("EEOC"), in resolution of Case No. 06-CV-2697 filed by EEOC in the United States District Court for the Eastern District of New York.

Title VII gives employees the right to work in an environment free from discrimination, intimidation, ridicule and insult based on sex. Sexual harassment is a form of sex discrimination which is prohibited by federal law. Conduct which is considered sexual harassment includes inappropriate comments or touching of a sexual nature, unwelcome sexual advances, and situations where responses to a sexual advance by an individual affects an individual's employment or employment decisions relating to that person, interferes with the individual's work performance, or creates an intimidating, hostile or offensive work environment.

Should you have any complaints of discrimination, you may contact:

Renee Jacobs-Prager, E. Gluck's Controller, or her successor;

E. Gluck's Human Resources Manager; or the

Equal Employment Opportunity Commission
New York District Office
33 Whitehall Street, 5th Floor
New York, NY 10004
Telephone: (800) 669-4000

THIS IS AN OFFICIAL NOTICE

This is an official notice and must remain posted for three years from the date of posting and may not be altered, defaced or covered by any other material.

Dated: _____

EXHIBIT 3

ABBOTT, REISS & ALLEN, P.C.

Anti-Harassment and Discrimination Training Outline For Non-Supervisory Employees

A. HARASSMENT-WHAT IS IT?

1. Quid pro quo (adverse tangible employment action).
2. Hostile work environment:
 - Unwelcome
 - Pervasive or severe
 - Alteration of working conditions
 - Objective/subjective.
3. Harassment can be based on:
 - Sex/gender (including same sex)
 - Disability (including pregnancy)
 - Age
 - National origin
 - Religion
 - Other protected characteristics.

Harassment may include, but is not limited to:

- Comments
 - Jokes
 - Pictures
 - Propositions
 - Internet/e-mail
 - Gestures
 - Policies (formal or informal)
 - Job action based upon protected characteristics.
4. EEOC Guidelines on harassment.

B. DISCRIMINATION GENERALLY.

1. Discrimination based upon any protected characteristic is prohibited:
 - Disability
 - Pregnancy
 - Race
 - Age
 - Gender
 - Religion

- Other protected characteristics.

2. Employment decisions/actions that can be viewed as discriminatory:
 - Decisions that affect the terms and conditions of employment.

C. PREVENTING HARASSMENT AND DISCRIMINATION.

1. Report improper conduct you witness or learn about from others to your supervisor.
2. Avoid inappropriate remarks and offensive motions or gestures.
3. Avoid suggestive pictures, calendars, e-mail or anything else that may be viewed as inappropriate.
4. Avoid even casual physical contact.
5. Use common sense: if you think it is wrong it probably is.

D. RETALIATION-WHAT IS IT?

1. What is a protected activity?
 - Making complaint of discrimination or harassment (formal or informal)
 - Testifying/providing information in connection with EEO claim
 - Supporting any employee's EEO claim
 - Whistleblower
 - Other examples.
2. What is an adverse job action?
 - Examples
 - Can be the slightest action and one that is not, on its face, a detriment to employee.

E. E. GLUCK POLICIES AND PROCEDURES

1. Review of E. Gluck Anti-Harassment Policy and Complaint Procedure.

F. DISCUSSION OF SCENARIOS.

1. Elicit employee participation.
2. Discuss appropriate response.

EXHIBIT 4

ABBOTT, REISS & ALLEN, P.C.

Anti-Harassment and Discrimination Training Outline For Supervisory Employees

A. HARASSMENT-WHAT IS IT?

1. Quid pro quo (adverse tangible employment action).
2. Hostile work environment:
 - Unwelcome
 - Pervasive or severe
 - Alteration of working conditions
 - Objective/subjective.
3. Harassment can be based on:
 - Sex/gender (including same sex)
 - Disability (including pregnancy)
 - Age
 - National origin
 - Religion
 - Other protected characteristics.

Harassment may include, but is not limited to:

- Comments
 - Jokes
 - Pictures
 - Propositions
 - Internet/e-mail
 - Gestures
 - Policies (formal or informal)
 - Job action based upon protected characteristics.
4. EEOC Guidelines on harassment.
 5. Corrective actions.

B. DISCRIMINATION GENERALLY.

1. Discrimination based upon any protected characteristic is prohibited:
 - Disability
 - Pregnancy
 - Race
 - Age

- Gender
- Religion
- Other protected characteristics.

2. Employment decisions/actions that may be viewed as discriminatory:
 - Decisions that affect the terms and conditions of employment.

C. PREVENTING HARASSMENT AND DISCRIMINATION.

1. Report improper conduct you witness or learn about from others to Human Resources.
2. Avoid inappropriate remarks and offensive motions or gestures.
3. Avoid even casual physical contact.
4. Do not tolerate suggestive pictures, calendars, e-mail or anything else that may be viewed as inappropriate.
5. Document employee misconduct/complaints.
6. Provide employees fair and accurate evaluations.
7. Use common sense: if you think it is wrong it probably is.

D. RETALIATION-WHAT IS IT?

1. What is a protected activity?
 - Making complaint of discrimination or harassment (formal or informal)
 - Testifying/providing information in connection with EEO claim
 - Supporting any employee's EEO claim
 - Whistleblower
 - Other examples.
2. What is an adverse job action?
 - Examples
 - Can be the slightest action and one that is not, on its face, a detriment to employee.

E. E. GLUCK POLICIES AND PROCEDURES

1. Review E. Gluck Anti-Harassment Policy and Complaint Procedure.
2. Review managers' and supervisors' responsibilities.

F. DISCUSSION OF SCENARIOS

1. Elicit employee participation.
2. Discuss appropriate response.

EXHIBIT 5

ANTI-HARASSMENT POLICY AND COMPLAINT PROCEDURE

Equal Opportunity Policy

E. Gluck Corporation ("E. Gluck") provides equal opportunity in all of its employment practices to all qualified employees and applicants without regard to race, color, religion, gender, national origin, age, disability, marital status, military status or any other category protected by federal, state and local laws. This policy applies to all aspects of the employment relationship, including but not limited to, recruitment, testing, hiring, promotions, demotions, transfers, terminations, compensation, benefits and training.

Policy Prohibiting Harassment and Discrimination

E. Gluck strives to maintain an environment free from discrimination and harassment, where employees treat each other with respect, dignity and courtesy. This policy applies to all aspects of the employment relationship, including but not limited to recruitment, testing, hiring, promotions, demotions, transfers, terminations, compensation, benefits and training.

Prohibited Conduct

E. Gluck does not and will not tolerate any type of harassment of its employees, applicants for employment, customers, clients or suppliers. Discriminatory conduct or conduct characterized as harassment as defined below is prohibited.

The term harassment includes, but is not limited to, slurs, jokes, and other verbal, pictorial or physical conduct relating to a person's gender, ethnicity, race, color, creed, religion, sexual orientation, national origin, age, disability, marital status, military service status or any other protected classification, that interferes with a person's work performance or creates an intimidating, hostile work environment.

Sexual Harassment Specifically

E. Gluck is also committed to maintaining a working environment free from sexual harassment. It is a violation of law and in general it is expressly against E. Gluck's policy for any employee or other person to make unwelcome sexual advances or requests for sexual favors from an employee, or to engage in any other physical or verbal conduct of a sexual nature when (1) submission to such conduct is made as an express or implicit condition of employment; (2) submission to or rejection of such conduct is used as a basis for employment decisions affecting the individual who submits to or rejects such conduct; or (3) such conduct has the purpose or effect of interfering with an employee's work performance or creating an intimidating, hostile or offensive working environment.

Examples of sexual harassment may include, but are not limited to, explicit sexual propositions, sexual innuendoes, suggestive comments, sexually-oriented teasing, jokes about gender-specific traits, foul or obscene language or gestures, displays of foul or obscene printed or visual material, including electronic images or words, and physical contact, such as petting, pinching, or intentionally brushing against another's body. Other conduct may also constitute sexual harassment if it falls within the definition of sexual harassment set forth above. This behavior is unacceptable in the workplace and in other work-related settings such as business trips and business-related social events.

Harassment by Non Employees in the Workplace

E. Gluck will also endeavor to protect employees, to the extent possible, from reported harassment by non-employees in the workplace, including customers, clients and suppliers.

Complaint Procedure

If you believe that you have experienced or witnessed any discrimination, sexual harassment or other form of discriminatory harassment, you should report the incident to your supervisor; Ms. Renee Jacobs-Prager, Controller; E. Gluck's Human Resources Manager; or Mr. Robert Noblin, the Director of Security and Personnel. E. Gluck will promptly and thoroughly investigate all such reports as discreetly and confidentially as practicable. However, it may be necessary to discuss allegations of discrimination, sexual harassment and/or discriminatory harassment with the accused individual or with other employees to conduct a thorough investigation, to determine whether such conduct occurred, or to determine what action to take against the offending individual. In that case, only individuals who E. Gluck determines have a need to know will be informed of the allegations, and they will be instructed to treat the matter confidentially.

If E. Gluck decides that a violation of this policy has occurred, it will take appropriate action against the offending party up to and including termination. Employees who report a violation of this policy will not be retaliated against in any way, by E. Gluck, any supervisor, or other employee. Retaliation is a serious violation of this policy and should be reported immediately. Any person found to have retaliated against another individual for reporting discrimination, sexual harassment and/or discriminatory harassment will be subject to appropriate disciplinary action, up to and including termination.

Training

E. Gluck provides training sessions for all employees concerning their rights to be free from discrimination, sexual harassment or other forms of discriminatory harassment and steps they can take to ensure an environment free from discrimination and harassment. Attendance at training sessions is mandatory.