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U.S. DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO, FLORIDA

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

Case No. 6:07-cv-1496-PCF-KRS

UNITED STATES EQUAL EMPLOYMENT)
OPPORTUNITY COMMISSION,)
)
Plaintiff,)
v.)
)
DILLARD'S, INC.,)
)
Defendant.)

CONSENT DECREE

I. THE LITIGATION

1. This Consent Decree ("Decree") is made and entered into by and between Plaintiff, the Equal Employment Opportunity Commission ("Commission" or "EEOC"), and Dillard's, Inc. ("Defendant"). The Commission and Defendant are collectively referred to as the "Parties" throughout this Decree.

2. Plaintiff EEOC filed this action alleging Dillard's violated Title VII of the Civil Rights of 1964 and Title I of the Civil Rights Act of 1991 when it discriminated against Charging Party Paul Steven Reed ("Reed") and Scott Giacomini ("Giacomini") by subjecting them to a hostile work environment because of their sex.

3. In the interest of resolving this matter and as a result of having engaged in comprehensive settlement negotiations, the parties have agreed that this action should be finally resolved by entry of this Consent Decree. This Decree resolves claims filed by EEOC in this action arising from the Charge of Discrimination, EEOC Charge No. 150-2006-00272, filed by Reed against Dillard's, Inc. The Parties further agree that this Decree does not resolve any future

or pending Charges of Discrimination other than the Charge referred to in this paragraph, with the exception of any claim of harassment or discrimination which could have been brought by Giacomini against Defendant.

II. FINDINGS

4. Having carefully examined the terms and provisions of this Decree, and based on the pleadings, record, and stipulations of the parties, the Court finds the following:

a. This Court has jurisdiction over the subject matter of this action and the parties.

b. No party shall contest the jurisdiction of this Federal Court to enforce this Decree and its terms or the right of EEOC to bring an enforcement suit upon an alleged breach of any term(s) of this Decree.

c. The terms of this Decree are and shall be binding upon the present and future representatives, agents, directors, successors, assigns, officers, and subsidiaries of Dillard's, Inc.

NOW, THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED THAT:

III. MONETARY RELIEF FOR PAUL REED AND SCOTT GIACOMINI

5. Defendant shall pay an aggregate of One Hundred Ten Thousand Dollars (\$110,000.00) to resolve this litigation no later than ten (10) calendar days from the Court's execution of this Decree, the payment of which shall be made in the following manner:

a. Defendant shall pay a total of Fifty Thousand Dollars (\$50,000.00) to Paul Steven Reed as follows: (1) Defendant shall pay Reed Five Thousand Dollars (\$5,000.00) and shall issue Reed an IRS Form W-2 for that amount, which shall represent Reed's lost wages and from which Defendant shall withhold appropriate income tax and shall pay the employer's share

of any federal income tax and social security withholdings; (2) Defendant shall pay Reed Forty-five Thousand Dollars (\$45,000.00) and shall issue Reed an IRS Form 1099 for that amount, which shall represent compensatory damages.

b. Defendant shall pay Scott Giacomini a total of Sixty Thousand Dollars (\$60,000.00) and shall issue Giacomini an IRS Form 1099 for that amount, which shall represent compensatory damages.

6. Defendant shall mail the payments described in paragraph 5(a) directly to Paul Steven Reed by Certified Mail (Return Receipt) at the following address: 95 Wymore Road, Altamonte Springs, Florida 32714. Copies of the payments made and the IRS Forms issued pursuant to paragraph 5(a) shall be forwarded to the attention of Nora E. Curtin, Regional Attorney, Equal Employment Opportunity Commission, 2 S. Biscayne Blvd., Ste. 2700, Miami, FL 33131 within five (5) calendar days of issuance.

7. Defendant shall mail the payment described in paragraph 5(b) directly to Scott Giacomini by Certified Mail (Return-Receipt) at the following address: 2760 Galatian Place, Orlando, Florida 32817. Copies of the payment made and the IRS Form issued pursuant to paragraph 5(b) shall be forwarded to the attention of Nora E. Curtin, Regional Attorney, Equal Employment Opportunity Commission, 2 S. Biscayne Blvd., Ste. 2700, Miami, FL 33131 within five (5) calendar days of issuance.

8. If Defendant fails to tender the payments described in paragraphs 5 through 7, then Defendant shall pay interest on the defaulted payment at the rate calculated pursuant to 26 U.S.C. Section 6621(b) until the same is paid, and bear any additional costs incurred by or caused by the non-compliance or delay of the Defendant.

IV. GENERAL INJUNCTIVE PROVISIONS

A. Scope

9. The terms of this Decree shall apply to the Dillard's store currently in the Dillard's Fashion Square Mall Store in Orlando, Florida (the "Fashion Square Store" or "Dillard's").

10. During the term of this Consent Decree, Dillard's, its officers, agents, successors and other persons in active concert or participation with it, or any of them, are enjoined from engaging in sexual harassment in any context.

11. During the term of this Consent Decree, Dillard's, its officers, agents, successors and other persons in active concert or participation with them, or any of them, are enjoined from engaging in reprisal or retaliation of any kind against any person because of such person's opposition to any practice made unlawful under Title VII of the Civil Rights Act of 1964, as amended, because of such person's filing a charge, testifying or participating in any manner in any investigation, proceeding, hearing or lawsuit under any of these statutes, because such person was identified as a witness or possible witness for the Commission, because such person participated in any manner in this action or in the investigation giving rise to this action, or because such person is designated as an aggrieved individual under this Decree.

B. Anti-Harassment Policy

12. Dillard's shall adopt and/or maintain a policy proscribing harassment and proscribing retaliation against any employee who complains about harassment or who files a charge alleging harassment ("Anti-Harassment Policy"). Dillard's shall post and keep posted for the duration of this Decree, in a conspicuous place where notices to employees and applicants for employment are customarily kept or posted, a copy of the Anti-Harassment Policy. Within thirty

(30) days of entry of this Decree, Dillard's shall provide a copy of its Anti-Harassment Policy to all employees and will provide the policy to newly hired employees within ten (10) days of their hire. Within forty-five (45) days of entry of this Decree, Dillard's shall forward a copy of the Anti-Discrimination Policy to the Commission with a letter indicating that the Anti-Discrimination Policy has been posted and distributed.

C. Sexual Harassment Complaints

13. Dillard's shall: (1) require that all complaints of sexual harassment be permanently maintained in an alleged harasser's file and, in the event an employee against whom a sexual harassment complaint has been made transfers to another Dillard's location, provide notice of the complaint to the new Store Manager; (2) permit employees to complain about sexual harassment to any management official; and (3) whenever a complaint of sexual harassment is made, unless the complaint is found to have no merit, the alleged harasser will receive a minimum of two (2) hours of sexual harassment training within thirty (30) days of the complaint. Employees who violate the policy are subject to discipline up to and including termination. Dillard's shall also notify management officials that they have a duty to report observations of sexual harassment.

D. Training

14. Beginning no more than one hundred and twenty (120) days after entry of this Consent Decree, Dillard's shall conduct annual training for all of its employees on what constitutes discrimination and sexual harassment. At least 50% of the training shall address harassment. Training will include notification of the Dillard's policy and procedures for asserting complaints of sexual harassment. Dillard's agrees that said training will also include advising employees on the penalties of engaging in harassing behavior. Dillard's agrees that said

training will include the Dillard's non-retaliation policy. All training under this Paragraph shall be at Dillard's expense, conducted by outside vendors or by video training which, upon request, may be reviewed by the EEOC.

a. The training will be conducted as follows:

i. Non-managerial Employees

During the term of this Consent Decree, Dillard's shall require non-managerial employees to receive a total of two (2) hours of sexual harassment training annually. The first one hour of training shall be held within six (6) months after entry of this Consent Decree and one (1) hour every six (6) months thereafter. All new hires shall continue to receive sexual harassment training currently provided by Dillard's during its new hire orientation. Dillard's shall provide the EEOC with a copy of the employee training and shall provide such copy within sixty (60) days of its implementation.

ii. Managerial and Supervisory Employees

During the term of this Consent Decree, Dillard's shall require all individuals who work in a managerial or supervisory capacity to receive four hours total of annual interactive live broadcast sexual harassment and non-retaliation training. Two (2) hours of this training shall be provided within three (3) months after entry of this Decree and two (2) hours every six (6) months thereafter. Dillard's shall provide the EEOC with a copy of the training agenda, the names of the trainers, and the date(s) of the training in advance of the training. An EEOC representative may attend the training.

iii. Employees Responsible for Investigating Allegations of Sexual Harassment

Dillard's shall provide four (4) hours of investigation training for the Store Manager, the District Manager, and any other employee who may conduct sexual harassment

investigations. Dillard's shall administer this training within six (6) months of the entry of this Decree. Dillard's shall provide EEOC with notification of the date of the training no fewer than seven (7) days prior to the training. An EEOC representative may attend and participate in this training. No Dillard's store manager shall conduct an investigation into allegations of sexual harassment until he or she has received investigation training.

b. In accordance with the reports required under the Reporting provisions of this Decree, Dillard's shall submit copies of the agenda of the training programs, identify the individuals providing the training, and provide the registries of attendance.

E. Posting of Notice

15. Within five (5) business days of the entry of this Consent Decree, Dillard's shall post in a conspicuous place where notices to employees and applicants for employment are customarily kept or posted, the Notice attached to this Decree. The Notice shall be posted and shall remain posted for the duration of this Decree. If the Notice becomes defaced or illegible, Dillard's will replace it with a clean copy. Dillard's shall certify to the Commission, in writing, within twenty (20) days of entry of this Decree that the Notice has been properly posted and shall provide recertification in each of the semi-annual reports required under the Reporting provision of this Consent Decree.

F. Record Keeping And Reporting Provisions

16. For the duration of this Decree, Dillard's shall maintain all records concerning implementation of this Decree. The Commission shall have the right to interview any personnel employed by Dillard's for the purpose of determining Dillard's compliance with the terms of this Decree. In the event the Commission exercises its right to interview personnel at Dillard's premises, EEOC will provide Dillard's at least twenty-four (24) hours prior notice, and will

cooperate with Dillard's to schedule such interviews at mutually convenient times and to ensure a minimum of disruption to operation of the business.

17. Each party shall bear its own costs in conjunction with the maintenance of records, preparation of any report, access or copying of records, or interviews of employees.

18. Dillard's shall provide semi-annual reports for each six-month period following the entry of the Decree. The reports shall be due thirty (30) days following the respective six-month period, except the final report which shall be submitted to the Commission two weeks prior to the date on which the Consent Decree is to expire.

19. Each report shall provide the following information:

a. Complaints of Sexual Harassment

For purposes of this Paragraph, the term "sexual harassment" will include any written or verbal complaint which alleges harassment based on gender, or alleges conduct which Dillard's recognizes as presenting an allegation of sexual harassment.

The name, address and telephone number of each person making a complaint of sexual harassment to Dillard's or to any federal, state, or local government agency; and

Copies of all documents memorializing or referring to the complaint, investigation and/or resolution thereof.

b. Training

For each training program required under this Decree and conducted during the reporting period, Dillard's shall submit a registry of attendance.

For each training program conducted during the reporting period, Dillard's will identify the vendor and provide a copy of the program agenda.

c. Posting of Notice

Dillard's shall re-certify to the Commission that the Notice required to be posted under this Decree has been properly posted, or if removed, was promptly replaced, during the duration of the reporting period.

20. Nothing contained in this Decree shall be construed to limit any obligation Defendant may otherwise have to maintain records under Title VII or any other law or regulation.

V. DISPUTE RESOLUTION

21. In the event EEOC believes that Defendant has failed to comply with any provision(s) of the Decree, EEOC shall have the right to seek Court intervention. Additionally, no party shall contest the Court's jurisdiction to hear a dispute arising from the Decree nor challenge EEOC's ability to bring an action to enforce the terms of the Decree in this Court.

VI. DURATION OF THE DECREE AND RETENTION OF JURISDICTION

22. All provisions of this Decree shall be in effect for a period of three (3) years immediately following entry of the Decree.

23. Each party to this Decree shall bear its own expenses, costs and attorneys' fees.

For U.S. Equal Employment Opportunity
Commission:



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Regional Attorney
United States Equal Employment
Opportunity Commission
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DATED: May 27, 2009

For Defendant:



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Counsel for Defendant

ENTERED:

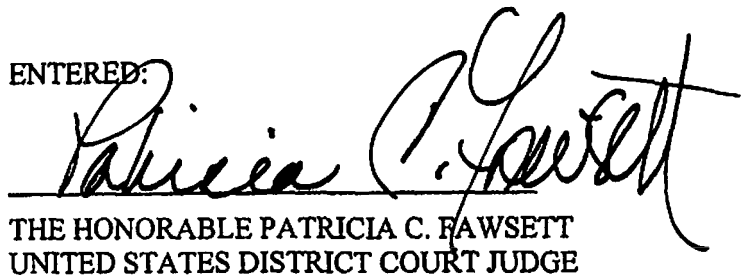

THE HONORABLE PATRICIA C. FAWSETT
UNITED STATES DISTRICT COURT JUDGE

EXHIBIT A

**NOTICE TO ALL DILLARD'S, INC. EMPLOYEES
POSTED PURSUANT TO CONSENT DECREE**

~~This Notice is being posted pursuant to a Consent Decree entered by the United States District Court in EEOC v. Dillard's, Inc., Civil Action No. 6:07-cv-149-PCF-KRS. In the lawsuit, EEOC alleged that Dillard's, Inc. discriminated against Paul Reed and Scott Giacomini by subjecting them to a sexually hostile work environment because of their sex. Under the terms of the Consent Decree, Dillard's, Inc. made a monetary payment to Paul Reed and Scott Giacomini and agreed to adopt a policy that prohibits discrimination against employees. Title VII protects individuals from employment discrimination based on their sex.~~

Appropriate corrective action, up to and including termination, based upon the circumstances involved, shall be taken against any employee (including management personnel) found to have violated Dillard's, Inc. policy prohibiting discrimination.

EEOC enforces the federal laws against discrimination in employment on the basis of disability, race, color, religion, national origin, sex, and age. If you believe you have been discriminated against, you may contact EEOC at (305) 808-1740. EEOC charges no fees and has employees who speak languages other than English.

This Notice must remain posted for three (3) years from the date below and must not be altered, defaced or covered by any other material. Any questions about this Notice or compliance with its terms may be directed to: Dillard's, Inc., c/o Nora E. Curtin, Regional Attorney, Equal Employment Opportunity Commission, 2 S. Biscayne Blvd., Ste. 2700, Miami, FL 33131.

Dated:

5/19/09


ROBERT APPEEY