

ORIGINAL

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19 John Brennan, Serge Rigisich,
20 Little Waldorf Saloon and
21 Rookies, Inc.

DISTRICT OF NEVADA
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JUN 14 2004

ERK. J. COURT

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U.S. DISTRICT COURT
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**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

U.S. EQUAL EMPLOYMENT
OPPORTUNITY COMMISSION,

Plaintiff,

v.

JOHN BRENNAN, SERGE RIGISICH,
d/b/a LITTLE WALDORF SALOON, A
PARTNERSHIP; ROOKIES INC., A
NEVADA CORPORATION, d/b/a
ROOKIES; ROOKIES II, LLC, A
NEVADA LIMITED LIABILITY
COMPANY, d/b/a LITTLE WALDORF
SALOON,

Defendants.

CASE NO. CV-N-01-0563-HDM-RAM

FINAL CONSENT DECREE

[REDACTED]

Hon. Howard D. McKibben,
Chief Judge

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CONSENT DECREE

1 **I. INTRODUCTION**

2 This is an action brought by Plaintiff U.S. Equal Employment Opportunity
3 Commission ("Commission") against Defendants, Rookies, Inc., a Nevada Corporation d/b/a
4 Rookies Sports Bar, and Rookies II, LLC, a Nevada Limited Liability Company d/b/a The
5 Little Waldorf Saloon, John Brennan, Serge Rigrisich as the alter egos, jointly and
6 individually ("Defendants") for alleged violations of Title VII of the Civil Rights Act of 1964
7 and Title I of the Civil Rights Act of 1991. The Commission alleges that from 1996 through
8 2001, Charging Parties Kimberlee Benson, Diana Smith, and a class of similarly situated
9 females were subjected to pattern and practice of sexual harassment at Defendants' two
10 facilities, The Little Waldorf Saloon located in Reno, Nevada and Rookies Sports Bar located
11 in Incline Village, Nevada. More specifically, the Commission alleges that Ms. Benson, Ms.
12 Smith and other similarly situated female employees were subjected to a pattern and practice
13 of sexual harassment committed by Serge Rigrisich and John Brennan, Defendants' owners
14 and major share-holder. The Commission further alleges that as a result of the intolerable
15 working conditions, Ms. Smith, Ms. Benson and at least one other similarly situated
16 individual were subjected to constructive discharge in violation of Title VII when they were
17 forced to resign. All Defendants denied the allegations contained in Plaintiff's complaint and
18 maintain that no harassment of any nature took place at Defendants place of business. This
19 agreement is a compromise of a disputed claim and the payments made hereunder are not to
20 be construed as an admission of liability on the part of the Defendants.

21 **II. JURISDICTION**

22 The Court has jurisdiction over the parties and the subject matter of this lawsuit,
23 pursuant to 28 U.S.C. Section 451, 1331, 1337, 1343, 1367 and 42 U.S.C. 2000e-5. The
24 Court shall retain jurisdiction of this action during the duration of the Decree for the purposes
25 of entering all orders, judgments and decrees which may be necessary to implement the relief
26 provided herein or to otherwise effectuate the purposes of the Decree.

27 **III. PURPOSES OF THIS DECREE**

1 In the interest of resolving this matter, and as a result of having engaged in
2 comprehensive settlement negotiations and Defendants (hereinafter referred to as “the
3 Defendants”) have agreed that this action should be finally resolved by entry of this Consent
4 Decree (“Decree”). The Parties have entered into this Decree for the following purposes:

5 To provide appropriate monetary and injunctive relief;

- 6 A. To ensure that Defendants’ employment practices comply with federal law;
- 7 B. To ensure training for Defendants’ owners, managers and employees with
8 respect to their obligations under Title VII; and
- 9 C. To provide an appropriate and effective mechanism for handling harassment
10 complaints in the workplace;
- 11 D. To ensure a work environment free from hostility and retaliation; and
- 12 E. To ensure that complaints are handled properly.

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

14 **IV. FINDINGS**

- 15 A. The Court has jurisdiction over the Parties and the subject matter of this action.
16 The Complaint asserts claims that, if proven, would authorize the Court to
17 grant the relief set forth in this Decree.
- 18 B. The Court shall retain jurisdiction during the terms of this decree to ensure
19 compliance.
- 20 C. The terms and provisions of this Decree are adequate, fair, reasonable,
21 equitable and just. The rights of the Defendants, the Commission and those
22 for whom the Commission seeks relief are protected adequately by this Decree.
- 23 D. This Decree conforms with the Federal Rules of Civil Procedure and Title VII
24 and is not in derogation of the rights and privileges of any person. The entry
25 of this Decree will further the objectives of Title VII and will be in the best
26 interest of the Parties.

27 ///

1 **V. RESOLUTION OF CLAIMS**

2 The Parties agree that this Decree resolves all claims arising out of Commission
3 Charge Nos.34B-A0-0794, and 34B-A0-0796 , and the complaint filed in this action, and
4 constitutes a complete resolution of all claims of discrimination on the basis of sex, female,
5 under Title VII that were made or could have been made by the Commission in this action.
6 The Decree does not, however, resolve any future charges or charges that may be pending
7 with the Commission other than the charges specifically referred to in this paragraph or those
8 that may be released by Eligible Claimants pursuant to this Decree. This provision has no
9 impact on the Commission and its ability investigate and proceed on future claims or any
10 claims currently being investigated, if any.

11 **VI. DURATION AND SCOPE OF DECREE**

12 The duration of this Decree shall be three (3) years from the date of entry of the
13 Decree ("Effective Date"), provided that Defendants have substantially complied with the
14 terms of this Decree. Defendants shall be deemed to have substantially complied if the Court
15 has not made any findings or orders during the term of the Decree that the Defendants (or any
16 of them) has failed to comply with any terms of this Decree. In the event that Defendants
17 have not substantially complied, the duration of this Decree may be extended by Court order
18 in order to effectuate its purposes. The Decree shall be deemed effective (the "Effective
19 Date") as of the date upon which the Court executes the Decree.

20 The provisions of this Decree shall apply to all of Defendants' facilities located in
21 Incline Village and Reno, NV., during the duration of this Decree.

22 **VII. DECREE ENFORCEMENT**

23 This Decree is and shall be binding on Defendants' present and future owners,
24 officers, directors, agents, trustees, administrators, successors, assigns, representatives
25 and employees.

26 If the Commission has reason to believe that the Decree has been breached, the
27 Commission may bring an action before this Court to enforce the Decree. Prior to
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1 initiating such action, the Commission shall notify Defendants and their legal counsel of
2 record in writing of the nature of the dispute. This notice shall specify the particular
3 provision(s) that the Commission believes has/have been breached. A thirty (30) day
4 dispute resolution period ("Dispute Resolution Period") will be provided from the date of
5 notice, prior to the institution of any legal proceeding, absent a showing that the delay
6 will cause irreparable harm or undue prejudice to the Commission. The Parties agree to
7 cooperate with each other and use their best efforts to resolve any dispute referenced in
8 the Commission notice of dispute during the Dispute Resolution Period.

9 After the expiration of the Dispute Resolution Period, the Commission may initiate
10 an enforcement action in this Court, seeking all available relief, including an extension of
11 the duration of the Decree for such time as the Defendant(s) is/are shown to be out of
12 compliance, including attorney fees, costs, or any other relief the Court deems
13 appropriate.

14 The Commission may petition this Court for compliance with this Decree at any
15 time during which this Court maintains jurisdiction over this action. Should the Court
16 determine that Defendants have not complied with this Decree, in whole or in part, it may
17 impose appropriate relief, including but not limited to the imposition of attorneys fees and
18 costs on the Defendants and extension of the duration of this Decree for such a period as
19 may be necessary to remedy the Defendants' non-compliance.

20 VIII. INJUNCTIVE RELIEF

21 A. Non-Discrimination

22 1. Harassment Based on Sex

23 Defendant, their officers, agents, management (including all supervisory employees),
24 successors, assigns, and all those in active concert or participation with them, or any of them,
25 hereby agree not to: (a) discriminate against persons on the basis of sex in the terms and
26 conditions of employment; (b) engage in or be a party to any action, policy or practice that
27 is intended or is known to them to have the effect of harassing or intimidating any female
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1 employee on the basis of her sex; and (c) create, facilitate or permit the existence of a work
2 environment that is hostile to female employees.

3 2. Retaliation

4 Defendant, their officers, agents, management (including all supervisory employees),
5 successors, assigns, and all those in active concert or participation with them, or any of them,
6 hereby agree not to engage in, implement or permit any action, policy or practice with the
7 purpose of retaliating against any current or former employee or applicant of Defendants, or
8 either of them, because he or she has in the past, or during the term of this Decree: (a)
9 opposed any practice made unlawful under Title VII; (b) filed a charge of discrimination
10 alleging such practice; (c) testified or participated in any manner in any investigation
11 (including without limitation, any internal investigation undertaken by Defendants),
12 proceeding in connection with this case and/or relating to any claim of a Title VII violation;
13 (d) was identified as a possible witness or claimant in this action; (e) asserted any rights
14 under this Decree; or (f) sought and/or received any relief in accordance with this Decree.

15 B. Posting

16 The Notice of the terms of this Decree, attached hereto as Exhibit A, shall be posted,
17 and remain, in at least one (1) clearly visible locations frequented by employees at all of
18 Defendants' facilities during the term of this Decree.

19 C. Revision and Distribution of Sexual Harassment Policy and Procedures

20 Within thirty (30) days of the effective date of this Decree, Defendants, shall modify
21 their harassment policy addressing sexual harassment and retaliation.

22 At all times, Defendants' sexual harassment policy shall, at a minimum, include the
23 following:

- 24 1. A strong and clear commitment to a workplace free of sexual
25 harassment under signature of Messrs. Serge Rigisich and John
26 Brennan;
- 27 2. A clear and comprehensive description of "sexual harassment"
- 28

1 including examples;

2 3. A statement encouraging employees to come forward if they
3 believe that they have been harassed or retaliated against for
4 complaining about discrimination;

5 4. A description of the possible consequences, up to and including
6 termination that will be imposed upon violation of the policy
7 against sexual harassment and retaliation;

8 5. A statement of commitment to maximally feasible
9 confidentiality for persons who bring complaints of
10 discrimination and retaliation;

11 6. An assurance that persons who bring discrimination complaint
12 or witnessed such discrimination will not be subject to
13 retaliation;

14 7. A statement that Defendants' sexual harassment and anti-
15 retaliation policy applies to all persons, including owners,
16 management officials, supervisors, vendors, suppliers, third
17 parties, and customers; and

18 8. The contact information including name (if applicable), address,
19 and telephone number of persons both internal (i.e. human
20 resources) and external to Defendants (i.e. Commission and
21 outside consultant available to handle complaints concerning
22 Messrs Serge Rgisich and John Brennan, or other company
23 officials at a similarly high level of Defendants' corporate
24 hierarchy) to whom employees may report discrimination and
25 retaliation, including a written statement that the employee may
26 report the discriminatory behavior to designated persons outside
27 their chain of management.
28

1 Defendants shall promptly issue their modified sexual harassment and anti-retaliation
2 policy and procedure statement to all employees. Each employee shall sign an
3 acknowledgment that they have received and read the policy. The same acknowledgment
4 shall be required of all newly hired employees at the start of their employment.

5 D. Establishment of Anti-Harassment/Retaliation Policies for Complaints
6 Regarding Messrs. Serge Rigisich and John Brennan and/or High Management
7 Officials

8 Within sixty (60) days of the Effective Date of this Decree, Defendants shall retain
9 and pay for the services of an independent EEO Consultant (“consultant”) of the
10 Commission’s choosing to establish effective policies against sexual harassment and
11 retaliation, conduct training and implement effective policies of taking and investigating
12 discrimination and retaliation complaints. This consultant’s contact information shall be
13 published in Defendants’ anti-discrimination and retaliation policy. This consultant will be
14 available for taking and investigating complaints regarding harassment, discrimination, and
15 or retaliation committed by Defendants’ owners/major shareholders (Messrs. Serge Rigisich
16 and John Brennan), or by other similarly high level company officials.

17 The consultant will investigate harassment, discrimination and/or retaliation
18 complaints. After such complaint investigations, the consultant will recommend appropriate
19 remedial measures that Defendants must carry out. All costs incurred will be paid by
20 Defendants.

21 E. Training

22 Defendants shall retain this consultant to provide all current and new personnel,
23 including Messrs. Serge Rigisich and John Brennan, EEO training on sexual harassment and
24 retaliation. This training shall occur once every year for the term of this Decree, starting
25 within a reasonable period mutually agreed upon by the Parties, but no later than ninety (90)
26 days after the effective date of this Decree.

27 During the training seminar, either Defendant Serge Rigisich or John Brennan shall
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1 provide a statement to employees about the discipline that will be taken against supervisors,
2 mangers, and employees at all of Defendants' facilities who engage in acts of sexual
3 harassment or retaliation, permit sexual harassment or retaliation to occur at and of
4 Defendants' facilities, the importance of maintaining an environment free of sexual
5 harassment and retaliation, and Defendants' policy regarding sexual harassment and
6 retaliation referred to in paragraph IX of this Decree.

7 The Commission shall have the right to attend or participate in any or all such training,
8 at its sole discretion. Defendants will provide ten (10) days notice to the Commission prior
9 to each training, as outlined in herein at Section E.

10 At a minimum, the anti-discrimination training programs shall include the following:

- 11 1. Instruction on the requirements of all applicable equal employment
12 opportunity ("EEO") laws including, but not limited to its prohibition
13 against race, sex, and/or national origin harassment and retaliation;
- 14 2. A review of Defendants' anti-discrimination, non-retaliation policies
15 and any of the specific requirements of this Decree;
- 16 3. Training of all management, and human resources personnel in dealing
17 with race, sex, and/or national origin harassment and discrimination
18 complaints, including but not limited to advising management and
19 supervisory personnel of their duty to actively monitor their work areas
20 to ensure employee compliance with Defendants' race, sex, and/or
21 national origin harassment policy and to report any incidents and/or
22 complaints of race, sex, and/or national origin harassment, and/or
23 retaliation of which they become aware. Training of management and
24 human resources personnel on race, sex, and/or national origin
25 harassment- and retaliation-related duties may be conducted separately
26 from training of non-managerial employees; and
- 27 4. Defendants' Serge Rigisich and/or John Brennan shall appear in person
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1 at all of the training sessions required under this Section in order to
2 reiterate Defendants' race, sex, and/or national origin harassment
3 policies, affirm that such harassment shall not be tolerated, and to
4 encourage employees who believe that they have been victims of such
5 harassment to utilize the complaint procedure established by
6 Defendants.

7 F. EEO Consultant

8 Within thirty (60) days of the Effective Date of this Decree, Defendants shall retain
9 the services of an EEO Consultant. Each party shall propose three (3) consultants to select
10 from. The Commission in its sole discretion, will then select from the list of six (6) proposed
11 consultants. The EEO Consultant will perform services to ensure compliance with this
12 Decree as outlined in §§ VIII D through VIII G *infra*. All costs incurred for the EEO
13 Consultant's services will be paid by Defendant.

14 G. Claimant-Specific Injunctive Relief

15 Within ten (10) days of the Effective Date of this Decree, Defendants' shall
16 expunge from the personnel files of each identified class member all references to the
17 charges of discrimination filed against Defendants' or their participation in this action. To
18 the extent that Defendants' must keep records of the charges of discrimination in order to
19 effectuate this Decree, such records shall be maintained separately and segregated from class
20 members' personnel files.

21 H. Record-Keeping and Reporting Requirements

22 1. Record-Keeping

23 Defendants² shall maintain the following documents and will make them available to
24 the Commission within ten (10) days following a written request from the Commission to
25 Defendants²:

- 26 a. All documents generated in connection with any complaint,
27 investigation into, or resolution of every discrimination or retaliation
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1 complaint for the duration of the Decree;

- 2 b. All forms acknowledging employees' receipt of Defendants' revised or
3 modified anti-discrimination and retaliation policies;
- 4 c. A list of all attendees to training sessions required under this Decree;
- 5 d. All documents generated in connection with the monitoring and
6 counseling of employees determined to have engaged in behavior in
7 violation of Defendants' anti-discrimination and retaliation policies;
8 and
- 9 e. All documents generated in connection with confidential inquiries into
10 whether any complainant believes he/she has been retaliated against.

11 2. Reporting

12 a. Initial Reports

- 13 i. Within sixty (60) days of the Effective Date of this Decree, the
14 Consultant shall submit to the Commission a report which
15 contains:
- 16 (a) A statement confirming that the required Notice of
17 Terms of the Decree has been posted;
- 18 (b) The revised anti-discrimination and retaliation policy;
- 19 (c) All employee acknowledgment forms indicating receipt
20 of the revised anti-discrimination and retaliation policy;
- 21 ii. Confirmation of the establishment of a confidential complaint
22 mechanism to the consultant for receiving complaints
23 concerning Messrs Serge Rigisich, John Brennan or similarly
24 high company officials;
- 25 iii. Confirmation that the Claimant-Specific injunctive relief has
26 been carried out;
- 27 iv. Copies of the all the consultant's investigative reports and
28

1 proposed resolutions in response to discrimination complaints;
2 and

3 v. Confirmation that Defendants² complied with the consultant's
4 proposed resolutions of all discrimination complaints.

5
6 b. Periodic Reports

7 i. Ten (10) days prior to any training required under this Decree,
8 Consultant will mail by regular mail to the Commission:

9 (a) proposed anti-discrimination and non-retaliation
10 training material;

11 (b) The identity of the person(s) and/or
12 organization(s) conducting the training programs;
13 and

14 (c) The dates, times and locations of each of the
15 training sessions.

16 ii. Within one hundred twenty (120) days of the Effective
17 Date of the Decree, and every six (6) months thereafter
18 for the duration of the Decree, Defendants will provide
19 the Commission a report containing the following
20 information:

21 (a) The attendance lists of all attendees for all
22 training sessions required under this Decree that
23 took place within the six (6) months prior to the
24 report;

25 (b) Acknowledgment of receipt of the anti-
26 discrimination/retaliation policies for all
27 employees hired within the preceding six (6)
28

months period;

(c) Copies of all discrimination and retaliation complaints, investigative reports and proposed resolutions made since the submission of the immediately preceding report hereunder;

(d) A statement of the result of each investigation into the complaint. If no result has been reached at the time of the report, the result shall be included in the next report;

(e) The identities (by name, address and telephone number) of the complainant and person who received the complaint; and

(f) Copies of the confidential inquiries into potential retaliation issued within the six (6) months prior to the report.

I. Access

The Commission, upon reasonable notice, shall have the right to enter and inspect Defendants' premises to insure compliance with this Decree and the Title VII's prohibitions against sexual harassment and retaliation.

IX. NOTICE

Any notices required under this Decree to the Commission shall be sent to the Regional Attorney, United States Equal Employment Opportunity Commission, 255 East Temple Street, 4th Floor, Los Angeles, CA 90012.

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X. MONETARY RELIEF

A. Named Claimants

1 In settlement of all monetary claims of Kimberlee Benson, Diana Smith, Dion Yriarte,
2 Joanna Roe, Allison Foster, Amanda Bosch, Stacy Albin (the "Class Members"), Defendants
3 shall pay a total monetary amount of Two Hundred Thousand Dollars (\$ 200,000.00).
4 Allocation of settlement monetary amounts for each Class member shall be determined by
5 the Commission. Payments shall be sent by Defendants via certified mail to each Class
6 Member. Class members' current addresses shall be supplied by the Commission. Within
7 three (3) business days of the issuance, Defendants shall submit a copy of each check and
8 related correspondence to the Regional Attorney, United States Equal Employment
9 Opportunity Commission, 255 East Temple Street, 4th Floor, Los Angeles, CA 90012.

10 Defendants shall prepare and distribute 1099 tax reporting forms to each Class
11 Member and shall make appropriate reports to the Internal Revenue Service and other tax
12 authorities. FICA and federal and state withholding taxes shall be deducted from the back-
13 pay amount only. Defendants shall pay the employer's share of FUTA and FICA on the
14 back-pay amount and shall not deduct it from the settlement amounts. For the purposes of
15 this settlement, backpay in the amount of \$5,000.00 (2nd payment) shall apply only to Diana
16 Smith. All additional class member payments shall be characterized as non-economic
17 damages.

18 B. Allocation of Amounts

19 Acting in its discretion and subject only to final approval by the Court, if the Court
20 requires it, the Commission shall exclusively determine the eligibility of Claimants for relief
21 under this Decree. In determining eligibility, the Commission shall consider the following
22 factors: (a) severity of the harassment, (b) duration of the harassment, and (c) extent of harm
23 suffered as a result, (e.g. whether the Claimant was subjected to physical touching of a sexual
24 nature or to sexually charged comments).

25 Acting in its discretion and subject only to final approval by the Court regarding
26 objections as provided below, the Commission shall determine the portion of the Settlement
27 Fund that will be allocated to each of the Eligible Claimants. The amounts allocated to each
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1 Eligible Claimant shall reflect the factors enumerated above. This Decree contemplates that
2 there will be significant differences in awards to Eligible Claimants, but the maximum
3 compensatory and/or punitive damage award for any individual Eligible Claimant shall not
4 exceed the gross monetary amount provided for in 42 U.S.C. § 1981a (b) (3).

5 C. Schedule of Payments

6 The Commission shall provide to Defendants a schedule of payments within
7 10 days of execution of this Decree pursuant to the terms and conditions of this Decree
8 subject only to final approval by the Court, if the Court requires it. In any event, Defendants
9 shall pay \$25,000 by on or before April 30, 2004. The remaining \$175,000.00 shall be paid
10 in 7 equal bi-annual installments due May 30 and Nov 30 of each year with the final
11 installment due on May 30, 2007.

12 D. Collateral

13 Defendants shall provide as collateral and execute and record liens/judgment in the
14 County of Washoe, State of Nevada within 10 days of the effective date of this Decree on the
15 following real and personal property;

16 1. Real Property located at 575 West Ninth Street, Reno, Nevada, more
17 particularly known as: Multiple lots, including portion of one or more lots; Lot: 1&2; Block
18 H; City: Reno; Subdivision: St Georges Addition; Brief Description: West 95 Ft Lots 1&2
19 Blk H; Assessor's Parcel Number: 007-162-10;

20 2. All inventory, goods, equipment, trade fixtures, contract rights, accounts,
21 chattel paper, instruments, good will, general intangibles and right to payment of every kind
22 now owned or hereafter acquired by Rookies, Incorporated and Rookies II, LLC.

23 3. Any and all interest either individually or jointly owned by Defendants in
24 Pescados Y Pescados De San Blas, a foreign corporation, company and/or partnership.

25 4. Defendants, John Brennan and Serge Rigisch shall be jointly and severally
26 liable for the monetary obligation of this agreement.

27 Defendants shall provide to the Commission certified copies of any and all liens and
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1 judgment within 5 days of recordation from entry of this Decree. Should Defendants fail to
2 record the aforementioned liens within thirty (30) days of entry of Decree, they will be
3 deemed in default and immediately subject to the terms and conditions in paragraphs 10 E
4 through 10 G.

5 E. ACCELERATION IN THE EVENT OF DEFAULT

6 The Commission shall stay execution herein, unless and until Defendants default in
7 and to the terms and conditions of this agreement, as defined herein, and in the event of such
8 a default, the Commission shall be entitled to accelerate the remaining unpaid balance,
9 declare all remaining amounts due, payable with an 10% interest rate, compounded and
10 retroactive to the date of the effective date of this Decree on the unpaid balance and proceed
11 to enforce all rights and remedies without further notice to any person or party, unless
12 otherwise agreed herein. All notices are waived, unless stipulated herein.

13 F. TERMS AND CONDITIONS OF DEFAULT

14 In the event of default as defined herein, which constitutes non payment of any
15 installment when due or 45 days late, whichever is later and/or noncompliance with any of
16 the provisions in paragraph X of this Decree. The Commission may without further notice
17 accelerate the entire unpaid balance, declare the total due and payment, without the necessity
18 of further court order, judgment or decree, and proceed to exercise any and all rights and
19 remedies to effectuate full collection of the outstanding judgment herein. Defendants during
20 the life of the payment program may request an 7 day extension to cure default payments.
21 Any request to cure must be submitted the Commission within the 45 day period. Should
22 the Commission, at its sole discretion, grant Defendants' request to cure default, Defendants'
23 shall be entitled to *only 2 notices to cure for failure to pay any installment after the*
24 *expiration of the grace period for the duration of the payment program.* Defendants'
25 request to cure shall be in writing and then shall only be sent by fax and/or overnight mail
26 to the Commission.

27 A default is further defined as the sale, bulk sale, change of name and/or ownership,
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1 closures outside the ordinary course of business, termination of the business of Defendants'
2 herein, and/or the granting of any security interest by Defendants' to any of its officers,
3 directors, attorneys, shareholders, or other insiders (as defined under the United States
4 Bankruptcy Code herein), and all forms of notice under this type of default is waived. *After*
5 *default, Commission may proceed to collect judgment without notice to Defendants.*

6 G. Liquidated Damages

7 Any breach or non-fulfilment of conditions of this agreement will be considered a
8 substantial breach of this agreement by Defendants. If there is such a breach, it is agreed that
9 the class members will be substantially damaged by Defendants failure to fulfill the
10 conditions of this agreement. Considering that the precise damages are difficult to calculate,
11 in the event of breach the Defendants agree to pay the sum of \$100,000.00 to be divided
12 equally among the class members.

13 H. Waiver of Right to Bankruptcy Protections

14 Defendants agree that their obligations and liabilities under this agreement shall not
15 be dischargeable under the Bankruptcy Code, Title 11 of the U.S. Code enacted by the
16 Bankruptcy Reform Act of 1978, P.L. 95-598. For Bankruptcy purposes only, it is agreed
17 that this debt is considered to have arisen from the "wilful and malicious" injury by the
18 Defendants to the class members pursuant to 11 U.S.C. §523(a)(6).

19 I. Allocation to Charitable, Non-Profit or Not-For-Profit Organization

20 In the event, the Commission after due diligence, is unable to locate any identified
21 class member, those funds allocated to that particular class member, will be given to an
22 organization addressing women's rights and/or employee's rights in the County of Washoe,
23 State of Nevada chosen by the Commission.

24 **XI. MODIFICATION AND SEVERABILITY**

25 This Decree constitutes the complete understanding of the parties with respect to
26 the matters contained herein. No waiver, modification or amendment of any provision of
27 this Decree will be effective unless made in writing and signed by an authorized
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1 representative of each of the parties.

2 If one or more provisions of the Decree are rendered unlawful or unenforceable,
3 the parties shall make good faith efforts to agree upon appropriate amendments to this
4 Decree in order to effectuate the purposes of the Decree. In any event, the remaining
5 provisions will remain in full force and effect unless the purposes of the Decree cannot be
6 achieved.

7 By mutual agreement of the parties, this Decree may be amended or modified in
8 the interests of justice and fairness in order to effectuate the provisions of this Decree.

9 **XII. COSTS**

10 Each party shall bear their own costs and attorneys' fees in this action. All costs
11 associated with Defendants' compliance with this Decree and the distribution of the
12 settlement funds to class members shall be paid by Defendants, including without
13 limitation, all costs related to the issuance and mailing of checks.

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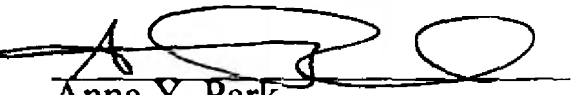
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26 All parties, through the undersigned, respectfully apply for and consent to the entry
27 of this Consent Decree Order.

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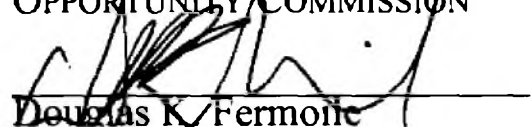
Dated: ~~March~~ ^{June} 10, 2004

By: 
Anna Y. Park
Regional Attorney

Gregory L. McClinton
Connie Liem
David Offen-Brown
Trial Attorneys


Attorneys for Plaintiff
U.S. EQUAL EMPLOYMENT
OPPORTUNITY COMMISSION

Dated: ~~March~~ ^{MAY} 7, 2004


By: 
Douglas K. Fermon
Attorney for Defendants

John Brennan, Individual
Serge Rigisich, Individual
Rookies Incorporated
Rookies II, LLC

Dated: ~~March~~ ^{MAY} 11, 2004

By: 
John Brennan, Defendant;
Managing Partner for Rookies II,
LLC; and Vice Present for
Rookies II, Incorporated, A
Nevada
Corporation

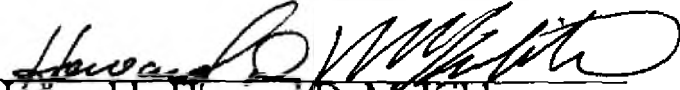
Dated: ~~March~~ ^{MAY} 28, 2004

By: 
Serge Rigisich, Defendant;
Managing Partner for Rookies II,
LLC; and President, Rookies
Incorporated, A Nevada
Corporation

FOR GOOD CAUSE HAVING BEEN SHOWN.

IT IS SO ORDERED:

Dated: June 14, 2004


Honorable Howard D. McKibben,
Chief Judge, U.S. District Court



U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Los Angeles District Office

255 E. TEMPLE STREET, 4TH FLOOR
LOS ANGELES, CALIFORNIA 90012
1-800-669-4000
(213)894-1083

TDD (213) 894-1121

FAX (213) 894-1301

NOTICE OF SETTLEMENT AND CONSENT DECREE

TO: ALL EMPLOYEES OF ROOKIES, INC., D/B/A ROOKIES SPORTS BAR

The U.S. Equal Employment Opportunity Commission ("EEOC") filed a lawsuit in the United States District Court for the District of Nevada against *John Brennan, Serge Riginich, d/b/a Little Waldorf Saloon, A Partnership; Rookies Inc., A Nevada Corporation d/b/a Rookies; Rookies II, LLC, A Nevada Limited Liability Company, d/b/a Little Waldorf Saloon and Does 1-10 Inclusive*, hereafter referred to as "*Rookies*," Case Number CV-N-01-0563-HDM-RAM. The lawsuit was brought by the EEOC on behalf of identified individuals and a class of similarly situated women, alleging that they had been subjected to sexual harassment, and retaliation when they opposed such harassment. *Rookies, Inc.*, John Brennan, and Serge Riginich settled the case by entering into a "Consent Decree" with the EEOC and paying monetary relief.

Pursuant to the Consent Decree, Rookies is providing notice to all of its employees that it will not tolerate discrimination of any kind. Alleged violations of our policy against harassment and discrimination will be thoroughly investigated. Individuals found to have violated that policy will be subject to discipline up to and including termination of employment. All employees will undergo training to correct and prevent unlawful harassment and discrimination towards employees.

Federal law requires that there be no sexual harassment, sex-based harassment, or discrimination against any employee or applicant for employment because of a person's age, disability, race, sex, color, religion or national origin, with respect to hiring, compensation, promotions, discharge, terms and conditions or privileges of employment.

Rookies is committed to complying with federal anti-discrimination laws in all respects. Rookies will not tolerate sex harassment, or discrimination against any persons because of their sex, national origin, age, race, color, religion, or disability; and will not tolerate retaliation against any employee because of the filing of a charge of discrimination, giving testimony or assistance, or participation in any manner in any investigation, proceeding or hearing under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1990, the Americans with Disabilities Acts or the Equal Pay Act.

If you believe that you have been sexually harassed, discriminated against because of your sex, national origin, age, race, color, religion, or disability by Rookies, you may follow Rookies internal procedure and/or you may seek assistance from:

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
255 East Temple Street, 4th Floor
Los Angeles, CA 90012
TELEPHONE NUMBER: (800) 669-4000

You may obtain a copy of the settlement document ("Consent Decree") at your expense. To obtain a copy, you must contact the Office of the U.S. District Court Clerk at 312 N. Spring Street, Los Angeles, CA 90012.