

1. This Court has jurisdiction of the subject matter of this action and the parties, venue is proper, and all administrative prerequisites to the EEOC's filing of this action have been met. The parties stipulate to the Court's jurisdiction.

2. This Consent Decree resolves all issues raised in the EEOC's complaint. The EEOC waives further litigation of all issues raised in the above-referenced complaint. The EEOC expressly reserves its right, however, to process and litigate any other charges which may now be pending or may in the future be filed against Defendant Satchel's.

SCOPE OF CONSENT DECREE

3. The duration of this Decree shall be three (3) years from the date of its filing with the Court. This Court shall retain jurisdiction of this action during the period of this Decree and may enter further orders or modifications as may be appropriate. Should any disputes under this Decree remain unresolved after this three-year period, the term of the Decree shall be automatically extended, and the Court will retain jurisdiction of this matter to enforce the Consent Decree, until such time as all disputes have been resolved.

INJUNCTIVE PROVISIONS

4. **Race Discrimination.** Satchel's is hereby enjoined from:
- a) Discriminating against any employee on the basis of race, Black, in violation of Title VII;
 - b) Engaging in or being a party to any action, policy or practice that has the effect of harassing or intimidating any employee on the basis of race; and
 - c) Creating, facilitating or permitting the existence of a work environment that is hostile to any employee through acts such as physical/verbal abuse and derogatory comments, on the basis of race.

MONETARY RELIEF

5. Defendant Satchel's, in settlement of this dispute, shall pay to Mr. James Peterson a sum of \$12,000.00 payable in one installment of \$4,000.00 due on or before September 15,

2005 and eight remaining monthly installments of \$1,000.00 due on or before the 15th day of each month thereafter, with the final installment of \$1,000.00 due on or before May 15, 2006. Each installment shall be mailed to James Peterson's attorney Andrew S. Golub at 8 Greenway Plaza, 14th Floor, Houston, Texas 77046. A copy of each settlement check and any accompanying transmittal documents shall be forwarded to Robert B. Harwin, Regional Attorney, San Antonio District Office, United States Equal Employment Opportunity Commission, 5410 Fredericksburg Road, Suite 200, San Antonio, Texas 78229.

TRAINING

6. If Satchel's resumes business within 3 years of the date of this Consent Decree, Satchel's will provide two (2) hours of training to all owners, officers, managers, and supervisory personnel of Satchel's according to the following terms on the subject of the employment provisions of Title VII, including race based discrimination and hostile work environment.

7. Within ten (10) days after the completion of the training session, Satchel's shall certify to the EEOC, in writing, that the required training has taken place and that required personnel attended. Such certification shall include:

- a) The date, location and duration of the training; and
- b) A copy of the registry of attendance which shall include the name and position or title of each person in attendance.

POSTING REQUIREMENT

8. If Satchel's resumes business within 3 years of the date of this Consent Decree, Satchel's shall post copies of the Notice attached as **Exhibit "A"** to this Decree at its facilities in all conspicuous locations easily accessible to and commonly frequented by employees. The Notice shall then remain posted for the duration of this Decree. Satchel's shall ensure that the Notice is not altered, defaced or covered by any other material. Satchel's shall certify to the

EEOC in writing within ten (10) business days after entry of the Decree that the Notice has been properly posted.

MISCELLANEOUS PROVISIONS

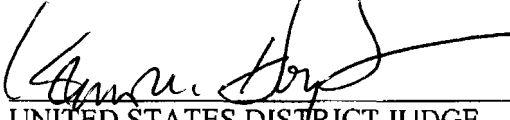
9. Satchel's shall bear the costs associated with administering and implementing the provisions of this Decree.

10. Except as provided herein, the parties to this Decree shall bear their own costs and attorney's fees. Furthermore, the parties agree that pursuant to Section 706(k) of Title VII, 42 U.S.C. § 2000e-5(k), there is no "prevailing party" in this action or proceeding.

11. The terms of this Decree shall be binding upon the EEOC and Satchel's, its agents, officers, employees, servants, successors, and assigns, as to the issues resolved herein.

12. When this Consent Decree requires the submission by Satchel's of documents or other materials to EEOC, such documents or other materials shall be mailed to Robert B. Harwin, Regional Attorney, 5410 Fredericksburg Road, Suite 200, San Antonio, Texas 78229. The Clerk shall furnish a copy hereof to each attorney of record.

SO ORDERED AND ENTERED this 20th day of September, 2005.


UNITED STATES DISTRICT JUDGE


Respectfully submitted,

ERIC S. DREIBAND
General Counsel

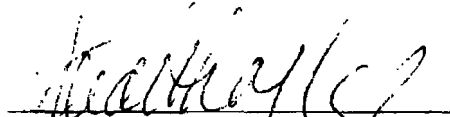
JAMES L. LEE
Deputy General Counsel

GWENDOLYN YOUNG REAMS

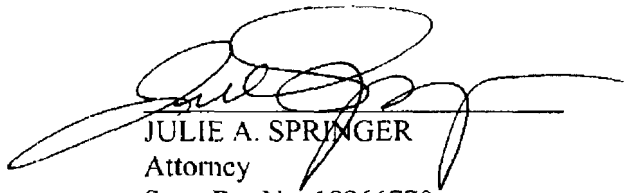
Associate General Counsel



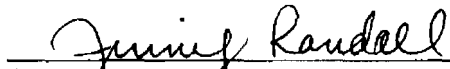
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ATTORNEY FOR DEFENDANT

EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION
San Antonio District Office
5410 Fredericksburg Rd., Ste 200
San Antonio, TX 78229-3555
Telephone: (210) 281-7636
Facsimile: (210) 281-7669

ATTORNEYS FOR PLAINTIFF

EXHIBIT A

NOTICE AS REQUIRED UNDER TITLE VII OF THE CIVIL RIGHTS ACT OF 1964

1. This NOTICE to all employees of Satchel's is being posted as part of an agreement between Satchel's and the U.S. Equal Employment Opportunity Commission.
2. Federal law requires that there be no discrimination against any employee or applicant for employment because of that person's race, color, religion, sex, national origin, or age with respect to hiring, compensation, promotion, discharge, or other terms, conditions or privileges of employment.
3. Satchel's strongly supports and will comply with such Federal law in all aspects and it will not take any action against employees because they have exercised their rights under the law by filing charges with the U.S. Equal Employment Opportunity Commission.
4. If you believe you are being discriminated against in any term or condition of your employment because of your race, religion, color, national origin, sex, or disability, or that you are being subjected to harassment because of your race or because of having engaged in Title VII-protected activity, you are encouraged to seek assistance from supervisory personnel, or from the U.S. Equal Employment Opportunity Commission, 5410 Fredericksburg Road, Suite 200, San Antonio, Texas 78229-3555, (210) 281-7600 or 1-800-669-4000.
5. No retaliatory action may be taken against you for seeking assistance, filing a charge, or communicating with the U.S. Equal Employment Opportunity Commission.
6. Basing employment actions on the race of an employee may also constitute a violation of Title VII of the Civil Rights Act of 1964, as amended, and any such conduct is a violation of company policy. Any employee found to be in violation of this company policy will be subject to written reprimand, suspension, and/or discharge.
7. This NOTICE will remain posted until September 14, 2008, by direction of the U.S. Equal Employment Opportunity Commission.