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27 **UNITED STATES DISTRICT COURT**
28 **DISTRICT OF NEVADA**

U.S. EQUAL EMPLOYMENT
OPPORTUNITY COMMISSION,

Plaintiff,

vs.

AMTCR, INC., AMTCR NEVADA,
INC., AMTCR CALIFORNIA, LLC
collectively dba McDonald's, and
DOES 1-10, inclusive

Defendants.

Case No. 2:21-cv-01808-JAD (NJK)

CONSENT DECREE AND ORDER

ECF No. 14

Honorable Jennifer A. Dorsey
U.S. District Judge

1 **I. INTRODUCTION**

2 Plaintiff U.S. Equal Employment Opportunity Commission (the “EEOC” or
3 “Commission”) and Defendants AMTCR, Inc., AMTCR Nevada, Inc., and
4 AMTCR California, LLC (hereinafter collectively “Defendants”) hereby stipulate
5 and agree to entry of this Consent Decree to resolve the Commission’s Complaint,
6 filed under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §
7 2000e *et seq.* (“Title VII”). The Commission alleges Defendants engaged in
8 unlawful employment practices by subjecting Charging Party and other aggrieved
9 individuals to a sexually hostile work environment in violation of Section 703(a) of
10 Title VII, 42 U.S.C. § 2000e-2(a). The Commission further alleges that due to the
11 ongoing sexually hostile and abusive working conditions and Defendants’ failure to
12 remedy the harassment, Charging Party was subjected to constructive discharge in
13 violation of Section 703 (a) of Title VII. Defendants deny all claims made by the
14 EEOC in this action and denies any wrongdoing or liability.

15 **II. PURPOSES AND SCOPE OF THE DECREE**

16 In the interest of resolving this matter, the Parties have agreed that this
17 Action should be finally settled by entry of this Decree. This Decree shall be
18 binding on and enforceable against Defendants, as well as their parents,
19 subsidiaries, officers, directors, agents, successors, and assigns. According to
20 Defendants, there are currently eighteen (18) stores in operation and three (3)
21 recently closed stores, as reflected in the **Exhibit “A,”** attached hereto. For
22 purposes of Monetary Relief and Claims Administration contained in Section IX of
23 this Decree, the scope includes the twenty-one (21) stores listed in Exhibit A. For
24 purposes of Injunctive Relief contained in Sections X and XI of this Decree, the
25 scope is company-wide, and includes all of Defendants’ Nevada, California, and
26 Arizona stores in operation at any time during the duration of this Decree and the
27 stores currently in operation listed in Exhibit A, unless otherwise indicated.
28

1 The Parties shall bear their own costs and attorney’s fees in this Action. The Parties
2 have entered into this Decree for the following purposes:

- 3 **A.** To provide appropriate monetary and injunctive relief;
- 4 **B.** To ensure that Defendants’ employment practices comply with
5 pertinent laws regarding discrimination, harassment, and related
6 retaliation;
- 7 **C.** To ensure that Defendants maintain workplaces free of discrimination,
8 harassment, and related retaliation;
- 9 **D.** To ensure that Defendants take reasonable steps to prevent and correct
10 discrimination, harassment, and related retaliation;
- 11 **E.** To review and update, as necessary, Defendants’ policies, practices,
12 and procedures with respect to discrimination, harassment, and related
13 retaliation;
- 14 **F.** To review and ensure effective training for Defendants’ employees,
15 managers, supervisors, and human resources personnel with respect to
16 the pertinent laws regarding discrimination, harassment, and related
17 retaliation;
- 18 **G.** To ensure proper accountability and appropriate and effective handling
19 of complaints of harassment, discrimination and retaliation;
- 20 **H.** To ensure appropriate review, recordkeeping, and reporting related to
21 discrimination, harassment, and related retaliation in Defendants’
22 workplaces; and
- 23 **I.** To avoid the time, expense, and uncertainty of litigation.

24

25 **III. DEFINITIONS**

- 26 **A.** “Action” is *U.S. Equal Employment Opportunity Commission vs.*
27 *AMTCR, Inc., AMTCR Nevada, Inc. and AMTCR California, LLC,*
- 28

1 *collectively McDonald’s, and DOES 1-10, Inclusive*; Case No. 2:21-
2 cv-01808-JAD (NJK) (D. Nev.)

- 3 **B.** “Claims Administrator” is an independent company responsible for
4 handling administration of the claims process in accordance with this
5 Decree.
- 6 **C.** “Settlement Fund” is the escrow account into which Defendants will
7 cause to be deposited for distribution to yet to be identified claimants
8 who have been determined by the EEOC to be eligible for monetary
9 relief in accordance with the terms of this Decree.
- 10 **D.** “Claim Form” is the form developed by the EEOC and reviewed by
11 Defendants in accordance with this Decree to determine whether a
12 Claimant will be designated as an Eligible Claimant.
- 13 **E.** “Notice of Settlement” is the notice prepared by the EEOC to advise
14 potential Claimants of the settlement, terms of the Decree, and
15 information for submitting a Claim Form.
- 16 **F.** “Distribution List” is the list of Eligible Claimants, the amounts to be
17 paid to each, and the addresses to where payment should be sent.
- 18 **G.** “Eligible Claimant” is an individual who meets all of the following
19 requirements: (i) is a Claimant who was employed at any of the
20 twenty-one (21) stores listed in Exhibit A at any time during the period
21 January 1, 2017 to the Effective Date of this Decree; and (ii) based on
22 the EEOC’s sole discretion, is determined to be eligible for monetary
23 relief from the Settlement Fund.
- 24 **H.** “Potential Claimant” is an individual who may be eligible for
25 monetary relief from the Settlement Fund, but who has not yet been
26 determined to be eligible by the EEOC.
- 27 **I.** “Effective Date” is the date this Decree is entered by the Court.
- 28

1 **IV. RELEASE OF CLAIMS**

- 2 **A.** The Parties agree that this Decree completely and finally resolves all
3 allegations raised by the EEOC in its Complaint against all named
4 Defendants in this Action and fully resolves Charge No. 487-2017-
5 01281.
- 6 **B.** Nothing in this Decree will be construed to limit or reduce any of
7 Defendants' obligations to comply fully with Title VII or any other
8 federal employment statute.
- 9 **C.** Nothing in this Decree shall be construed to preclude the EEOC from
10 bringing suit to enforce this Decree in the event that Defendants fail to
11 perform the promises and representations contained herein.
- 12 **D.** This Decree in no way affects the EEOC's right to bring, process,
13 investigate, or litigate charges that may be in existence or may later
14 arise against Defendants other than claims brought in this Action.

15
16 **V. JURISDICTION**

- 17 **A.** The Court has jurisdiction over the Parties and the subject matter of
18 this litigation. *See* 29 U.S.C. § 626(b). The Action asserts claims that,
19 if proven, would authorize the Court in its discretion to grant the
20 equitable relief set forth in this Decree. The terms and provisions of
21 this Decree are fair, reasonable, and just. This Decree conforms to the
22 Federal Rules of Civil Procedure and Title VII and is not in derogation
23 of the rights or privileges of any person.
- 24 **B.** The Court will retain jurisdiction of this Action for the duration of the
25 Decree for the purposes of entering all orders, modifications,
26 judgments, and decrees that may be necessary to fully implement the
27 relief provided herein.
- 28

1 **VI. EFFECTIVE DATE AND DURATION OF DECREE**

- 2 **A.** The provisions and agreements contained herein are effective
3 immediately upon the date which this Decree is entered by the Court
4 (“the Effective Date”).
- 5 **B.** Except as otherwise provided herein, this Decree will remain in effect
6 for three (3) years after the Effective Date and shall expire by its own
7 terms at the end of the third year after the Effective Date without
8 further action by the Court or the EEOC.
9

10 **VII. MODIFICATION AND SEVERABILITY**

- 11 **A.** This Decree constitutes the complete understanding of the Parties with
12 respect to the matters contained herein. No waiver, modification, or
13 amendment of any provision of this Decree will be effective unless
14 made in writing and signed by an authorized representative of each of
15 the Parties.
- 16 **B.** If one or more provisions of the Decree are rendered unlawful or
17 unenforceable, the Parties will make good faith efforts to agree upon
18 appropriate amendments in order to effectuate the purposes of the
19 Decree. If any provision of the Decree is rendered unlawful or
20 unenforceable, the remaining provisions will remain in full force and
21 effect unless the purposes of the Decree cannot, despite the Parties’
22 best efforts, be achieved.
- 23 **C.** By mutual written agreement of the Parties, this Decree may be
24 amended or modified in the interests of justice and fairness in order to
25 effectuate the provisions herein.
26

27 **VIII. COMPLIANCE AND DISPUTE RESOLUTION**

- 28 **A. EEOC Review Regarding Compliance**

1 Defendants agree that the EEOC may review compliance with this Decree.
2 The EEOC may request from the EEO Monitor, as defined in Section XII.A., a
3 copy of any document received or created by the EEO Monitor as a result of the
4 EEO Monitor's duties as described in this Decree. The EEOC may request from the
5 Claims Administrator, as defined in Section IX.D., a copy of any document
6 received or created by the Claims Administrator as a result of the Claims
7 Administrator's duties as described in this Decree. The EEOC may request that
8 Defendants permit the EEOC to interview employees, including those selected by
9 the EEOC, or inspect Defendants' records. Defendants will comply with any such
10 request to review, interview, or inspect within thirty (30) calendar days of the
11 EEOC's request, unless otherwise agreed by the Parties.

12 **B. Non-Compliance**

13 The Parties expressly agree that if the EEOC has reason to believe that
14 Defendants have failed to comply with any provision of this Decree, the EEOC may
15 initiate a lawsuit in the appropriate Federal Court to enforce this Decree, seeking all
16 available relief, including an extension of the term of the Decree, the EEOC's costs
17 and any attorneys' fees incurred in securing compliance with the Decree, additional
18 monetary relief, additional injunctive relief, and/or any other relief the Court deems
19 appropriate.

20 Prior to initiating such action, the EEOC will notify Defendants and their
21 legal counsel of record, in writing, of the nature of the dispute. This notice shall
22 specify the particular provision(s) that the EEOC believes Defendants have violated
23 or breached. Defendants shall have thirty (30) calendar days from receipt of such
24 written notice to attempt to resolve or cure the breach. The Parties may agree to
25 extend this period upon mutual consent. The Parties agree to cooperate with each
26 other and use their best efforts to resolve any dispute referenced in the EEOC
27 notice.
28

1 **IX. MONETARY RELIEF AND CLAIMS ADMINISTRATION**

2 **A. Total Settlement Amount**

3 1. In settlement of this lawsuit, Defendants shall pay a total of
4 \$1,997,500 (“Total Settlement Amount”) in monetary relief. The Total Settlement
5 Amount will be distributed to Eligible Claimants, including Charging Party Shawn
6 Sarbacker, in accordance with the terms of this Decree.

7 2. The EEOC has full and complete discretion under the terms of
8 this Decree to determine who is an Eligible Claimant and the amount of such
9 payments, as hereinafter described in this Decree.

10 3. The Parties agree that the monetary relief amount to each
11 Eligible Claimant will be characterized as non-wage compensation. Defendants
12 will issue a Form 1099 to each Claimant in the amount of his/her non-wage
13 monetary relief. No tax withholdings shall be made. Defendants shall make all
14 appropriate reports to the Internal Revenue Service and other tax authorities.
15 Neither the EEOC nor Defendants make any representations, or assume any
16 responsibility for any tax liability, assessments, interest, penalties and/or costs that
17 the Charging Party or the Eligible Claimants may or may not incur on such
18 payments under local, state or federal law.

19 **B. Initial Distribution List and Payments to Charging Party and**
20 **Currently Identified Eligible Claimants**

21 The EEOC shall provide Defendants with an Initial Settlement Distribution
22 List identifying each currently identified Eligible Claimant, each Claimant’s
23 monetary allocation, Charging Party’s monetary allocation, and the name and
24 address to which each currently identified Eligible Claimant’s settlement check
25 shall be delivered, as well as each Claimant’s completed W-9 tax reporting form.

26 Within ten (10) business days of receiving the EEOC’s Initial Settlement
27 Distribution List and tax reporting forms, Defendants shall send a check in the
28 amount specified, via certified mail, to Charging Party and each identified Eligible

1 Claimant at the address provided. Within five (5) calendar days after mailing any
2 payment to these Eligible Claimants, Defendants shall electronically serve a copy
3 of the checks to Anna Y. Park, Regional Attorney, U.S. Equal Employment
4 Opportunity Commission at anna.park@eeoc.gov and lado.legal@eeoc.gov.

5 **C. Settlement Fund for Unidentified Eligible Claimants**

6 The remaining balance from the Total Settlement Amount in Section IX.A.
7 shall be designated as a “Settlement Fund” to provide compensation to yet to be
8 identified Eligible Claimants that the EEOC determines to be entitled to relief in
9 this action. Within thirty (30) calendar days of the Effective Date of this Decree,
10 Defendants shall deposit these monies into an interest-bearing escrow account and
11 provide the EEOC with written verification of the funding within ten (10) calendar
12 days thereafter. The EEOC shall retain sole discretion to determine the allocation
13 of monies from the Settlement Fund to these yet to be identified Eligible Claimants.

14 **D. Claims Administration of Settlement Fund**

15 **1. Claims Administrator’s Duties and Responsibilities**

16 Within thirty (30) calendar days of the Effective Date, Defendants shall hire
17 and appoint a Claims Administrator, approved by the EEOC, to oversee the claims
18 process and payments to yet to be identified Eligible Claimants as directed by the
19 EEOC in the manner provided in this Decree.

20 The Claims Administrator will work with the EEOC and Defendants to carry
21 out the terms of the Decree. The Claims Administrator will be responsible for: (a)
22 establishing, within fifteen (15) calendar days of being appointed, an escrow
23 account to hold in trust the Settlement Fund and notifying the EEOC and
24 Defendants when the account is established and ready for deposit of the Settlement
25 Fund; (b) receiving and holding the Settlement Fund in trust, until distribution; (c)
26 establishing an informational website accessible to the Parties and Potential
27 Claimants; (d) establishing an email address, mobile phone number, and/or other
28 digital means of contact accessible to Potential Claimants to submit questions and

1 Claim Forms as defined in this Decree; (e) establishing a toll-free telephone number
2 accessible to Potential Claimants; (f) responding to information requests from
3 Potential Claimants; (g) sending Notices of the Settlement, and Claim Forms to
4 Potential Claimants; (h) obtaining updated addresses for Potential Claimants and re-
5 mailing returned notices; (i) receiving and processing Claim Forms as provided in
6 the Decree; (j) assist with scoring Claim Forms based on criteria provided by the
7 EEOC; (k) receiving documents and information from Potential Claimants to
8 forward to EEOC; (l) sending notices regarding eligibility and monetary allocation
9 to Eligible Claimants; (m) sending notice of ineligibility to Potential Claimants and
10 anyone else determined by the EEOC to be ineligible; (n) issuing payments to
11 Eligible Claimants in accordance with the final Distribution List provided by the
12 EEOC; (o) issuing tax reporting forms to each Eligible Claimant who receives a
13 settlement payment; (p) if necessary, filing tax returns and issuing IRS Form 1099's
14 with respect to the Settlement Fund; (q) communicating as necessary with the
15 EEOC and Defendants; (r) tracking all necessary data regarding contact with
16 Potential and recently identified Eligible Claimants; (s) reissuing checks where
17 required in consultation with the EEOC; (t) final distribution of the Settlement
18 Fund; and (u) if necessary, redistributing any remaining monies from the Settlement
19 Fund to Eligible Claimants at EEOC's sole discretion as provided in this Decree.

20 **2. Claims Administrator's Selection and Approval**

21 If the Claims Administrator initially appointed by Defendants thereafter
22 declines to serve or to carry out its duties under this Decree, Defendants will have
23 ten (10) business days to notify the EEOC in writing of the need for a replacement
24 Claims Administrator and will provide the EEOC with the name of a new Claims
25 Administrator for approval by the EEOC. If the EEOC objects to the appointment
26 of the new Claims Administrator identified by Defendants, the Parties will meet
27 and confer until they reach mutual agreement on a replacement Claims
28

1 Administrator. In the absence of an agreement of the parties, the EEOC may
2 appoint a Claims Administrator.

3 **3. Claims Administrator’s Fees and Costs**

4 Defendants will pay all costs associated with the selection and retention of
5 the Claims Administrator as well as the performance of the Claims Administrator’s
6 duties under this Decree.

7 **4. Claims Process and Distribution of Settlement Fund**

8 a. Website, Email Address, and Toll-Free Telephone Number

9 Within thirty (30) calendar days after being retained, the Claims
10 Administrator shall: (i) establish a website in English and Spanish which will be
11 accessible to the Parties and potential Claimants; (ii) establish an email address for
12 purposes of communicating with potential Claimants by email; and (iii) establish a
13 toll-free telephone number which will be accessible to potential Claimants in
14 English and Spanish. The website and/or email address will be set up so that
15 Potential Claimants may obtain and submit a Claim Form either electronically or
16 via U.S. Mail.

17 Information posted on the website and available on a recorded message on
18 the toll-free telephone number will be limited to the general information included in
19 the Notice of Settlement sent to Potential Claimants or updated information as to
20 status of the claim process (*e.g.*, claim-filing deadline; projected distribution date
21 when known). The website will provide information regarding the Settlement Fund
22 and how to complete the Claim Form in either English or Spanish. The website
23 shall include an embedded Claim Form in English and Spanish for downloading by
24 potential Claimants. The website shall also explain how potential Claimants can
25 seek assistance in completing the Claim Form.
26
27
28

1 b. List of Potential Claimants

2 Within forty-five (45) calendar days of retaining the Claims Administrator,
3 Defendants will provide the Claims Administrator with a list of all current and
4 former employees who were employed at any of Defendants’ twenty-one (21)
5 stores listed in Exhibit A at any time during the period January 1, 2017 to the
6 Effective Date of this Decree (“List of Potential Claimants”).

7 For each individual on the List of Potential Claimants, Defendants will
8 provide the following information from its records, to the extent known by
9 Defendants: (i) full name, including all known prior names or aliases; (ii) last
10 known address; (iii) date of birth; (iv) Social Security number; (v) employee
11 identification number, if any, and if different from the employee’s Social Security
12 Number; (vi) last known telephone numbers; (vii) last known email addresses;
13 (viii) dates of employment at any of the Defendants; and (ix) any relevant
14 documents or information related to the claims for the EEOC to consider.

15 c. Notice of Settlement and Claim Form

16 After the Claims Administrator is retained, the EEOC will provide the
17 Claims Administrator with the following forms: (i) Notice of Settlement, and
18 (ii) Claim Form. The EEOC will afford Defendants an opportunity to provide input
19 on the Notice of Settlement and Claim Form before issuance to Potential Claimants,
20 but the EEOC will make the final determination regarding the form and contents of
21 these documents.

22 d. Mailing Notice of Settlement and Claim Form

23 Upon receipt of the List of Potential Claimants from Defendants, the Claims
24 Administrator will first utilize available resources including a database search to
25 update email addresses and mailing addresses. Using the updated mailing
26 addresses, the Claims Administrator will send via U.S. Mail the Notice of
27 Settlement, the Claim Form, and a return envelope addressed to the Claims
28 Administrator to each Potential Claimant. Moreover, the Notice and the Claim

1 Form will also be sent via electronic mail at the earliest possible date, but no later
2 than twenty-eight (28) calendar days after the Claims Administrator receives the
3 final Notice of Settlement and Claim Form from the EEOC. Within ten (10)
4 calendar days of issuance, the Claims Administrator will provide the EEOC with a
5 List of the Potential Claimants who were sent a Notice of Settlement and Claim
6 Form via U.S. Mail and/or electronic mail.

7 e. Return Mail Handling

8 For each mailing to a potential Claimant that is returned as undeliverable, the
9 Claims Administrator shall, within ten (10) calendar days: (i) research the potential
10 Claimant's most-recent address, using best efforts and a database search to locate
11 the potential Claimant; and (ii) resend the Notice of Settlement, Claim Form, and
12 cover letter to the new or different address if a new or different address is obtained,
13 or (iii) advise the EEOC of the efforts taken to locate the potential Claimant if no
14 new or different address is obtained. The Claims Administrator will make no more
15 than two (2) attempts to locate a potential Claimant whose mailing is returned as
16 undeliverable and in no event will any re-mailing of the Notice of Settlement and
17 Claim Form occur more than six (6) months later than the Effective Date unless the
18 EEOC determines a second round of mailings is needed to advance the interest of
19 the terms of this Decree.

20 f. Claim Form Filing Deadline

21 Potential Claimants who believe they are entitled to monetary relief from the
22 Settlement Fund may submit a completed Claim Form within one hundred and
23 twenty (120) calendar days after receipt of the Notice of Settlement and the Claim
24 Form via U.S. Mail and/or electronic mail. If a re-mailing was necessary, the
25 Potential Claimant may submit a completed Claim Form within one hundred and
26 twenty (120) calendar days after receipt of the re-mailed Notice of Settlement and
27 the Claim Form via U.S. Mail. Returned Claim Forms postmarked or submitted
28 electronically to the Claims Administrator within these periods will be considered

1 timely. However, Claim Forms that are received after the aforementioned time
2 periods may be considered by the EEOC at its sole discretion.

3 g. Evaluation of Claim Forms

4 The EEOC shall create the general criteria for scoring claims made through
5 completed Claim Forms. The EEOC has sole discretion in determining the criteria,
6 eligibility, and monetary relief amounts for all potential Claimants. In order to
7 determine each potential Claimant’s eligibility, the EEOC will consider factors
8 including, but not limited to, the length of employment, frequency and severity of
9 experiences at work, and timeliness. Defendants agree that the EEOC’s
10 determination of these issues is final.

11 Within one-hundred and eighty (180) calendar days after the initial mailing
12 and/or remailing of the Notice of Settlement and the Claim Form, the Claims
13 Administrator will electronically provide to the EEOC all of the returned and
14 completed Claim Forms and accompanying information submitted by each
15 Claimant for the EEOC’s use in assessing who is an Eligible Claimant. The Claims
16 Administrator will receive, track, and hold all documents, submitted by mail, in
17 person, or electronically, and will provide to the Parties access to all documents
18 related to the claims process.

19 h. Distribution Lists from EEOC

20 The EEOC shall subsequently provide the Claims Administrator with one or
21 more lists of Eligible Claimants including their names, current addresses, the
22 amount to be paid to each, the classification of such amounts to be paid, and any
23 additional relevant identifying information (“Distribution List”). The EEOC, based
24 upon the claims process, will submit subsequent Distribution Lists. The EEOC also
25 will provide the Claims Administrator with a Notice of Ineligibility for any
26 potential claimants whom the EEOC determines are not eligible for payments from
27 the Settlement Fund. The Claims Administrator will share the Distribution Lists
28

1 and the list of Claimants who are not eligible for payments from the Settlement
2 Fund with all Parties.

3 i. Notices to Claimants

4 Upon receiving the list of Eligible and Ineligible Claimants from the EEOC,
5 the Claims Administrator will mail to each Eligible Claimant on the EEOC's
6 approved Distribution List(s) a Notice of Eligibility with the Claim Share Amount.
7 To each Claimant determined to be ineligible, the Claims Administrator will mail a
8 Notice of Ineligibility.

9 j. Payment to Eligible Claimants

10 Within twenty (20) calendar days from the receipt of any and all Distribution
11 List(s), as well as completed W-9 tax reporting forms for all Eligible Claimants,
12 from the EEOC, the Claims Administrator shall issue checks from the Settlement
13 Fund to the Eligible Claimants identified, in the amount allocated for each Eligible
14 Claimant, and at the addresses provided in the EEOC's Distribution List(s).

15 Within five (5) calendar days after mailing any payment to Eligible
16 Claimants, the Claims Administrator shall electronically submit a register or copy
17 of the checks to Anna Y. Park, Regional Attorney, U.S. Equal Employment
18 Opportunity Commission at anna.park@eoc.gov and lado.legal@eoc.gov.

19 k. Returned and/or Uncashed Checks

20 On a quarterly basis throughout the duration of this Decree, the Claims
21 Administrator shall provide the EEOC with a copy of each cancelled check
22 electronically, and identify any check not negotiated and/or returned non-
23 negotiated. The Claims Administrator shall notify the EEOC on a quarterly basis of
24 the remaining amount of Settlement Funds.

25 For any checks that are returned as undeliverable, the Claims Administrator
26 shall attempt to find an updated address and will provide the EEOC with the name,
27 last known address, date of birth, and social security number of the Eligible
28 Claimant. If an updated address can be found, the check will be re-mailed via

1 Certified Mail. If an Eligible Claimant fails to present his or her check after ninety
2 (90) calendar days of it being issued, the Claims Administrator will provide the
3 EEOC with the name, last known address and date of birth of the Eligible Claimant,
4 and the EEOC may make additional efforts to locate the Eligible Claimant. If any
5 unclaimed monies in the Settlement Fund remain undistributed after exhausting
6 these efforts to locate the Eligible Claimants after issuing a final Distribution List,
7 the EEOC and Defendants will confer to designating any remaining monies to be
8 put into a cy pres fund. The monies to a cy pres fund will be distributed to a non-
9 profit organization serving victims of sexual harassment and/or sexual assault or
10 battery. The EEOC shall approve the cy pres designee prior to distribution.

11 1. Unaccepted Eligible Claimants' Shares

12 If an Eligible Claimant does not subsequently accept or negotiate the check
13 in a timely manner, the Eligible Claimant will be deemed to have rejected the claim
14 share. However, the EEOC may request to re-issue checks for good cause
15 including, but not limited to, circumstances outside of the Eligible Claimants'
16 control. The Eligible Claimants' monetary allocation deemed to be rejected under
17 this subsection may be re-distributed, as determined by the EEOC.

18 Within ninety (90) calendar days from the mailing of the last check on
19 EEOC's last Distribution List, the Claims Administrator will provide the EEOC and
20 Defendants an accounting of the monies remaining from the Settlement Fund.
21 Defendants have no standing to challenge the EEOC's distribution determinations,
22 which are entirely in the discretion of the EEOC.

23 m. Cooperation

24 The Parties will work together to ensure that the distribution, including
25 reissuing checks should that be required, is effectively carried out under the Decree.
26 In the event that any extension of claims-related deadlines become necessary, the
27 Parties' agreement to extend any deadline(s) shall be in writing.
28

1 **X. CLAIMANT SPECIFIC INJUNCTIVE RELIEF**

- 2 **A.** If Defendants maintain records regarding the underlying charge of
3 discrimination or records relating to any Claimant's involvement in this
4 Action for purposes of complying with this Decree, such records must be
5 maintained separately from the Claimants' personnel file.
- 6 **B.** In the event Defendants receive a request for a job reference for the
7 Charging Party and/or any Claimant, such job reference shall be (1) neutral,
8 and (2) limited to dates of employment and position(s) held.
- 9 **C.** Defendants shall reclassify the termination of any Eligible Claimant(s)
10 to voluntary resignation if the claimant has been identified by the EEOC as
11 having been subjected to discriminatory discharge (based on a list provided
12 by the EEOC).
- 13 **D.** Defendants shall ensure that Eligible Claimants are not prohibited from re-
14 employment with Defendants, other than for non-discriminatory and non-
15 retaliatory reasons.

16
17 **XI. GENERAL INJUNCTIVE RELIEF**

18 **A. Non-Discrimination**

19 Defendants, their officers, agents, management (including all supervisory and
20 lead employees, General/Store Managers and above), human resources personnel,
21 successors, assigns, and all those in active concert or participation with them, or
22 any of them, are hereby enjoined from: (1) engaging in unwanted verbal, physical,
23 or any other kind of conduct of a sexual nature; (2) engaging in sexual harassment
24 in the workplace; (3) engaging in or being party to any action, policy, or practice
25 that discriminates and/or creates a hostile or abusive work environment on the basis
26 of sex; and (4) creating, facilitating, or permitting the existence of a work
27 environment that is hostile to employees on the basis of sex.
28

1 **B. Anti-Retaliation**

2 Defendants, their officers, agents, management (General/Store Managers and
3 above, including all supervisory and lead employees), human resources personnel,
4 successors, assigns, and all those in active concert or participation with them, or
5 any of them, are hereby enjoined from engaging in, implementing, or permitting
6 any action, policy, or practice that adversely affects and/or creates a hostile or
7 abusive work environment towards any current or former employee because he/she
8 has in the past, or during the term of this Decree:

- 9 1. Opposed any practice made unlawful under Title VII's
10 prohibition on discrimination or harassment based on sex;
11 2. Filed a charge of discrimination with the EEOC alleging such
12 practice based on sex;
13 3. Testified or participated in any manner in an internal or external
14 investigation or proceeding relating to any claim of a violation
15 of Title VII's prohibition on discrimination or harassment based
16 on sex;
17 4. Been identified as an Eligible Claimant with respect to this
18 Action;
19 5. Asserted any right under this Decree; or
20 6. Sought and/or received any relief in accordance with this
21 Decree.

22
23 **XII. SPECIFIC INJUNCTIVE RELIEF**

24 **A. Equal Employment Opportunity Monitor**

25 Within thirty (30) calendar days after the Effective Date, Defendants shall
26 retain a third-party EEO Monitor, approved by the EEOC, with demonstrated
27 experience in the areas of preventing and combating sexual harassment, and/or
28 related retaliation. The EEO Monitor shall have access to documents and

1 employees and shall monitor Defendants' compliance with applicable laws and the
2 provisions of this Decree. Defendants shall bear all costs associated with the
3 selection and retention of the EEO Monitor and the reasonable costs associated with
4 the performance of the EEO Monitor's duties.

5 The EEO Monitor's duties shall include:

6 1. Conducting audits under Section B below, to identify existing deficiencies
7 in Defendants' response to complaints of sexual harassment, sex-based
8 discrimination or retaliation and to determine whether sexual harassment, sex-based
9 discrimination or retaliation exists at Defendants' worksites;

10 2. Tracking and evaluating all information received by Defendants regarding
11 alleged sex-based discrimination, harassment, or retaliatory conduct;

12 3. Reviewing documents relating to complaints of sex-based discrimination,
13 harassment or retaliation, and any documents related to the investigation or
14 resolution of such complaints to ensure that Defendants are responding to such
15 complaints by conducting prompt, thorough and impartial investigations;

16 4. Ensuring that all complaints of sex-based discrimination, harassment
17 and/or retaliation are documented and properly handled, whether they are formal or
18 informal complaints;

19 5. Reviewing all disciplinary actions taken in response to complaints of sex-
20 based discrimination, harassment, and/or retaliation to ensure that discipline is
21 consistent in preventing and correcting the conduct as required under this Decree
22 and Title VII;

23 6. Ensuring centralized tracking and monitoring of complaints of sex-based
24 discrimination, harassment, and/or retaliation;

25 7. Ensuring that Defendants' policies and procedures relating to sex-based
26 discrimination, harassment, and retaliation are effective and fully comply with Title
27 VII and all terms set forth in this Decree, as described in Section C below;
28

1 8. Reviewing and guiding Defendants on the best ways to effectively
2 communicate complaint mechanisms in place to employees and to ensure that
3 Defendants are tracking and handling complaints promptly and effectively;

4 9. Ensuring that Defendants' trainings regarding sex-based discrimination,
5 harassment, or retaliation are effective, especially with respect to training of
6 managers and human resources employees, and provide guidance or feedback if
7 additional or revised training is needed;

8 10. Ensuring proper accountability measures are implemented and that
9 Defendants properly interface with a) employees who have made sex-based
10 discrimination complaints are not subjected to retaliation, and b) any alleged
11 perpetrators/harassers so as to ensure that proper preventative and corrective
12 measures were taken;

13 11. Reviewing and evaluating the disciplinary scheme to ensure that
14 preventative and corrective measures are consistently and properly implemented;

15 12. Reviewing and evaluating any changes to proposed discipline flowing
16 from an investigation, and report to the EEOC the Monitor's evaluation of the
17 changes;

18 13. Assisting Defendants with developing and implementing a system to
19 ensure accountability and EEO compliance by managers, supervisors and human
20 resource personnel regarding potential sexual harassment, sex discrimination, and
21 retaliation;

22 14. Assisting Defendants with implementing mechanisms for bottom-up
23 feedback from employees to managers, in a manner that encourages and solicits
24 feedback regarding sexual harassment, sex discrimination, retaliation and the
25 inclusivity of Respondent's culture for individuals of all genders, as described in
26 this Decree;

27 15. Providing Defendants with feedback on the three (3) reports to the EEOC
28 for the duration of the Decree regarding Defendants' progress and compliance

1 under this Decree (Prior to submission, Defendants shall provide the EEO Monitor
2 with confirmation and any underlying related documents for review, verification,
3 and approval of the reports' accuracy.);

4 16. Ensuring that Defendants' reports required by this Decree are accurately
5 compiled and timely submitted;

6 17. Ensuring the retention and maintenance of any complaints; documents or
7 records relating to investigations required by this Decree;

8 18. Ensuring the distribution of any documents as required by this Decree;
9 and

10 19. Measuring and monitoring the timeliness and effectiveness of
11 investigations into complaints of discrimination, harassment, and/or retaliation.

12 With respect to the Defendants' duties and obligations under this Decree that
13 have not been delegated to the EEO Monitor, the Parties recognize that La Pointe
14 Law has been appointed to fulfill those duties and obligations for Defendants.

15 **B. Compliance Audits**

16 **1. Audit of McDonald's Stores in Nevada, Arizona, and**
17 **California**

18 For all of Defendants' stores currently in operation during the term of this
19 Decree, the EEO Monitor shall evaluate Defendants' investigations of any reports
20 of sexual harassment and/or retaliation in Defendants' store locations including, but
21 not limited to, providing guidance to Defendants related to employee interviews,
22 reviewing documents and recommending corrective measures and/or preventative
23 steps for any unresolved complaint(s). The EEO Monitor shall identify appropriate
24 preventative steps to avoid reoccurrence of the same or similar issues identified
25 through audits in the other stores. Defendants may follow the EEO Monitor's
26 recommendation or suggest a good faith alternative resolution. The EEO Monitor
27 shall review and evaluate Defendants' investigative findings and recommendations
28

1 and provide feedback, if necessary, prior to finalizing the investigation and taking
2 any action.

3 **2. Annual Audits**

4 On an annual basis throughout the duration of this Decree, the EEO Monitor
5 shall conduct at least two (2) unannounced visits, between the hours of 2:00 pm and
6 4:00 pm on a weekday or an alternative time to be worked out with the EEO
7 Monitor at any of Defendants' stores currently in operation during the term of this
8 Decree to interview current and prospective employees and a) assess whether sex-
9 based discrimination, harassment, and/or retaliation issues are properly being
10 addressed, b) assess whether the mechanisms implemented pursuant to this Decree
11 are effective, c) assess whether the trainings are effective, and d) to identify areas
12 for improvement. When seeking employee input, the EEO Monitor will meet
13 employees outside the presence of management and/or supervisors, and without any
14 management or supervisors' advance knowledge of the audit.

15 The EEO Monitor shall audit the effectiveness of the handling of complaints
16 of sex-based discrimination, harassment, and retaliation to assess whether
17 corrective and preventative measures that were taken are effective by Defendants.
18 The EEO Monitor shall audit and review all complaints to ensure they are properly
19 documented and tracked, and that the investigations are properly conducted. The
20 Monitor shall also audit the disciplinary scheme and provide feedback to
21 Defendants on whether any changes are needed to ensure accountability and
22 consistency.

23 The EEO Monitor will also review the complaints that are made including
24 the Complaint Log described in this Decree and report on a semi-annual basis to the
25 EEOC regarding Defendants' implementation of the Complaint Log and the proper
26 tracking and handling of the complaints. The EEO Monitor will assess whether
27 employee sex-based discrimination and/or harassment complaints are accurately
28 recorded and addressed. The EEO Monitor shall have access to all records

1 including underlying investigations into complaints of sex-based discrimination,
2 harassment, and/or retaliation, and shall have access to employees, if necessary, to
3 conduct interviews with employees of the EEO Monitor's choosing.

4 During these annual unannounced audits, the EEO Monitor shall also ensure
5 that managers and supervisors are held accountable and to encourage employees to
6 report suspected sex-based discrimination, harassment and/or retaliation. To seek
7 employee input, the audits will be conducted outside the presence and knowledge of
8 managers and/or supervisors. If the audit responses indicate potential misconduct
9 that may be in violation of Defendant's policies that prohibit sex-based
10 discrimination, harassment, and/or retaliation, the EEO Monitor will provide notice
11 to the Defendants to take properly investigative steps and address the issue.

12 **3. Climate Surveys**

13 Within one-hundred and twenty (120) calendar days of the Effective Date,
14 and annually thereafter, the EEO Monitor shall send EEOC-approved Climate
15 Surveys in English and Spanish, to all current supervisory and hourly employees of
16 Defendants via electronically or otherwise to ensure the most effective means to
17 administer the surveys and to receive a response. The Climate Surveys will allow
18 employees to respond anonymously in order to assess whether sex-based
19 discrimination, harassment, and/or retaliation exists in the workplace and the
20 effectiveness of Defendants' responses.

21 Defendants also agree to provide the same Climate Survey to all employees
22 upon termination or end of their employment. The Climate Surveys shall be
23 reviewed by Defendants and the EEO Monitor. Defendants will take prompt and
24 effective remedial action, with input from the EEO Monitor, in response to any
25 Climate Survey responses indicating that sexual harassment and/or a sexually
26 hostile work environment are occurring. The EEO Monitor will report on the status
27 of the climate surveys and issues not properly addressed.

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1 **C. Policies and Procedures**

2 **1. Workplace Policies and Procedures**

3 Within sixty (60) calendar days of the Effective Date, Defendants shall
4 review their existing policies and procedures regarding sex discrimination, sexual
5 harassment, and/or related retaliation (“Workplace Policies and Procedures”), and
6 revise them if needed to ensure that throughout the duration of this Decree, they
7 include:

- 8 a. A strong and clear commitment to a workplace free of sex-based
9 discrimination, harassment, and/or related retaliation;
- 10 b. A clear and comprehensive description of sex-based
11 discrimination, harassment, and/or related retaliation, including
12 a discussion of the meaning of the phrase “hostile work
13 environment” and “retaliation” under Title VII and examples of
14 prohibited conduct and conduct which, if left unchecked, may
15 rise to the level of unlawful discrimination, harassment, or
16 related retaliation;
- 17 c. A statement that Defendants shall hold all employees
18 accountable for engaging in conduct prohibited under applicable
19 laws regarding sex-based discrimination, harassment, and/or
20 related retaliation or this Decree, including but not limited to
21 failing to take prompt appropriate action to redress sex-based
22 discrimination, harassment, and/or related retaliation in the
23 workplace, and a description of the consequences for those that
24 fail to adhere to reporting procedures;
- 25 d. A statement that persons who complain about sex-based
26 discrimination or harassment they experienced or witnessed and
27 persons who provide information relating to such complaints
28 will not be subjected to retaliation;

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- e. A statement affirming that Defendants’ anti-harassment policies include same sex harassment;
- f. A policy regarding workplace relationships that, consistent with applicable law, discourages and/or prohibits the formation of sexual and romantic relationships between supervisors and/or managers and any employees who report to them, directly or indirectly, and requires the disclosure of other sexual and romantic relationships between employees to Defendants so that appropriate measures can be taken to avoid the existence or appearance of sexual and/or romantic favoritism and *quid pro quo* sexual harassment in the workplace
- g. A statement that Defendants’ harassment policies protect all employees, including temporary hourly employees, against workplace harassment committed by other employees and third party customers;
- h. An internal complaint procedure applying to the workplace and all work-related events that provides all employees with multiple reporting options for complaints of sex-based discrimination, harassment, and/or related retaliation, as described in this Decree;
- i. An explanation that the internal complaint procedure does not replace the right of any employee to file a charge or complaint of sex-based discrimination, harassment, and/or related retaliation under any available municipal, state, or federal law, and that filing an internal complaint does not relieve the complainant of meeting any deadline for filing a charge of discrimination; and

1 j. The procedures will provide contact information for state and
2 local Fair Employment Practice (FEP) agencies and the EEOC
3 toll-free complaint line at (800) 669-4000.

4 Prior to implementation and distribution to employees, supervisors,
5 managers, and human resources personnel, Defendants shall submit the revised
6 workplace policies and procedures to the EEO Monitor for his/her feedback and
7 final approval. Defendants agree to submit to the EEOC any revisions to their
8 Workplace Policies and Procedures addressing this section of the Decree at least
9 thirty (30) calendar days prior to the proposed change.

10 **2. Internal Complaint Investigation Procedure**

11 Within sixty (60) calendar days of the Effective Date, Defendants shall
12 review their Internal Complaint Investigation Procedure and make any revisions to
13 ensure that it incorporates the following elements:

- 14 a. A statement encouraging employees to ask questions, share
15 concerns, and provide information about potential sex-based
16 discrimination, harassment, and/or related retaliation to
17 Defendants, such as by (i) sharing information with the Human
18 Resources Department, the EEOC, and or state local agency, or
19 (ii) participating candidly in investigations of potential
20 discrimination, harassment, or related retaliation;
- 21 b. A clearly described process for submitting complaints of sex-
22 based discrimination, harassment, and/or related retaliation that
23 includes multiple avenues for employees to lodge complaints of
24 sex-based discrimination, harassment, and/or related retaliation
25 verbally or in writing, including (i) a direct toll-free phone
26 number and email address for Defendants’ Human Resources
27 Department; (ii) a telephone complaint Hotline that Defendants
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will track pursuant to this Decree; and (c) notifying any manager or Human Resources representative;

c. A clearly described process for a prompt, thorough, and impartial investigation of all complaints of sex-based discrimination, harassment, or related retaliation by Defendants, including (i) interviewing relevant witnesses, (ii) review of relevant evidence; and (iii) creation of written investigative reports that document all investigatory steps, any findings and conclusions, and any actions taken, and including all complaints, notes of interviews, and other relevant evidence;

d. An assurance that no complainant shall be required to confront his or her alleged harasser and that the confidentiality of the complaint, complainant, and investigation shall be maintained to the fullest extent possible;

e. Tracking and collection of all complaints of sex-based discrimination, harassment, and/or related retaliation in the Complaint Log;

f. Resolution of all complaints of sex-based discrimination, harassment, and/or related retaliation by Defendants in a timely and effective manner, including communication with complainant of the outcome of the investigation; and

g. A requirement that any employee in a manager, supervisory, or Human Resources managerial position document and report any and all observations or complaints of potential sex-based discrimination, harassment, or related retaliation to Defendants' Human Resources Department promptly but no later than within seventy-two (72) hours, and that failure to carry out this duty is

1 grounds for disciplinary action, up to and including immediate
2 discharge.

3 Prior to implementation and distribution to employees, supervisors,
4 managers, and human resources personnel, Defendants shall submit the revised
5 internal complaint procedure to the EEO Monitor for his/her feedback and final
6 approval. Defendants agree to submit to the EEOC any revisions to the internal
7 complaint procedure addressing this section of the Decree at least thirty (30)
8 calendar days prior to the proposed change.

9 **3. Distribution of Workplace Policies and Procedures**

10 Within ninety (90) calendar days of the Effective Date and after receiving
11 final approval from the EEO Monitor, Defendants shall disseminate a hard copy of
12 any revised Workplace Policies and Procedures, in English and Spanish, to all
13 employees. During the term of the Decree, Defendants shall disseminate a copy of
14 these policies and procedures to all current employees on at least a semi-annual
15 basis via electronic mail or hard copy. Newly hired employees shall receive a hard
16 copy of these Workplace Policies and Procedures immediately upon hire.
17 Defendants shall include in its annual reports to the EEOC, an annual confirmation
18 of the various methods by which Defendants make their policies and procedures
19 accessible to their employees, including Spanish-speaking employees.

20 **D. EEO Training**

21 Prior to the implementation and distribution of any and all training materials
22 under this Decree, Defendants shall obtain feedback for effectiveness and final
23 approval of such materials from the EEO Monitor.

24 **1. Compliance and Workplace Harassment Prevention**
25 **Training for Hourly Employees**

26 Within one-hundred and eighty(180) calendar days after the Effective Date
27 and with the approval of the EEO Monitor, Defendants shall initiate training
28 sessions for all hourly non-supervisory employees assigned to any of Defendants'

1 stores currently in operation during the term of this Decree. Defendants may
2 conduct these training sessions through online recorded training programs, or
3 through remote training sessions, either live or recorded, using methods such as
4 Zoom or WebEx. These training sessions shall be conducted on an annual basis for
5 the duration of the Decree. After the on-line training session, there will be an
6 interactive in-person session to allow each employee an opportunity to ask
7 questions. The interactive session will be facilitated by management or human
8 resources representative where the employee can ask questions and be given an
9 information sheet that has a) a description of what constitutes sexual harassment, b)
10 information about the Defendants' EEO complaint procedures, c) the prohibition of
11 retaliation; and d) the names and contact information of persons to submit questions
12 or complaints if they are not comfortable doing so at the in person session. The
13 first year's training sessions shall be completed within two hundred and forty (240)
14 days after the Effective Date.

15 The training under this section shall cover:

- 16 a. what constitutes unlawful sex-based discrimination, harassment,
17 and/or related retaliation with examples;
- 18 b. employees' and employers' rights and responsibilities if they
19 experience, observe, or become aware of conduct that they
20 believe may be discriminatory, harassing, or retaliatory, based
21 on sex, including the responsibility of managers and/or
22 supervisors to report such conduct to Human Resources
23 personnel;
- 24 c. a component on bystander intervention, including examples of
25 how to effectively intervene as a bystander;
- 26 d. Defendants' Workplace Policies and Procedures and Internal
27 Complaint Procedure;
- 28 e. contact information for Human Resources and the Hotline;

- 1 f. a statement emphasizing that harassment prevention,
2 maintaining a respectful workplace, and diversity are high
3 priorities for Defendants and that Defendants are committed to
4 accountability and safety of their workforces;
- 5 g. a statement confirming Defendants' commitment that
6 harassment prevention, civility, and maintaining a respectful,
7 diverse, and safe workplace are top priorities; and
- 8 h. methods to prevent sex-based harassment and bullying in the
9 workplace.

10 All newly hired employees under Section VII.D.1 shall complete the initial
11 online training and follow-up interactive session within sixty (60) days of their hire
12 date during the duration of the Decree. Defendants' President/Owner Abe Martinez
13 III shall also take this online training.

14 Anonymous course evaluation surveys for attendees to complete shall be
15 solicited at each training session and copied to the EEO Monitor to examine the
16 effectiveness of the training. The EEO Monitor will review the anonymous
17 evaluation forms and make any appropriate recommendations for improving
18 subsequent training sessions to Defendants.

19 **2. Human Resources/Manager Training**

20 Within one hundred and twenty (120) calendar days after the Effective Date
21 and with the approval of the EEO Monitor, Defendants shall initiate separate live
22 training sessions for all Human Resources managers and supervisors assigned to
23 any of Defendants' stores currently in operation during the term of this Decree.
24 This includes HR personnel, managers, supervisors assigned to the Kingman,
25 Arizona office and any other employees who are responsible for investigating
26 complaints of sex-based discrimination, harassment, and/or related retaliation.
27 Defendants may conduct these live training sessions online through live remote
28 methods such as Zoom or WebEx. These training sessions shall: a) be at least two

1 (2) hours in duration; b) be conducted on an annual basis for the duration of the
2 Decree; and c) have an interactive component with a question and answer session
3 toward the end. The first year's training session shall be completed within one-
4 hundred and eighty (180) days after the Effective Date.

5 These training sessions shall be recorded, and all newly hired human
6 resources personnel, managers, supervisors, and employees described above in
7 Section VII.D.2, shall complete the recorded session of such training including the
8 recorded question and answer portion of the training, within sixty (60) days of their
9 hire date for the duration of the Decree.

10 The training under this section shall include role playing and emphasize
11 accountability of management and documenting and reporting complaints of
12 discrimination, harassment, and/or retaliation. This training shall also include
13 examples and interactive materials to properly identify what constitutes sex-based
14 discrimination, harassment, and/or related retaliation and emphasize:

- 15 a. the affirmative obligation for managers and supervisors to report
16 and to take appropriate action;
- 17 b. the duty to promptly report potential sex-based discrimination,
18 harassment, and/or related retaliation;
- 19 c. the need to thoroughly document sex-based harassment and
20 discrimination complaint investigations, including taking and
21 retaining notes of interviews conducted for those investigating
22 complaints;
- 23 d. types of preventative and corrective measures and how to
24 determine whether the action proposed is reasonably calculated
25 to prevent or end sex-based harassing conduct; and
- 26 e. post-investigation procedures for evaluating the work
27 environment after receiving a complaint from an employee or
28 third-party.

1 For human resources personnel and any other employees who are responsible
2 for investigating sex-based discrimination, harassment, and related retaliation
3 complaints, the training shall also include instruction on how to properly investigate
4 such complaints, including the proper scope of the investigation.

5 3. Requirements for All Training Sessions

6 All trainings described in this Section shall occur on an annual basis and are
7 mandatory for the duration of this Decree. Training sessions shall be in English and
8 Spanish where necessary for Spanish-speaking employees. All trainings and
9 training materials shall be provided in English or Spanish, whichever language is
10 commonly understood by Defendants' employees.

11 All persons shall verify their attendance in writing or through an electronic
12 confirmation. Defendants shall maintain copies of training sign-in sheets and/or
13 electronic records demonstrating attendance for the duration of this Decree.

14 Defendants agree to work with the EEO Monitor to develop the training
15 curriculum and obtain approval from the EEO Monitor. During the sessions,
16 examples of prohibited conduct shall be given and tailored to Defendants'
17 workplace. For live online/remote training, Defendants shall leave time for
18 question and answer periods at the conclusion of each training.

19 All employees will be paid their normal rate of pay for attending the training
20 sessions.

21 Defendants shall give the EEOC and the EEO Monitor a minimum of twenty
22 (20) calendar days advance written notice of the date, time, and location of each
23 group live training session provided pursuant to this Decree. An EEOC
24 representative or the EEO Monitor may attend any live training upon request by the
25 EEOC or the EEO Monitor. The EEOC and the EEO Monitor shall review training
26 materials proposed and/or used upon request in order to provide feedback.
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1 **E. Centralized Tracking and Complaint Log**

2 Within thirty (30) calendar days of the Effective Date, Defendants shall
3 confirm to the EEOC the creation and implementation of a centralized tracking
4 system or Complaint Log for all formal and informal complaints regarding sex-
5 based discrimination, harassment, and/or related retaliation and the ongoing
6 evaluation of such complaints to prevent retaliation. During the term of this
7 Decree, Defendants will maintain a complaint database containing information
8 related to complaints regarding sex-based discrimination, harassment, and/or
9 related retaliation that will be shared with the EEO Monitor. The complaint
10 database is and will remain searchable by name of individual(s) and by location(s)
11 of alleged misconduct, and contains and will contain, for each complaint or
12 investigation of sex-based discrimination, harassment, and/or related retaliation, at
13 least the following information:

- 14 1. full name, contact information, and sex-based of each
15 complainant and potential aggrieved individual;
- 16 2. full name and sex-based of any persons allegedly involved
17 (including but not limited to those identified as potential
18 perpetrators);
- 19 3. a description of how Defendants learned of the complaint (i.e.,
20 whether made to a manager, human resources employee, or via
21 the Hotline), and the date the complaint was reported;
- 22 4. date each investigation began and was completed;
- 23 5. type of sex discrimination, sex harassment, and/or related
24 retaliation complained of, reported, or investigated;
- 25 6. type of complaint or type of adverse employment action
26 allegedly involved (e.g., “harassment,” “failure to hire,” “failure
27 to promote,” “demotion,” “failure to schedule/assign,”
28 “termination,” etc.);

- 1 7. name and title of person(s) who conducted each investigation;
- 2 8. description of action taken in response to the charge, complaint,
- 3 report, or investigation;
- 4 9. resolution, or decision made, regarding each complaint made
- 5 and each investigation conducted; and
- 6 10. status of each complaint or investigation reflected in the
- 7 database (such as “open,” “pending,” “closed,” etc.).

8 The Complaint Log shall be maintained throughout the entire duration of the Decree
9 and produced to the EEOC on request.

10 **F. Performance Evaluations**

11 Defendants agree to develop and implement a system for holding regional
12 managers, store managers, and assistant store managers who oversee or supervise
13 any of Defendants’ stores accountable for failing to comply with Title VII, and
14 Defendants’ anti-discrimination, anti-harassment, and anti-retaliation policies and
15 procedures. Defendants may also use incentives to ensure EEO compliance by
16 supervisors and managers. Within one-hundred and eighty (180) calendar days of
17 the Effective Date, Defendants agree to provide the EEO Monitor with the proposed
18 written measures in order to provide an opportunity for comment regarding the
19 measures before implementation. Once the measures have been finalized and
20 approved by the EEO Monitor, they will be sent to the EEOC within fifteen (15)
21 calendar days. Any revisions to these measures during the duration of the Decree
22 will also be sent to the EEOC within fifteen (15) calendar days.

23 **G. Toll Free Hotline**

24 Within thirty (30) calendar days of the Effective Date, Defendants shall
25 confirm the creation and implementation of a current toll-free bilingual hotline for
26 any Spanish or English-speaking employee to report complaints of sex and/or
27 gender discrimination, harassment, and/or related retaliation (“Hotline”). The
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1 Hotline shall operate seven (7) days per week, twenty-four (24) hours per day. The
2 Hotline shall offer the option to employees to make an anonymous complaint. The
3 EEO Monitor shall ensure that all Hotline inquiries, and response times are tracked
4 and logged by Defendants in the Complaint Log described in this Decree.

5 On an annual basis during the entire duration of this Decree, Defendants shall
6 disseminate the Hotline number and related information to all employees in English
7 and Spanish, and encourage them to report incidents of workplace harassment,
8 discrimination, and/or related retaliation. Defendants shall notify newly hired
9 employees about the Hotline in English and Spanish no later than within five (5)
10 days of hire.

11 **H. Posting of Notice of Settlement**

12 Within ten (10) calendar days after the Effective Date and throughout the
13 term of this Decree, Defendants shall post in both English and Spanish, a full-sized
14 copy of the Notice of Settlement attached as **Exhibit “B,”** which sets forth many of
15 the terms of this Decree in clearly visible locations frequented by their employees
16 (i.e. break rooms or bulletin boards with other employee notices). The notice shall
17 be posted at Defendants’ eighteen (18) currently open stores listed in Exhibit A.
18 The notice shall remain posted for the entire duration of this Decree.

19 **I. Recordkeeping**

20 Within sixty (60) calendar days after the Effective Date of this Consent
21 Decree, Defendants shall review with the EEO Monitor its record-keeping
22 procedure that provides for the centralized tracking of sex-based discrimination,
23 harassment, and/or related retaliation complaints and the ongoing evaluation of
24 such complaints to prevent retaliation. The EEO Monitor will ensure and/or
25 confirm that the records to be maintained include:

- 26 **A.** Non-privileged documents generated in connection with any complaint
27 of sex-based discrimination, harassment, and/or related retaliation,
28 including documents relating to all investigations or resolutions of any

- 1 complaints and the identities of all witnesses identified by the
2 complainant and/or through Defendants' investigation;
- 3 **B.** Documents verifying the occurrence of all training and follow-up
4 sessions, the information sheets to trainees, and names and positions of
5 all attendees for each session as required under this Decree;
- 6 **C.** Documents generated in connection with the overseeing, counseling,
7 and disciplining of employees whom Defendants determine to have
8 engaged in discriminatory conduct in violation of the workplace
9 policies and procedures as they relate to sex-based discrimination,
10 harassment, and/or related retaliation;
- 11 **D.** Documents generated in connection with the development of a system
12 to hold regional managers, store managers, and assistant store
13 managers accountable for not reporting complaints of sex-based
14 discrimination, harassment, and/or related retaliation, and also for
15 rewarding those managers who did report correctly as part of its
16 reporting process;
- 17 **E.** All communications with the EEO Monitor, the Claims Administrator,
18 and the EEOC;
- 19 **F.** Non-privileged documents generated in connection with the audits
20 conducted by the EEO Monitor under this Decree;
- 21 **G.** All training evaluation surveys collected under this Decree; and
- 22 **H.** Non-privileged documents related to Defendants' compliance with this
23 Decree.

24 Defendants shall make the aforementioned records available to the EEOC
25 within fifteen (15) calendar days following a written request by the EEOC.

26 In the event that the EEO Monitor raises concerns about potential non-
27 compliance with this Decree, the EEOC may request documents or information,
28 including interviews of witnesses, that the EEOC determines is necessary to

1 conduct an inquiry into the specific compliance issue. Defendants agree to make
2 the requested information or documents available to the EEO Monitor and the
3 EEOC. Defendants shall cooperate with the EEO Monitor to ensure access to
4 information to carry out their duties under this Decree.

5 **J. Reporting to the EEOC**

6 **1. Initial Report**

7 Within one-hundred and eighty (180) calendar days after the Effective Date
8 Defendants shall submit to the EEOC an initial report containing:

- 9 a. The name, contact information, and qualifications of the
10 proposed EEO Monitor under this Decree;
- 11 b. The name and contact information of the specific professional
12 individual or organization that Defendants propose to serve as
13 the Claims Administrator and the proposed contract, for the
14 EEOC's review and comment;
- 15 c. Verification that List of Potential Claimants were submitted to
16 the Claims Administrator; a statement detailing Defendants'
17 compliance with this Decree regarding Claimant Specific
18 Injunctive Relief;
- 19 d. A summary of any forthcoming modifications to the Workplace
20 Policies and Procedures, including the Internal Complaint
21 Investigation Procedure;
- 22 e. A summary of the procedures and recordkeeping methods in
23 place and/or as modified with the EEO Monitor for centralized
24 tracking of sex-based discrimination, harassment, and/or related
25 retaliation complaints and the evaluation of such complaints;
- 26 f. Written verification of the funding of the Settlement Fund;
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- 1 g. An update on Defendants’ progress toward developing a system
- 2 to hold regional managers, store managers, and assistant store
- 3 managers accountable for not complying with EEO policies;
- 4 h. The written notice provided to employees informing them of the
- 5 Hotline;
- 6 i. A statement attesting that all employees have been notified of
- 7 the Toll-Free Hotline;
- 8 j. A statement confirming that Defendants have posted the Notice
- 9 of Settlement as required under this Decree; and
- 10 k. A current copy of all Defendants’ policies and procedures as
- 11 required under this Decree.

12 **2. Second Report**

13 Within twenty (20) months after the Effective Date of this Decree,
14 Defendants shall provide subsequent reports containing:

- 15 a. The attendance lists of all attendees for the training sessions
- 16 required under this Decree that took place since the prior report;
- 17 b. Confirmation that Defendants have distributed Workplace
- 18 Policies and Procedures to all employees under this Decree;
- 19 c. Confirmation of the occurrence of all training sessions under
- 20 this Decree and a copy of the training materials used;
- 21 d. Confirmation that the Hotline has been communicated to all
- 22 employees under this Decree;
- 23 e. A copy of the Complaint Log;
- 24 f. Results of the Climate Surveys;
- 25 g. Confirmation as to whether any relevant revisions of
- 26 Defendants’ Workplace Policies and Procedures took place
- 27
- 28

- 1 since the preceding report, including a current working copy of
2 all policies and procedures as required under this Decree;
- 3 h. Confirmation of Defendants’ compliance with the terms of this
4 Decree; and
- 5 i. Confirmation that the interactive follow-up training sessions for
6 hourly non-supervisory employees were completed or being
7 conducted under this Decree, including the dissemination of the
8 information sheet.

9 These reports shall also include a statement from the EEO Monitor regarding
10 the accuracy of Defendants’ report to the EEOC, describes all work performed
11 pursuant to this Decree, and provides the EEO Monitor’s feedback and
12 recommendations, if any, going forward. The statement shall include the EEO
13 Monitor’s evaluation and recommendations following the audits and climate
14 surveys; the trainings sessions under this Decree; and review of Defendants’
15 implementation of the Internal Complaint Investigation Procedure and Complaint
16 Log under this Decree. Most importantly, the EEO Monitor’s statement shall
17 provide feedback regarding Defendants’ good faith efforts to comply with this
18 Decree and all applicable laws regarding sex-based discrimination, harassment,
19 and/or related retaliation, and cover all the EEO Monitor’s responsibilities, as
20 detailed in this Decree.

21 **3. Exit Report**

22 Within at least ninety (90) calendar days prior to the expiration of this
23 Decree, Defendants shall report to the EEOC regarding their compliance with this
24 Decree.

25 Separately, the EEO Monitor shall report to the EEOC at least ninety (90)
26 calendar days prior to the expiration of this Decree covering all the EEO Monitor’s
27 duties, as detailed in this Decree and providing feedback regarding Defendants’
28 compliance with this Decree and laws regarding sex-based discrimination,

1 harassment, and/or related retaliation, and whether Defendants have responded
2 appropriately to sex-based discrimination, harassment, and/or related retaliation
3 complaints. The EEO Monitor shall make recommendations, where appropriate,
4 for extension of the term of this Decree. All reports under this Section shall be
5 directed: U.S. Equal Employment Opportunity Commission, Attn. Regional
6 Attorney Anna Y. Park, at anna.park@eoc.gov and lado.legal@eoc.gov.

7
8 **XIII. COSTS OF ADMINISTRATION AND IMPLEMENTATION**
9 **OF DECREE**

10 Defendants shall bear all costs associated with its administration and
11 implementation of its obligations under this Decree.

12
13 **XIV. COSTS AND ATTORNEYS' FEES**

14 Each of the Parties shall bear its own costs and attorneys' fees.

15
16 **XV. MISCELLANEOUS PROVISIONS**

17 Unless otherwise stated, all notices, reports, and correspondence required
18 under this Decree to be delivered to the EEOC shall be delivered electronically to
19 the attention of Anna Y. Park, Regional Attorney, U.S. Equal Employment
20 Opportunity Commission, at lado.legal@eoc.gov and anna.park@eoc.gov.
21 Defendants shall maintain copies of all such notices, reports, and correspondence
22 for at least the duration of this Decree.

23 During the duration of this Decree, Defendants shall provide any potential
24 successor-in-interest with a copy of this Decree within a reasonable time of not less
25 than thirty (30) calendar days prior to the execution of any agreement for
26 acquisition or assumption of control of any or all of Defendants' facilities, or any
27 other material change in corporate structure, and shall simultaneously inform the
28 EEOC of same.

1 During the duration of this Decree, Defendants shall assure that each of its
2 directors, officers, human resources personnel, General Managers, and Area
3 Supervisors are aware of any term(s) of this Decree which may be related to his/her
4 job duties and/or obligations.

5

6 **XVI. SIGNATURES**

7 This Decree may be executed in several counterparts, each of which shall be
8 deemed an original, but all of which shall constitute one and the same instrument.
9 All of such counterpart signature pages shall be read as though one, and they shall
10 have the same force and effect as though all the signers had signed a single
11 signature page. Electronically transmitted executed copies of this Decree shall be
12 fully binding and effective for all purposes whether or not originally executed
13 documents are transmitted to the other party. Fax signatures on documents are to
14 be treated the same as original signatures.

15 All Parties, through the undersigned, respectfully apply for and consent to the
16 entry of this Consent Decree Order.

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Respectfully submitted,

U.S. EQUAL EMPLOYMENT
OPPORTUNITY COMMISSION

Dated: December 5, 2022



Anna Y. Park

Regional Attorney
Attorney for Plaintiff EEOC

LAPOINTE LAW


Dated: November 30, 2022



Martin K. LaPointe

Attorney for Defendants
AMTCR, Inc., AMTCR Nevada, Inc., and
AMTCR California, LLC

Dated: November 30, 2022



Abe Martinez, III

President and Chief Executive Officer
AMTCR, Inc., AMTCR Nevada, Inc., and
AMTCR California, LLC

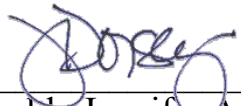
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[PROPOSED] ORDER

The provisions of the foregoing Consent Decree are hereby approved and compliance with all provisions thereof is HEREBY ORDERED. The Court hereby retains jurisdiction over this Consent Decree until its expiration or as determined by this Court. **The Clerk of Court is directed to CLOSE THIS CASE.**

IT IS SO ORDERED.

Date: January 5, 2023



The Honorable Jennifer A. Dorsey
United States District Court Judge

EXHIBIT A

According to Defendants, there are currently eighteen (18) stores in operation and three (3) recently closed stores, as reflected below. For purposes of Monetary Relief and Claims Administration contained in Section IX of this Decree, the scope includes the twenty-one (21) stores listed below. For purposes of Injunctive Relief contained in Sections X and XI of this Decree, the scope is company-wide and includes all of Defendants' Nevada, California, and Arizona stores in operation at any time during the duration of this Decree and the eighteen (18) stores currently in operation listed below.

California Stores

1. McDonalds 2034
345 N. Imperial Ave
Imperial, CA 92243
2. McDonalds 5177
105 W. Main St
Brawley, CA 92227
3. McDonalds 12653
1990 S. 4th St
El Centro, CA 92243
4. McDonalds 3112
191 S. Lovekin Blvd.
Blythe, CA 92225
5. McDonalds 5924
1201 Third St
Needles, CA 92363

Nevada Stores

6. McDonalds 7790
1237 Boulder City Prkwy
Boulder City, NV 89005
7. McDonalds 25740
670 US 95 South
Searchlight, NV 89046
8. McDonalds 35508
1900 S. Casino Dr
Laughlin, NV 89029

Arizona Stores

9. McDonalds 2967
3264 Andy Devine Ave
Kingman, AZ 86401
10. McDonalds 5526
100 Swanson Ave
Lake Havasu City, AZ 86403
11. McDonalds 10459
1241 W. Main St
Quartzsite, AZ 85346
12. McDonalds 12179
990 Riverside Dr
Parker, AZ 85344
13. McDonalds 16225
4754 S. Hwy 95
Fort Mohave, AZ 86426

14. McDonalds 24347
2250 Hwy 95
Bullhead City, AZ 86442
15. McDonalds 32685
6501 Showplace Ave
Lake Havasu City, AZ 86403
16. McDonalds 31782
600 Hwy 95
Bullhead City, AZ 86442
17. McDonalds 33234
3431 Stockton Hill Rd.
Kingman, AZ 86409
18. McDonalds 32787
12500 Brannigan Park Rd
Bellmont, AZ 86015

Stores Currently Not in Operation

19. McDonalds 31129
2840 Hwy 95
Bullhead City, AZ 86442
20. McDonalds 30877
3396 Stockton Hill Rd
Kingman, AZ 86409
21. McDonalds 30881
2150 N. Waterman Ave
El Centro CA, 92243



**U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
Los Angeles District Office**

255 E. Temple Street, 4th Floor
Los Angeles, CA 90012
(213) 894-1000
TTY (213) 894-1121
FAX (213) 894-1118

NOTICE OF SETTLEMENT AND CONSENT DECREE

TO: ALL EMPLOYEES

The U.S. Equal Employment Opportunity Commission (“EEOC”) filed a lawsuit in the United States District Court for the District of Nevada against AMTCR, Inc., AMTCR Nevada, Inc., and AMTCR California, LLC dba McDonald’s (the “AMTCR Companies”); Case Number 2:21-cv-01808-JAD (NJK). The EEOC filed this lawsuit alleging that the AMTCR Companies allowed employees to be subjected to sexually hostile work environment where some were forced to quit. The AMTCR Companies settled the case by entering into a “Consent Decree” with EEOC and paying monetary relief to victims identified by the EEOC. In the Consent Decree, the AMTCR Companies agreed to various types of injunctive remedies including ensuring that policies and procedures against sexual harassment are adequate under federal law; hiring an outside monitor to oversee compliance with the law; training employees and supervisors on how to stop and prevent sexual harassment; creating a centralized system of tracking complaints; and providing EEOC with periodic reporting regarding the injunctive remedies.

Under the Consent Decree, employees are being given notice that any violations of the AMTCR Companies’ policies 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 prohibits 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. Federal law also prohibits retaliation for those who oppose or resist harassment or discrimination, or participate in investigations regarding complaints of discrimination.

The AMTCR Companies are committed to complying with federal anti-discrimination laws in all respects. Sex harassment or discrimination will not be tolerated. Any employee who files a complaint or formal charge of discrimination, gives testimony or assistance, or participates in any manner in any investigation will be protected from retaliation.

If you believe that you experienced inappropriate conduct of a sexual nature while working for the AMTCR Companies, you may submit a Claim Form to determine your eligibility for receiving monetary relief. You will receive additional information and a Claim Form to complete and return in the near future. If you require additional information or were discriminated against because of your sex, national origin, age, race, color, religion, or disability, you may seek assistance from:

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
255 East Temple Street, 4th Floor
Los Angeles, CA 90012
TELEPHONE NUMBER: (213) 785-3095, Option 1
EMAIL: AMTCRCLAIMANTS@eoc.gov

Exhibit B