

RECEIVED

MAY 25 2005

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEYAT 8:30
WILLIAM T. WALSH
CLERKEQUAL EMPLOYMENT OPPORTUNITY
COMMISSION,

Plaintiff,

v.

IMCLONE SYSTEMS, INC.,

Defendant.

CIVIL ACTION NO. 04-06218 (GEB)

CONSENT DECREE

This action was instituted by the United States Equal Employment Opportunity Commission ("the EEOC" or "the Commission") on December 21, 2004, against ImClone Systems Incorporated ("ImClone") to enforce provisions of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e *et seq.* ("Title VII"). The EEOC alleged that ImClone discriminated against Ulysses Hayes, a temporary employee, based on his race (black) when it subjected him to derogatory racial comments and disparate treatment. The Commission also alleged that after Mr. Hayes complained of race discrimination, he was retaliated against when he was removed from a training course, and not hired as a regular employee in April 2004. ImClone denies these allegations and has agreed to this Consent Decree solely to fully and finally settle and dispose of all claims that have been raised in this action and to avoid the continuing burden, expense, inconvenience and distraction of protracted litigation.

This Consent Decree is entered into by the EEOC and ImClone. This Consent Decree shall be final and binding between the EEOC and ImClone, its directors, officers, agents, employees, successors or assigns and all persons in active concert or participation with it (hereinafter collectively referred to as "ImClone").

The EEOC and ImClone agree to the entry of this Consent Decree (the "Decree"), which

shall fully and finally resolve all claims which were raised by the EEOC in its Complaint in Civil Action No. 04-06218 and in the charge filed by Mr. Hayes with the EEOC. This Consent Decree shall not constitute an adjudication of or finding on the merits of the case and shall not be construed as an admission by ImClone of any violation of Title VII, which ImClone denies.

Upon consent of the parties to this action, it is hereby ORDERED, ADJUDGED, and DECREED as follows:

1. This Court has jurisdiction over the parties and the subject matter of this action.
2. ImClone will not discriminate based on race in violation of Title VII, or engage in any employment practice which denies persons equal employment opportunity based on race.
3. ImClone agrees that it will not retaliate against any person, or engage in any employment practice which retaliates in any manner against any person, including Mr. Hayes, because of that person's opposition to any practice alleged or believed to be unlawful under Title VII, or because of the filing of a charge, the giving of testimony or assistance, or the participation in any manner in any investigation, hearing or proceeding under Title VII.
4. Nothing in this Decree, either by inclusion or exclusion, shall be construed to limit the obligations of ImClone under Title VII or the EEOC's authority to process or litigate any charge of discrimination which may be filed against ImClone in the future.
5. Within ten (10) business days after the entry of this Decree, ImClone agrees to pay the amount of \$85,000 to Mr. Hayes, subject to obtaining a fully-executed release from him. ImClone will issue an IRS Form 1099 to Mr. Hayes. The check will be mailed to Ulysses Hayes, at his residence, 57 Washington Terrace, East Orange, New Jersey 07017, by certified mail, return receipt requested. ImClone will mail a photocopy of the check to the EEOC's counsel, Judith A. O'Boyle, Supervisory Trial Attorney, EEOC, The Bourse, 21 South Fifth

Street, Suite 400, Philadelphia, PA. 19106-2515, within five (5) business days of the date of mailing of the check to Mr. Hayes.

6. Within fifteen (15) business days after entry of this Decree, ImClone shall post same-sized copies of the Notice attached as Exhibit 1 to this Decree on all bulletin boards usually used by ImClone for communicating with employees at its Branchburg, New Jersey facility. The Notice shall remain posted for eighteen (18) months from the date of entry of this Decree. Counsel for ImClone shall provide a copy of the Notice, and an indication of the date and location of its posting, to the EEOC's Philadelphia District Office, attention, Judith A. O'Boyle, Supervisory Trial Attorney, within fifteen (15) business days of the posting. Upon receiving reasonable advance notice, ImClone shall permit a representative of the EEOC to enter the Branchburg, New Jersey facility for purposes of verifying compliance with this paragraph at any time during normal business hours. ImClone shall take all reasonable steps to ensure that the posting is not altered, defaced or covered by any other material. Should the posted copies become defaced, removed, marred, or otherwise illegible, ImClone agrees to immediately post a readable copy in the same manner as heretofore specified.

7. ImClone will provide four (4) hours of training with an emphasis on what constitutes race discrimination and retaliation in the workplace for its managers in the Facilities Department working unit where Mr. Hayes performed his job duties, and for the individual who is alleged to have engaged in inappropriate conduct towards Mr. Hayes. ImClone will complete this training within one hundred eighty (180) days after the entry of this Decree, and will forward to the EEOC's counsel, Judith A. O'Boyle, a copy of the attendance sheet(s) within thirty (30) business days after the completion of such training.

8. In the event that either party to this Decree believes that the other party has failed to comply with any provision(s) of the Decree, the complaining party shall notify the other party of the alleged non-compliance within ten (10) business days of the alleged non-compliance and shall afford the alleged non-complying party ten (10) business days to remedy the non-compliance or to satisfy the complaining party that the alleged non-complying party has complied. If the alleged non-complying party has not remedied the alleged non-compliance or satisfied the complaining party that it has complied within ten (10) business days, the complaining party may apply to the Court for appropriate relief.

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

10. The terms of this Decree shall be binding upon the present and future representatives, agents, directors, officers, assigns, and successors of ImClone in their capacities as representatives, agents, directors and officers of ImClone and not in their individual capacities. This paragraph shall not be construed as placing any limit on remedies available to the Court in the event that any individual is found to be in contempt for a violation of this Decree.

11. This Decree constitutes the complete understanding among the parties. No other promises or agreement shall be binding unless agreed to in writing and signed by the parties.

12. This Decree shall be filed with the Court and shall continue to be in effect for a period of two (2) years. Any application by any party to modify or vacate this Decree during such period shall be made by motion to the Court on no less than thirty (30) days notice to the other party.

13. The Court retains jurisdiction over this case in order to enforce the terms of the Decree.

14. The Clerk of the Court is hereby directed to send a file-stamped copy of this

Decree to counsel of record.

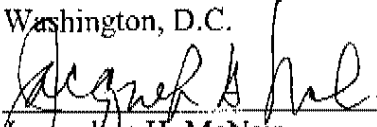
EQUAL EMPLOYMENT
OPPORTUNITY COMMISSION

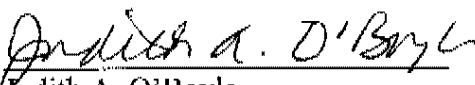
IMCLONE SYSTEMS INCORPORATED

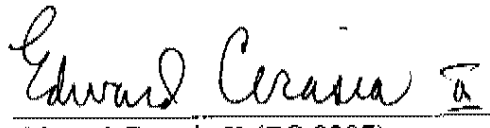
Eric S. Dreiband
General Counsel

James L. Lee
Deputy General Counsel

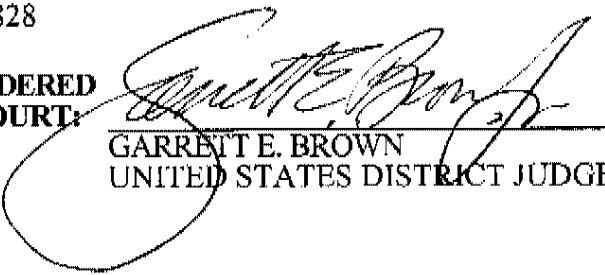
Gwendolyn Young Reams
Associate General Counsel
Washington, D.C.


Jacquelyn H. McNair
Regional Attorney


Judith A. O'Boyle
Supervisory Trial Attorney
U.S. EEOC
Philadelphia District Office
21 S. 5th Street, Suite 400
Philadelphia, PA 19106
(215) 440.2828


Edward Cerasia II (EC 8297)
Proskauer Rose LLP
One Newark Center, 18th Floor
Newark, New Jersey 07102
(973) 274.3200
Attorneys for Defendant
ImClone Systems Incorporated

IT IS SO ORDERED
BY THE COURT:


GARRETT E. BROWN
UNITED STATES DISTRICT JUDGE

DATE: May 25, 2005

EXHIBIT 1

NOTICE TO ALL IMCLONE SYSTEMS INCORPORATED EMPLOYEES

This Notice is being posted pursuant to a Consent Decree entered by the federal court in EEOC v. ImClone Systems Incorporated, Civil Action Number 04-CV-06218 (D.N.J.), resolving a lawsuit filed by the Equal Employment Opportunity Commission ("EEOC") against ImClone Systems Incorporated ("ImClone").

Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000 *et seq.*, as amended ("Title VII"), prohibits discrimination against employees and applicants for employment based upon race, color, sex, religion, or national origin. Title VII further prohibits retaliation against employees or applicants who avail themselves of the rights under Title VII by engaging in protected activities, such as filing a charge of discrimination and/or testifying or participating in a EEOC investigation. The EEOC is the federal agency which investigates charges of unlawful employment discrimination. The EEOC has the authority to bring lawsuits in federal court to enforce Title VII.

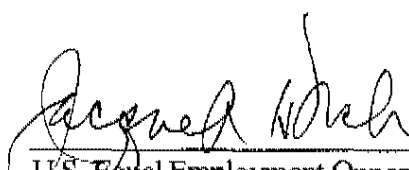
In its lawsuit, the EEOC alleged that ImClone discriminated against a temporary employee based on his race and retaliated against him in violation of Title VII. ImClone denies these allegations and does not admit any liability.

To resolve the case, ImClone and the EEOC have entered into a Consent Decree which provided, among other things, that: (1) ImClone paid monetary relief; (2) ImClone will not discriminate on the basis of race; (3) ImClone will not retaliate against any person because she or he opposed any practice made unlawful by Title VII, filed a Title VII charge of discrimination, participated in any Title VII proceeding, or asserted any rights under the Consent Decree; and (4) ImClone will continue to train employees regarding race discrimination and retaliation under Title VII.

If you believe you have been discriminated against, you may contact the EEOC at (973) 645-6383. The EEOC charges no fees and has employees who speak languages other than English.

THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE

This Notice must remain posted for eighteen months from the date below and must not be altered, defaced or covered by any other material. Any questions about this Notice or compliance with its terms may be directed to the Regional Attorney, EEOC Philadelphia District Office, 21 South 5th Street, Philadelphia, PA 19106.



U.S. Equal Employment Opportunity

DATED: 5/16/05

ImClone Systems Incorporated

DATED: _____