

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

SHELLEY HNOT, TERESA JIMENEZ,)
MARGARET MAHON, HEIDI SCHELLER, and)
MARIA TRAVERSO on behalf of themselves and)
all similarly situated persons,)

No. 01-CV-6558

Plaintiffs,)

vs.)

WILLIS GROUP HOLDINGS LTD., WILLIS)
NORTH AMERICA INC., and all of its)
subsidiaries and affiliates,)

FIRST AMENDED COMPLAINT

Defendants.)

JURY TRIAL DEMANDED

Plaintiffs, Shelley Hnot, Teresa Jimenez, Margaret Mahon, Heidi Scheller, and Maria Traverso on behalf of themselves and all similarly situated persons, by their attorneys, Cohen, Milstein, Hausfeld & Toll, P.L.L.C. and Warshaw Burstein Cohen Schlesinger & Kuh, LLP, allege as follows:

I. INTRODUCTION

1. The Plaintiffs bring this action to challenge a pattern and practice of sex discrimination and retaliation committed by Willis Group Holdings Ltd., its subsidiary Willis North America, Inc. (“WNA”) and WNA’s subsidiaries and affiliates including but not limited to Willis of New York, Inc. and Willis of New Jersey, Inc. (hereinafter referred to collectively as “Willis”), against current and former female employees of WNA and its subsidiaries at the level of Assistant Vice President, Vice President and Senior Vice President (hereinafter referred to collectively as “officers”). The violations are systemic in nature, and constitute a pattern and

practice of conduct which for many years has permeated, and continues to permeate Willis' operations. The employment policies and practices of Willis have the effect and have been undertaken with the purpose of denying promotional opportunities and equal compensation to qualified female employees in violation of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e and the Civil Rights Act of 1991, 42 U.S.C. § 1981a.

2. Furthermore, plaintiff Mahon also asserts claims herein on her own behalf under the Americans with Disabilities Act of 1990 ("ADA"), 42 U.S.C. § 12101, et seq. because defendants engaged in numerous intentional acts which, inter alia, constituted a continuous pattern of discrimination based upon Mahon's disability.

II. JURISDICTION, VENUE AND EXHAUSTION OF REMEDIES

3. Plaintiffs' class-wide claims arise under Title VII of the Civil Right Act of 1964, 42 U.S.C. §§ 2000e et seq. This Court has jurisdiction over plaintiffs' class-wide claims pursuant to 42 U.S.C. § 2000e5(f), 28 U.S.C. §§ 1331 and 1343(a)(4), and over Mahon's claims under 42 U.S.C. § 12117(a) which incorporates by reference 42 U.S.C. § 2000e.

4. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b) & (c). Willis of New York Inc.'s principal place of business is located in the Southern District of New York and a substantial part of the unlawful acts set forth below occurred in this district.

5. Plaintiffs have exhausted administrative remedies pursuant to 42 U.S.C. § 2000e5(f)(3). They received a Letter of Determination from the EEOC finding that Willis subjected them and similarly situated female employees to a pattern and practice of discrimination because of their sex and that the actions perpetrated against Mahon constituted a

violation of the ADA. A copy of this Determination is attached hereto as Exhibit 1. Plaintiffs also received a notice of their right to sue dated July 12, 2001.

III. PARTIES

6. Plaintiff Shelley Hnot is a female resident of the State of New Jersey and was employed by Willis from 1976 to April, 2000 in both New York and New Jersey. Beginning in 1984, she served as a Senior Vice President in the New Jersey office, reporting to supervisors in the New York office.

7. Plaintiff Teresa Jimenez is a female resident of the State of New Jersey and has been employed by Willis since 1989 in their New Jersey office. Since January 1, 1999, she has been an Assistant Vice President.

8. Plaintiff Margaret Mahon is a female resident of the State of New York and was employed by Willis from May 1, 1996 to May 3, 1999 as a Senior Vice President.

9. Plaintiff Heidi Scheller is a female resident of the State of Massachusetts and was employed by Willis as a Senior Vice President from August 25, 1993 through December 2, 1998.

10. Plaintiff Maria Traverso is a female resident of the State of New Jersey and was employed by Willis from 1993-2000 in their New Jersey office. Starting January 1, 1999, she was an Assistant Vice President.

11. Defendant WNA is an insurance brokerage firm which employs approximately 5,500 persons in the United States either directly or through subsidiaries. The defendant also does business under the shorter name "Willis."

12. WNA is a wholly-owned subsidiary of Defendant Willis Group Holdings Ltd., headquartered in London, England. In the fall of 1998, Willis Corroon plc the predecessor to

Willis Group Holdings Ltd., was purchased by Trinity Holdings, a corporation which KKR formed and in which KKR is the majority shareholder. WNA was previously known as Willis Corroon of America. In 2001, defendants changed the names of their entities in various ways.

13. In the United States, Willis operates through various subsidiaries, such as Defendant “Willis of New York, Inc.” in order to comply with state insurance regulations.

14. Willis controls the actions of its subsidiaries through Regional Directors supervising several separate offices and reporting to Willis’ United States headquarters in Nashville, TN, which reports in turn to the headquarters in London.

15. The officers of individual subsidiaries such as Willis of New York, Inc. also hold positions in the regional organization of WNA. For example, during much of the time relevant to this complaint, the Regional Director (later called Regional Executive Officer) of Willis’ Northeast Region was John Kelly, who was simultaneously the National Risk Management Solutions (“RMS”) Director. Kelly also served as CEO of Willis Corroon New York (now known as Willis of New York, Inc.) until April 1999. The New York office encompassed offices in New York and New Jersey, and was also referred to as the “tri-state” office.

16. The various subsidiaries and offices of Willis are centrally controlled by Willis and operate as a single, integrated enterprise. The collective unit is referred to herein as Willis or WNA. WNA is similarly controlled by Willis Group Holdings Ltd.

IV. PRACTICES CHALLENGED

17. As is more fully set forth in the paragraphs which follow, female Assistant Vice Presidents, Vice Presidents and Senior Vice Presidents (collectively “officers”) are routinely subjected to a pattern and practice of sex discrimination affecting the terms and conditions of

their employment at Willis. These practices reflect that discrimination is the standard operating procedure - the regular, rather than the unusual practice at Willis. The practices served to create a glass ceiling adversely affecting female employees at Willis. In May 1997, the Chairman of Willis Corroon plc (now Willis Group Holdings Ltd.), John Reeve, was interviewed by the "Guardian" newspaper. When asked "Does your organization have a glass ceiling?," he acknowledged "Not deliberately, but we have far too few women at the top."

18. Indeed, in or about September, 1997, Willis formed a Diversity Committee to which Joseph McSweeney ("McSweeney"), then Chief Operating Officer of the Tri-State Region was appointed. McSweeney formed a subcommittee to which he appointed, *inter alia*, plaintiff Mahon and Henry "Hank" Ehrlich. The Diversity Committee was limited to investigating diversity issues regarding race and gender, because, although discrimination based upon disability, religion, national origin, age, and marital status were also "issues," they were not as "high profile," and would not be investigated or explored.

19. Upon information and belief, the Diversity Committee found that "diversity" is close to non-existent at Willis and that there were only a handful of officers who are other than Caucasian males. However, the Committee reported its findings, but offered no solutions. McSweeney ignored a recommendation that Willis retain a professional consultant, Meg Armstrong, who was experienced in diversity and employment practices.

20. During a Committee luncheon held to consider the patent disparity in the workplace, Ehrlich stated that "the reason women can't get ahead in business is because they can't go out to dinner at night." Even though the existence of a glass ceiling had been confirmed, the Committee was disbanded. No actions were adopted or undertaken to remedy the situation.

21. **Discrimination in Compensation:** Willis has a pattern of paying female officers salaries which are substantially lower than the salaries paid to male officers performing similar work, with similar or lesser skills, and with similar or lesser experience. Moreover, Willis also has a pattern of manipulating bonus and commission payments to give preferential treatment to male officers and to discriminate against female officers. The combined result is a significant disparity in the total compensation paid to female officers as compared to similarly situated male officers.

22. **Discrimination in Assignments and Promotions:** Willis discriminates against female officers with respect to assignments and promotions in two ways:

- a. Willis discriminates against female officers seeking positions involving either lateral moves or promotions by refusing to consider female candidates, by employing excessively subjective decision-making criteria, and generally by awarding such positions to men with lesser qualifications than Plaintiffs and similarly situated women.
- b. Willis discriminates against female officers by steering more business and assigning more profitable accounts to male officers and away from female officers. Thus, Willis creates an obstacle to female officers gaining the experience and prominence associated with these assignments which in turn has an adverse affect on both their future career paths and on their current income.

23. **Discrimination in other terms and conditions of employment:** Willis has discriminated against female officers with respect to their overall terms and conditions of employment.

- a. Willis scrutinizes the expenses incurred by female officers far more strictly than for male officers, and wrongly denies reimbursement to female officers for expenses for which it reimburses male officers.
- b. Willis requires women officers to complete a greater volume of work and to work a greater number of hours than similarly situated male officers.
- c. The supervisors of officers at Willis subject female officers to far greater scrutiny and harsher criticism in all areas of their work than they do to similarly situated male officers.
- d. High level officers of Willis have subjected female officers to discriminatory comments based upon their sex or gender.
- e. The overall impact of these comments and conduct has been to create a hostile work environment which is sufficiently severe and pervasive as to alter the terms and conditions of employment, and which is intended to humiliate and alienate female officers and force their departure.

24. **Retaliation:** Willis has retaliated against woman who complained either internally or externally about Willis's treatment of women employees by, inter alia, blocking their advancement and by terminating their employment, either explicitly or constructively.

25. Willis supervisors above the level of Assistant through Senior Vice President, who are exclusively men, are entrusted with discretion in the discharge of their duties, which has

been unfettered, and affords them the opportunity to apply their own personal preferences and biases in making employment decisions. Collectively these decisions comprise a practice which is excessively subjective and has not legitimate business justification. As a result, qualified female employees have been intentionally denied employment opportunities and benefits that are available to similarly situated male employees. Moreover, female employees have been adversely affected by these excessively subjective practices. Accordingly, the practices identified above are being challenged under systemic disparate treatment and disparate impact theories of discrimination.

V. CLASS ACTION ALLEGATIONS

26. The Plaintiffs request that the Court certify a class consisting of all current and former female employees who have been employed by the defendants at levels equivalent to Assistant Vice President, Vice President and Senior Vice President at any time from October 30, 1998 through the present.

27. This action is properly maintainable as a class action under Rule 23(a) because the requirements of this Rule are met.

28. The class members are sufficiently numerous to make joinder of all members impracticable. Upon information and belief, Willis employs, and employed during the pertinent period, more than 600 female employees at the levels of AVP, VP and Senior VP throughout the country.

29. The claims alleged on behalf of the Plaintiffs raise questions of law or fact common to the class. These common questions include:

- a. whether Willis permits managers excessive subjectivity in making promotion decisions;
- b. whether Willis permits managers excessive subjectivity in making compensation decisions;
- c. whether this excessive subjectivity has a disparate impact on female officers in violation of Title VII;
- d. whether this excessive subjectivity represents a deliberate action by Willis to block promotion of female officers and compensate female officers less than similarly situated male officers, in violation of Title VII;
- e. whether Willis has failed to take reasonable steps to prevent and correct harassment of female officers on the basis of their sex; and
- f. whether Willis has retaliated against female officers who have protested discrimination.

30. The claims alleged on behalf of the Plaintiffs are typical of those of the class. All of the claims arise from Willis's policies and practices permitting excessively subjective decision-making with respect to promotion opportunities and compensation, and permitting senior management to subject female officers to a hostile work environment.

31. The class representatives and counsel will adequately and fairly protect the interest of the class.

32. This action is properly maintainable as a class action under Rule 23(b)(2), Fed. R. Civ. P., because the party opposing the class has acted or refused to act on grounds generally

applicable to the class, thereby making appropriate final injunctive relief or corresponding declaratory relief with respect to the class as a whole.

33. The class action is also properly maintainable pursuant to Rule 23(b)(3) because the questions of law and fact common to members of the class predominate over questions affecting only individual members and a class action is superior to other available methods for the fair and efficient resolution of this controversy.

VI. ALLEGATIONS OF NAMED PLAINTIFFS

Shelley Hnot

34. Hnot worked for Willis from February 1976 to April 2000, a total of more than 24 years. She worked her way up from an entry level position to one of the highest ranked women in the company. Until her departure, she served as a Senior Vice President. She was also the only woman on the Regional Management Committee for the tri-state area of New York, New Jersey and Connecticut.

35. Hnot always received favorable performance reviews and other commendations. In May 1984 she met with Ed Sweeney, then President of the New York Office, and Crawford Black, also an officer, who told her that she was such a successful employee that she was likely to be the first female CEO at Willis. She was one of five people in the entire country awarded the “Chairman’s Award” in 1989, the first year the award was given.

36. Beginning in approximately 1984, Hnot was one of the original employees in the New Jersey office, while still reporting to the New York office. In approximately 1994 or 1995, Hnot was given her own team to run, and she served as “Team Leader” until 2000. Her team included a Vice-President, and two senior account managers who were recently promoted to

Assistant Vice-President. At various times she also had an assistant account manager and support staff, although, as discussed in detail below, Hnot's team was rarely allotted the same level of staffing and support as teams that are headed by male employees of Willis.

37. Willis has paid male employees higher salaries and bonuses than similarly situated female employees. This practice disadvantaged Hnot. For example, Jim Kickham was CEO of the New Jersey office in the late 1980's. Kickham informed Hnot that she was not given a raise commensurate with her work performance in 1984 because she had been pregnant that year.

38. This practice has continued to disadvantage Hnot. As recently as 1999, Hnot was denied a salary and bonus comparable to similarly situated male employees. In July 1998, Hnot was paid less than all but one of the other Team Leaders. The other Team Leaders were all male, and most had less experience and skill than Hnot. Hnot had the same or superior skill and experience as male employees who were paid \$165,000-\$180,000 per year. She had ten years more experience than male employees who earned \$140,000-\$150,000 per year, but Hnot was paid only \$146,000 that year.

39. Although the male team leaders all received raises in 1998 and 1999, Hnot did not receive a raise, further exacerbating the disparity in pay between Hnot and similarly situated male employees. Similarly, Hnot's team was awarded a bonus that was smaller than any of the other teams, all of which were led by male employees.

40. The disparity in compensation, including both salaries and bonuses, is exacerbated by the practice of directing new business towards teams headed by men. Indeed, Willis has hired people whose sole job was to "produce" business for teams headed by men. However, Willis never hired anyone to aid Hnot in producing business for her team, and Willis never directed new

business to Hnot's team in the same manner and to the same extent that it was directed to similarly situated male team leaders.

41. Hnot was denied the chance to manage a team comparable in size to those overseen by comparably situated men. She was assigned a team of approximately 5-6 people. Other teams in the New Jersey office had more people, and teams in the New York office had 15-25 people. Hnot was given no explanation for why her staff was kept much smaller than the staffs of similarly situated male employees. Hnot consistently maintained a book of business of approximately \$1 million, while adding new business in the amount of \$220,000 to \$320,000 per year. In 1997, Hnot's team won the Exceptional Producers award. Upon information and belief, teams led by similarly situated male employees, such as Messrs. Coughlin and Ruane, were given this award but did not meet the same criteria.

42. In addition, Willis established the same or higher "new business" goal for Hnot as for teams with many more people. For example, in both 1998 and 1999, she was required to generate \$450,000 in new business - the same amount as the larger, male-led New York teams were required to generate. If Hnot's team fell even slightly short of this goal, it received no bonus. However, upon information and belief, teams led by men failed to meet their target by as much as \$300,000, yet still received a bonus.

43. Willis has also discriminated in the award of stock options to employees. Specifically, when KKR purchased Willis, shares of the company stock were offered to certain employees for early purchase. Kelly announced in October 1998 that employees on the Regional Management Committee were among the employees offered these stock options. Although a member of the Regional Management Committee, Hnot was not given the opportunity to

purchase stock. Upon information and belief, several male employees serving on the Committee were furnished these stock options.

44. Hnot served as acting-Chief Operating Officer for the New Jersey office from 1985-1990, but was never awarded the position permanently. On approximately February 20, 1999, Hnot learned that Willis was selecting a CEO for the New Jersey office, and expressed an interest, but did not receive the position. The only response to her inquiries to Jim Murphy, the Chief Operating Officer of the Tri-State Region¹ about this position came one to two weeks later, when Murphy told her “if you’re thinking about raising your hand, don’t bother,” because she would not even be considered for the position. A man was selected for the position.

45. High level male officers of Willis also went to great lengths to undermine Hnot’s relationship with clients, interfering with lucrative business connections and depriving Hnot of opportunities to meet or exceed profit plan goals and receive corresponding bonuses. In contrast, Willis offered similarly situated male managers support and assistance for their client relationships.

46. Similarly, Willis attempted to move client accounts from Hnot’s team to male-led teams in the New York office. Although Hnot and her team were well qualified to complete the work, and were initially assigned these accounts, the accounts and the accompanying revenue they generate were directed to male managers with less knowledge and experience than Hnot possessed.

47. Hnot was also denied career-enhancing training that was offered to similarly situated male managers.

¹ Upon information and belief, Murphy succeeded McSweeney.

48. Hnot was also subjected to comments that were demeaning and disparaging of women. For example, members of the Regional Management Committee took turns taking notes for the Committee. When it was Hnot's turn to take notes, the other members of the Committee, who were all men, made "jokes" about her being the secretary for the group, saying that the only reason she was on the RMC was to take notes. They did not make similar comments when male employees took their turns taking notes. The men on the RMC made other derogatory comments about women.

49. The work and work-related expenditures of Hnot were scrutinized more closely than her male counterparts.

50. Although Willis has been aware of the barriers to advancement for women, it has failed to take any action to address and remove them. In June 1997, for example, Joseph McSweeney approached Hnot and discussed concerns about the lack of women in senior positions at Willis. He asked her to help develop initiatives to bring more women up through the ranks. After receiving assurances that there was a genuine commitment to change at Willis, Hnot prepared a mission statement, found a consultant, and completed other work in support of this initiative. After just a couple of meetings, the initiative was allowed to die - the assurances Hnot had received were meaningless, and after McSweeney was transferred to an assignment in London, Willis took no further steps to address the glass ceiling. In November 1998, Hnot asked McSweeney's successor about the status of the glass ceiling initiative and was informed that he knew nothing about it.

51. On August 26, 1999, Hnot filed a timely charge of discrimination with the Equal Employment Opportunity Commission. Following the filing of this charge, she was exposed to

retaliatory treatment. In September 1999, Hnot was demoted from Team Leader and assigned to a team led by a male employee with no greater experience, expertise, or other qualifications than she had. Hnot was also removed from the Regional Management Committee.

52. On April 22, 2000, Hnot was terminated by Willis under the guise of a “business restructuring.” Similarly situated and many less-qualified men were retained by Willis, while Hnot was removed.

53. Hnot received notice of her right to sue from the EEOC dated July 12, 2001.

Teresa Jimenez

54. Jimenez graduated from County College of Morris in 1985.

55. In 1989, Jimenez began working at Willis in their New Jersey office in an entry level position of customer service representative. Over time she worked her way up through the ranks as Technical Assistant, Assistant Account Manager, and beginning in 1996, Account Manager.

56. In 1995, Jimenez was assigned to work with a team of people in the New Jersey office, under “Team Leader” Shelley Hnot.

57. On January 1, 1999, she was promoted to Assistant Vice President.

58. As an Account Manager in 1998, Jimenez was paid a salary of \$50,700 per year.

When Jimenez was promoted to Assistant Vice President in January 1999, she was informed that Murphy decided that she would not receive the raise that would ordinarily be incident to the promotion until July 1, 1999, when it would be time for her annual salary review.

59. In June 1999, Jimenez was informed that Jim Murphy had decided not to approve the salary increase of \$15,000 that Jimenez’s immediate supervisory, Hnot, had proposed.

Instead, he permitted an increase of only \$2,500, which was less than her annual merit raise while in a lower-ranked position the year before. In fact, Murphy commented that if he had known that a raise would be requested commensurate with the promotion, he would not have approved her promotion to Assistant Vice President.

60. As a result, Jimenez, despite her promotion to Assistant Vice President, actually receives a lower salary than some male Account Managers, as well as being paid less than similarly situated male Assistant Vice Presidents. The difference is substantial. Similarly situated male AVP's are paid, on average, approximately \$12,000 more per year than Jimenez.

61. Jimenez filed a timely charge of discrimination with the EEOC on August 26, 1999, and received notice of her right to sue dated July 12, 2001.

Margaret Mahon

62. Mahon began working for Willis in its New York office in May 1996, as the Professional Liability Claims Manager for the New York Tri-State Region, and was promoted to Senior Vice President on July 1, 1997.

63. Upon information and belief, Mahon was the only executive in the Willis New York Office with a Juris Doctor and one of the few with a post-graduate degree. As set forth more fully below, despite Mahon's qualifications and experience, Willis subjected her to, inter alia, grossly disparate treatment and paid her less than similarly situated male employees and even some subordinates.

64. For example, although the male team leaders in Willis' New York/New Jersey office all received raises in 1998, Mahon, who was one of the few female Senior Vice Presidents

in Willis' New York office, did not receive a salary increase, further exacerbating the disparity in pay between Mahon and similarly situated male employees:

<u>NAME</u>	<u>INCREASE</u>	<u>NEW SALARY</u>
K. Sweeney ²	\$17,000	\$150,175
Lynch	\$10,000	\$175,000
Wilson	\$10,000	\$175,000
Sutherland	\$15,000	\$165,000
Ruane	\$10,000	\$140,000
Coughlin	\$ 2,500	\$147,000
Mahon	\$0	\$115,000

65. In fact, notwithstanding agreements regarding compensation for most managerial personnel and stated policies regarding the determination of variable compensation, it was Mahon's experience that Willis failed to apply these standards consistently to male and female managerial staff.³ Furthermore, on occasion, Willis retroactively changed its compensation policies when it became apparent that male managers would not have received certain bonuses under the then-existing standards.

² For fiscal year 1997, Mahon was told by Kenneth Sweeney that his team (of which Mahon was a part) did not receive any bonus and that only secretaries would receive salary increases (which were 3%). Kenneth Sweeney also told Mahon that the \$4,000 "extra" she received for fiscal year 1997 was from the office profit pool and was given in recognition of the outstanding work she had done. Upon information and belief, the truth was that Sweeney's team received \$265,000 in bonuses for that year.

³ Upon information and belief, Mahon was the only person responsible for production who did not have a production contract.

66. Indeed, Mahon was subjected to disparate treatment in connection with the award of bonuses. When she joined Willis, McSweeney and Edward Sweeney, Chairman of the New York office informed her that, pursuant to Willis' corporate policies, to the extent she brought in new business, she would receive a bonus of 15-20% of the income Willis received from the client during the first year, as well as residual commissions at the 5-10% level in respect of the second and later years for business originated by her. Mahon was also told that to the extent she worked for any existing Willis client, she would receive an annual bonus of 5-10% of the income received from the client.

67. Among the clients Mahon succeeded in bringing to Willis was Bronx Lebanon Hospital. The income Willis derived from Bronx Lebanon Hospital during the first year was approximately \$350,000. Contrary to Willis' policies and in violation of the foregoing representations made by McSweeney and Sweeney, no bonus was ever paid to Mahon on account of the income received from Bronx Lebanon Hospital and Mahon is owed, inter alia, a bonus of \$70,000 therefor just for the first year of that business as well as residual bonuses in the range of \$35,000 for subsequent years. Mahon also never received a bonus in connection with her work on behalf of a major Willis client, the Archdiocese of New York. In fact, the Archdiocese was so pleased with Mahon's work that she was repeatedly told by McSweeney and Sweeney that in addition to the standard bonuses, she would receive an extraordinary bonus of \$15,000 in recognition of her excellent service and for shouldering the additional responsibilities of the healthcare practice. Neither the standard bonus nor the extraordinary bonus ever materialized.

68. Willis also perpetuates the glass ceiling by undermining female senior managers' relationships with clients and by removing them as account leaders. For example, high level

male officers of Willis went to great lengths to weaken Mahon's relationship with clients. With respect to St. Vincent's Hospital and Medical Center, The Archdiocese of New York, St. Vincent's Hospital of Westchester, New York Medical College, University of Medicine and Dentistry in New Jersey and Bronx Lebanon Hospital, Mahon was advised that she would be "supported" by Kenneth Sweeney. Unlike Mahon, Kenneth Sweeney did not have a post-graduate degree and has only a small fraction of Mahon's experience in either the insurance industry or industry group. Since Sweeney had to be trained, his involvement in healthcare was a burden on Mahon and only served to undermine her. Nevertheless, Sweeney replaced Mahon as the lead person on these accounts and the bulk of the variable compensation for the healthcare team was wrongfully paid to Sweeney, instead of to Mahon.

69. Willis also denies female managers the same mentoring and business development opportunities that it affords its male managers. For example, Edward Sweeney, who is the father of Kenneth Sweeney, told Mahon in the presence of a prominent and important client that the only way she would ever attend the annual Friendly Sons of St. Patrick Dinner (the "Dinner") (which is sponsored by a major Willis client) was if she were "serving the men and cleaning the tables."

70. In fact, upon information and belief, Mahon was the only senior executive who worked on behalf of the sponsoring client and the interrelated organizations who was never invited -- even though her clients were customarily invited to the Dinner.

71. Furthermore, on several occasions, Kenneth Sweeney organized "boys night out," inviting only male employees. Upon information and belief, the costs of at least some of these nights have been paid by Willis as a "business expense." Indeed, it was standard operating

procedure for Mahon not to be informed about the “male bonding” engagements until after the fact, even though Willis’ clients, underwriters and law firms were invited. Kenneth Sweeney, in particular, tried to conceal these events from Mahon.

72. On one occasion, Mahon, despite being ill, stayed up all night to write a presentation for Bronx Lebanon Hospital. In the middle of the night - actually around 3:00 a.m. - Mahon sustained a broken foot and while at the emergency room, finished the presentation on her laptop computer. Mahon learned the next day that despite her requests for help, no one stayed to help her because her male team members went to a bachelor party. The presentation at the hospital took place the next day with Mahon taking the lead. Mahon’s male assistant, Sean Grace (“Grace”), although present, showed evidence of the previous night’s “partying,” and Kenneth Sweeney, although scheduled to attend, did not show up at all. Thus, Mahon had gone to the presentation against medical advice, in pain, possibly causing permanent injury to her foot, while her male colleagues recovered from yet another party. When Mahon complained about the unfairness of the Company’s treatment of her as epitomized by the episode, Kenneth Sweeney and Grace simply laughed at her.

73. The fact is, unlike “promising” junior male members of Willis’ managerial staff, Mahon and the few other female employees at the managerial level, were not mentored, were given less staff than their male counterparts, and were actively discouraged from becoming members of exclusive, male-dominated insurance industry clubs, such as the Friendly Sons of St. Patrick, the Business Leaders 2000 and The John Street Club. Quite simply, female employees were not afforded the opportunities which are given to men as a matter of course.

74. Willis also denied Mahon office accommodations similar to those provided to similarly ranked male employees. For example, substantially larger offices were given to men of equal rank and the female Senior Vice Presidents were not listed in the company directory of the lobby of the New York office -- even though Mahon and at least one other female employee had complained to management for two years about this situation.

75. In addition, Willis failed to provide female managers with the same resources it provides to male managers. For example, Mahon was deprived of a secretary and claims assistant and was forced to share her staff with another female senior vice president - a staffing economy not imposed on any male senior vice president.

76. Despite her many years of experience in the insurance industry, Mahon was passed over for positions for which she was better qualified than the male employees who were given such promotions, and which Edward Sweeney had promised her. For example, when Mahon was hired in May, 1996 as the Professional Liability Claims Manager, she not only managed litigation, but also served as an internal resource providing advice and counsel regarding coverage and other professional liability issues. In or about June, 1996, Edward Sweeney and Kenneth Sweeney wanted Mahon to transfer to the Healthcare team because the last remaining members of the team had resigned. To induce her to transfer, they promised Mahon (and told Willis clients) that Mahon would "run Healthcare." In violation of these assurances, several months after Mahon transferred to the Healthcare team (and after she had rescued the team from failure), Kenneth Sweeney was placed in charge. Mahon found out about Sweeney's promotion after the fact and also learned that her compensation was lower than that paid by Willis to her male colleagues and certain subordinates -- even though Mahon has been required

to work disproportionately far more hours than her male colleagues with disproportionately less staff.

77. When Mahon complained to McSweeney that promises regarding compensation, staffing and advancement were not kept, McSweeney advised her to get all future promises (even from Edward Sweeney) in writing. In accordance with this advice, Mahon then wrote a memo to, Kelly, McSweeney, Edward Sweeney and Kenneth Sweeney seeking an explanation for Willis' failure to abide by the promises made regarding her promotion, and clarification of her current status and future opportunities. Kenneth Sweeney - over 6' 4" tall and over 250 pounds - responded by barging into Mahon's office, looming over her desk and declaring in a very angry and intimidating manner: "NOBODY goes over me." The implied physical threat and bullying message was made loud and clear: if, in his perception, she went "over his head" again -- she would be terminated.

78. Indeed, female managers were routinely subjected to abusive and degrading treatment, and Willis executives have engaged in sexual harassment of its female employees. For example, Mahon witnessed Kenneth Sweeney's relentless abuse of Hazel Pais, a Willis Vice President who, even though a member of Kenneth Sweeney's "team," was regularly the butt of Sweeney's "jokes" and abuse. The "team leader" (i.e., Sweeney) would constantly make degrading and inappropriate remarks of a personal nature about Pais to all personnel, from clerical to the Senior Vice Presidents. This behavior created an atmosphere of fear for the women on the team -- that one could be the "next Pais."

79. Mahon suffered from similar treatment even though, as Kenneth Sweeney well knew, Mahon suffers from, inter alia, systemic Lupus Erythmatosus ("Lupus"), a chronic disease

which is grossly aggravated by stressful conditions. In fact, Kenneth Sweeney often ridiculed Mahon in the presence of others about her health problems. On one occasion, Sweeney accused Mahon of “faking” an illness upon encountering her as she was vomiting into a wastebasket in her office.

80. On another occasion, Kenneth Sweeney threw a heavy four-inch thick three-ring binder at Mahon when she attempted to leave his office after having asked him not to speak to her in a hostile and abusive manner. The binder narrowly missed Mahon’s head and loudly banged against the wall as she fled Sweeney’s office. Terrified, Mahon ran to her office, locked the door and called the Human Resources Department to report the incident. Willis responded by advising Mahon that Sweeney denied the incident. (The content of the “denial” itself is telling: to explain the disruptive banging emanating from his office which had been caused by his violence, Sweeney pretended that the noise was caused by his slamming the binder on his desk.) Management simultaneously notified her (for the first time) of a “performance issue.” (see ¶¶ 86 et seq., below). This response clearly constituted retaliation for reporting the abuse.

81. Kenneth Sweeney’s abuse extended to demanding that Mahon keep him informed of her whereabouts at all times during both business hours and non-business hours. This abuse reached the point that Sweeney would interrogate Mahon about with whom she socialized after work, had dinner and vacationed. This obsessive behavior and pressure tactics were noticed by others, to the point where Mahon’s subordinates joked about not worrying if something went wrong because no matter what, “it’ll be Meg’s fault.”

82. When Mahon succeeded in developing a good relationship with, or obtaining business from various male clients, underwriters and lawyers, Kenneth Sweeney would react to

the positive news by asking Mahon -- on occasion, in the presence of Mahon's subordinates -- what she "had to do" to obtain such results, or by commenting about her "special" relationships with certain males - clearly implying that she had bartered sexual favors for business deals. Upon information and belief, Sweeney has not subjected his male colleagues and subordinates to such abuse and inappropriate behavior.

83. On those occasions when Mahon has been subjected to sexual harassment by clients or other co-workers of Willis, Kenneth Sweeney refused to take any responsive action, has stated that he did not think it was "any big deal" and expressed the belief that such abusive conduct is part of the "price" women must pay for insisting on being in the workplace, implying that they do not belong there in the first place.

84. Mahon has also been subjected to unfair treatment as a result of her marital status. Kenneth Sweeney has repeatedly told Mahon that, because her husband was employed, she should not expect her salary or bonus increased or made equal to those given to her colleagues. According to Sweeney, Mahon's family was simply the beneficiary of a second income and further, that there were "men here whose wives don't work and don't have your kind of income." Sweeney has expressed this discriminatory view to Mahon about other working married professional women.

85. The pressure tactics referenced above have even been used as a pretext for fabricating "performance issues" used to retaliate against Mahon for her raising legitimate complaints about discrimination.

86. In 1997 and 1998, Mahon made numerous complaints to Willis representatives about the continuous discriminatory and abusive treatment to which she has been subjected.

Among the persons to whom Mahon complained was Loretto Ruzzo, Willis' Senior Vice President and General Counsel, who stated, among other things, that "the one thing we do not need is another professional female being mistreated, especially in New York." However, no action was taken and Mahon's complaints were ignored. Instead, when Willis finally did respond in September 1998, it was by retaliating against her.

87. Although Mahon had been employed by Willis since May, 1996, she had never received a performance evaluation. Nevertheless, for the first time, in September, 1998 and clearly in response to her complaints of discrimination, Willis informed Mahon of "performance issues." Willis' purported critique of Mahon's performance was patently pretextual. In fact, up until September, 1998, all of the comments regarding Mahon's job performance were positive, such that she was repeatedly told, in the presence of Willis clients, underwriters and law firms, that her job performance was excellent. Such comments were even made in front of the late John Cardinal O'Connor, Archbishop of New York, and John Degan, President of Chubb Insurance Group. Mahon's performance was also documented by numerous laudatory letters she received from Willis clients.

88. As a result of the discriminatory and abusive treatment she received, in September 1998, Mahon suffered a relapse of Lupus. In violation of its obligations under the Americans with Disabilities Act, Willis refused to make reasonable accommodation for Mahon's physical disabilities by providing her with a non-hostile work environment (i.e., away from the relentless verbal and physical abuse visited upon her by Kenneth Sweeney).

89. Instead, while Mahon was out on disability, Willis advised her by letter delivered on May 15, 1999 (such letter itself replete with falsehoods), that her employment had been

terminated as of May 3, 1999, because of a spuriously claimed “job elimination.” The pretextual job-elimination claim demonstrates that Willis’ discrimination and unlawful conduct have accelerated to even more unacceptable levels.

90. In connection with Willis’ punishing Mahon for her having complained of her mistreatment, Willis, via the disability insurance carriers which it controls, manipulatively and wrongfully denied her compensation to which she is entitled. Amongst the puerile excuses for denying relief to Mahon is an assertion that she had fraudulently presented documentation and had obtained payments, by deliberately using more than one social security number. In fact, as part of Willis’ improper behavior, for three years, Willis presented documentation to the federal government containing a wrong social security number and despite frequent enquiry from the federal government, never responded to those enquiries nor spoke to Mahon to try to clarify the situation. Clearly, Willis would rather accuse others of wrongdoing instead of seeking to remedy mistakes perpetuated by itself. Moreover, Willis refused to provide the details to Mahon, which might have enabled her to solve whatever the social security number problems were, thereby constantly and cruelly compounding those problems in furtherance of its goal of punishing a female, over the age of forty, with a disability.

91. Willis also retaliated against Mahon by refusing to reimburse her for business expenses, despite the fact that the amount outstanding is most substantial. Willis’ actions have had a serious negative impact upon Mahon’s credit rating (as she incurred significant charges on personal credit cards which were not timely paid due to Willis) and impeded her attempts to find alternative employment.

92. Mahon filed a timely charge of discrimination with the EEOC on August 26, 1999, and received notice of her right to sue dated July 12, 2001.

Heidi Scheller

93. Scheller was hired by Willis on August 25, 1993 as a Senior Vice President in Willis' Massachusetts office.

94. Throughout her career, Scheller received excellent performance reviews and verbal affirmations of a job well done. One of Scheller's largest accounts, Thermo Electron Corporation (“Thermo Electron”), was so pleased with Scheller's performance, that they followed her from her previous job with Johnson & Higgins to Willis in 1993. When Scheller joined Willis, the risk manager of Thermo Electron met with Scheller's supervisors to confirm that Scheller would be the lead manager on the account.

95. Over time, Willis led a slow and deliberate campaign to undermine Scheller's authority on the Thermo Electron account and to transfer responsibility for that account to a male-led team. First, Willis provided Scheller with grossly inadequate staff and limited her authority over that staff. Then, when Thermo Electron complained about the staffing, Willis's senior executives effectively removed Scheller from her position and ousted her from almost all client relationships, rather than provide her with the requisite resources.

96. Furthermore, Willis denied Scheller basic assistance provided to other male managers, serving to undermine further her ability to accomplish her job. When Scheller lost her secretary, Willis promised to provide her with an assistant, yet never did. Moreover, Willis failed to list Scheller in company directories although men of equal or lesser rank were so listed.

97. During the course of her employment, Scheller also suffered abusive and hostile treatment. Her male supervisors would require her to work inordinate and excessive hours without appropriate vacation or other time off. Scheller was denied appropriate time off to attend to the details of her mother's funeral, because she had to make final arrangements for the Lloyds of London tennis team's visit to the United States. When her husband was taken to an emergency room with a life-threatening illness, Dick Somerville, Risk Manager for Thermo Electron, effectively made it impossible for her to leave a meeting. Somerville's behavior was sanctioned, endorsed and condoned by her supervisors, who were advised of Somerville's behavior but did nothing to prevent it or prohibit it.

98. Eventually, Scheller complained and Willis retaliated. Her work conditions were made so intolerable that her health was adversely affected and she was constructively discharged from her employment in December 1998.

99. Scheller filed a timely charge of discrimination with the EEOC on August 26, 1999, and received notice of her right to sue dated July 12, 2001.

Maria Traverso

100. Traverso graduated from William Paterson University in 1991, with a degree in marketing.

101. In 1993, she began working at Willis in their New Jersey office in an entry level position of technical assistant. Over time she received promotions to Assistant Account Manager and, beginning in 1996, to Account Manager.

102. Since approximately 1995, Traverso has worked with a team of people in the New Jersey office, under "Team Leader" Shelley Hnot.

103. In January 1, 1999, Traverso was promoted to Assistant Vice President.

104. As an Account Manager, Traverso was paid an annual salary of approximately \$48,500 in 1998. When Traverso was promoted to Assistant Vice President in January 1999, she was informed that the raise ordinarily associated with the promotion would be delayed until July 1, 1999, when it was time for her annual salary review. Upon information and belief, male employees receiving similar promotions were accorded corresponding raises in salary without delay.

105. In June 1999, Traverso was informed that although her immediate supervisor had approved the raise associated with her promotion, it was being denied. Instead, she was granted a raise that was less than the annual merit raise she received in a lower-ranked position the year before. Male managers who were promoted routinely received raises that were commensurate with their new position.

106. As a result, notwithstanding her promotion to Assistant Vice President, Traverso received a lower salary than some male Account Managers, and much less than similarly situated male Assistant Vice Presidents, resulting in a salary that was, on average, \$12,000- \$14,000 less than that which was paid to similarly situated males.

107. Traverso's work conditions were made so intolerable that she was constructively discharged from her employment in 2000.

108. Traverso filed a timely charge of discrimination with the EEOC on August 26, 1999, and received notice of her right to sue dated July 12, 2001.

CLASS-WIDE COUNT I

Violation of Title VII - Disparate Impact

109. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 108.

110. Willis has maintained a system for making promotion and compensation decisions that is excessively subjective and which has a disparate impact on female officers.

111. The defendants' discriminatory practices described above have denied female officers promotional opportunities and compensation to which they are entitled, which has resulted in the loss of past and future wages and other job benefits to members of the class.

112. These employment practices violated § 703 of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000e-2.

CLASS-WIDE COUNT II

Violation of Title VII - Disparate Treatment

113. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 108.

114. Willis has maintained a system for making promotion and compensation decisions that is excessively subjective and through which defendants discriminate against female officers by denying them the same opportunities for upward mobility and compensation afforded to similarly situated male employees.

115. The defendants' discriminatory practices described above have denied female officers promotional opportunities and compensation to which they are entitled, which has resulted in emotional distress and other harm for which they are entitled to compensation.

116. Defendants have undertaken these discriminatory practices willfully or with reckless disregard for the Plaintiffs' rights protected under Title VII.

117. These employment practices violate § 703 of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000e-2.

CLASS-WIDE COUNT III

Violation of Title VII - Hostile Environment

118. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 108.

119. Managers and officials of Willis have made and condoned the actions of other employees in making comments to female employees that were unwelcome and based on sex.

120. Managers and officials of Willis have engaged in conduct towards female officers that was not directed towards similarly situated male employees, with the purpose or effect of creating a hostile work environment based upon the gender of the female officers.

121. These comments and conduct were sufficiently severe and pervasive to alter the terms, conditions and privileges of employment, and to create an abusive, intimidating, hostile and offensive working environment for female employees. Willis did not take reasonable steps to prevent or correct such a hostile environment.

122. This conduct constitutes sexual harassment and discrimination based on sex in violation of § 703 of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e-2.

123. Defendants had actual and constructive knowledge of harassment of and discrimination against female officers, and failed to take remedial action of any kind whatsoever.

124. The defendants' discriminatory practices described above have caused female officers harm, including emotional distress and economic losses.

125. The defendants are liable to female officers for violation of § 703 of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e-2.

CLASS-WIDE COUNT IV

Violation of Title VII -- Retaliation

126. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 108.

127. Female officers opposed unlawful employment practices by informing Willis managers that there were problems with unequal treatment of female employees, and by filing charges of discrimination with the EEOC. Such activities are protected under § 704(a) of the Civil Rights Act of 1964, 42 U.S.C. § 2000e-3.

128. Following such actions, employees have been demoted and terminated by Willis. These actions constitute retaliation in violation of § 704(a) of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e-3.

129. The defendants' discriminatory practices described above have caused employees harm, including emotional distress and loss of wages.

130. Accordingly, the defendants violated employees' rights protected by § 704 of Title VII of the Civil Rights Act of 1964, as amended.

COUNT V ON BEHALF OF PLAINTIFF MAHON

Violation of The ADA-Hostile Work Environment

131. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 25 and 62 through 92.

132. Plaintiff Mahon is a “qualified individual with a disability” within the meaning of 42 U.S.C. § 12111(8).

133. Managers and officials of Willis have made and condoned the actions of other employees in making comments and engaging in conduct towards Mahon on account of her disability that were not directed towards similarly situated male employees, with the purpose or effect of creating a hostile work environment based upon Mahon’s disability.

134. These comments and conduct were sufficiently severe and pervasive to alter the terms, conditions and privileges of employment, and to create an abusive, intimidating, hostile and offensive working environment. Willis did not take reasonable steps to prevent or correct such a hostile environment.

135. This conduct constitutes a violation of the ADA. Defendants had actual and constructive knowledge of harassment of and discrimination against Mahon and failed to take remedial action of any kind whatsoever.

136. The defendants’ discriminatory practices described above have caused Mahon harm, including emotional distress and economic losses.

137. The defendants are liable to Mahon for violation of 42 U.S.C. § 12112.

COUNT VI ON BEHALF OF PLAINTIFF MAHON

Violation of The ADA-Failure To Make Reasonable Accommodation

138. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 25, and 62 through 92.

139. Defendants' refusal to make reasonable accommodations for Mahon's known disability constitutes discrimination due to her disability in violation of the ADA, 42 U.S.C. § 12112(b).

140. Defendants acted with malice or with reckless indifference toward Mahon's federally protected rights as a qualified individual with a disability when it refused to make reasonable accommodations for her known disability.

141. The defendants' discriminatory practices described above have caused Mahon harm, including emotional distress and economic losses.

142. The defendants are liable to Mahon for violation of 42 U.S.C. § 12112.

COUNT VII ON BEHALF OF PLAINTIFF MAHON

Violation of The ADA -- Retaliation

143. Plaintiffs repeat and reallege the allegations contained in paragraphs paragraphs 1 through 25 and 62 through 92.

144. After Mahon complained about the mistreatment and abuse to which she had been subjected defendants retaliated against her in violation of the ADA. Defendants' retaliation continued after Mahon went on disability leave.

145. The defendants' discriminatory practices described above have caused Mahon harm, including emotional distress and loss of wages.

146. In response to Mahon's complaints about the mistreatment to which she had been subjected, defendants retaliated against her in violation the ADA.

147. The defendants' discriminatory and retaliatory practices described above have caused Mahon harm, including emotional distress and loss of wages.

148. Accordingly, the defendants violated Mahon's rights protected by the ADA, 42 U.S.C. § 12112.

PRAYER FOR RELIEF

WHEREFORE Plaintiffs respectfully request this Court

As to the Class-Wide Claims:

A. Declare that the practices described in this complaint exist at Willis and that they are unlawful;

B. Issue a permanent injunction prohibiting the Defendants, their officers, agents, employees and successors, from engaging in the discriminatory employment practices complained of herein;

C. Issue a permanent mandatory injunction requiring that Defendants adopt employment practices in conformity with the requirements of Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e, et seq;

D. Award back pay and other job benefits sufficient to make the Plaintiffs whole;

E. Award compensatory and punitive damages appropriate to the proof at trial;

F. Award reasonable attorneys' fees and costs, including expert fees, pursuant to 42 U.S.C. § 2000e and 42 U.S.C. § 1988; and

G. Order such other and further relief as the Court deems just and proper.

As To Mahon's Individual Claims:

- A. Award back pay and other job benefits sufficient to make Mahon whole;
- B. Award compensatory and punitive damages appropriate to the proof at trial;
- C. Award reasonable attorneys' fees and costs, including expert fees, pursuant to 42

U.S.C. § 12205; and

D. Order such other and further relief as the Court deems just and proper.

JURY TRIAL DEMAND

The Plaintiffs hereby demand a jury trial.

Dated: October ___, 2001

Respectfully submitted,

COHEN, MILSTEIN, HAUSFELD & TOLL, P.L.L.C.

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